

## AWARDS SCHEME FOR EXEMPLARY IMPLEMENTATION OF e-GOVERNANCE INITIATIVES

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### NAME OF CATEGORY- 'EXCELLENCE IN GOVERNMENT PROCESS RE-ENGINEERING'

#### 1. Coverage – Geographical and Demographic ()

##### (i) Comprehensiveness of reach of delivery centres,

The software for offline filing of quarterly return of Commercial Tax Department Uttarakhand along with invoice-wise Annexure can be used by any registered dealer having a computer and internet connection and who is liable to file quarterly return with the department.

##### (ii) Number of delivery centres

Web-Based solution which can be used from anywhere and at anytime.

##### (iii) Geographical

(a) National level – No of State covered

1

(b) State/UT level- No of District covered

72

© District level- No of Blocks covered

Please give specific details:-

State level – The software can be used by any dealer (at present 80000) of Uttarakhand State

##### (iv) Demographic spread (percentage of population covered)

100% coverage for stakeholders of the Commercial Tax Department Uttarakhand.

#### 2. Situation Before the Initiative (Bottlenecks, Challenges, constraints etc with specific details as to what triggered the Organization to conceptualize this project):

The Commercial Tax Department Uttarakhand was not able to verify the sale/purchase details declared by a dealer while filing of quarterly return.

There was no mechanism to verify the Input tax Credit (ITC) claimed by dealers.

There were four different types of quarterly returns for different class of dealers like work contractor & contractee and composition scheme holders. And each of these dealer had to download different type of offline

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software for offline filling and uploading of data.

The registered dealers were required to get blank Form-C/Form-XI issued from Commercial Tax Department Uttarakhand for use by them for the purpose of claiming tax rebate or exemption.

The Commercial Tax Department Uttarakhand had no mechanism to get the figures of amount for which Form-C/Form-XI were issued by registered dealers.

There were instances of circular trading where dealers were reported to do sale/purchase to virtual/un-realistic dealers for claiming false Input tax Credit.

3. **Extent of Process re-engineered** (Processes that have been re-engineered, services which depend on these processes, analysis/re-design of Process workflows – before (As-Is) and after (To-Be) re-engineering; changes in activities and their sequencing; level of automation (Extent of computerization in terms of number of services computerized, Extent to which steps in each service have been ICT-enabled) #)

Before (AS-Is)	After (To-Be)
<p>The preparation of quarterly/periodical return for a dealer required expertise of a legal advisor having knowledge of Sales Tax Acts.. The common dealer was unable to fill return form correctly as he was not aware of exact format of quarterly return form of Commercial tax Department Uttarakhand.</p> <p>The dealer was submitting online e-Return while the invoice wise data in Annexure was submitted to the department manually in hard copy.</p> <p>The department had no infrastructure/manpower to digitize the submitted Annexure data due to voluminous no. of invoices for each dealer.</p>	<p>An offline and downloadable return module has been developed in a manner that a dealer is only required to fill invoice wise data in respective annexure and return is auto generated from the summary data of Annexures. Also no expert is required to prepare the quarterly return. A common dealer having basic knowledge of computer can simply fill data in respective annexure and generate e-Return as XML file using the menu driven and user friendly offline software.</p> <p>Any dealer having offline software of Commercial tax Department Uttarakhand can fill</p>



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	invoice details in respective Annexure during the quarter and generate and upload it to Commercial tax Department UK web application e-Return at the end of each Quarter.
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### 4. Strategy Adopted

#### (i) Details of base line study done,

The Commercial Tax Department Uttarakhand had no mechanism to enforce a dealer to submit invoice-wise details of a dealer even the e-Filing was made mandatory by the department. This was because of the large amount of invoice-wise data in Annexure and it was not possible for a dealer to enter large no. of invoices online.

With the non-availability of invoice-wise data in digital form, the department was not able to cross verify the Input Tax Credit (ITC) which are claimed by dealers was not verified from return data.

#### (ii) Problems identified,

1. Invoice wise Input tax credit verification was not been done.
2. Transactions declared against FORM-C were not in the digitized format, due to which the department officials were issuing the FORM-C by pasting the respective annexure submitted by the dealer manually.
3. Dealer has to come to the office to submit the annexures in the office which was time taking.
4. Due to the large volume of invoices in the annexures it was not cost effective for the dealer as he has to take the printout of all the annexures and submit to the department.
5. Due to large volume of data of every dealer, the maintenance of the records was a challenging task for the department officers.
6. Dealer had to visit the Legal experts for filing the periodical Return.

#### (iii) Roll out/implementation model,

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The implementation of this module was done step wise:

1. A beta version of the offline form was provided on the website for the dealers for a period of 1 month so that they can get use to the interface and functionality of the offline form.
2. Workshops/Trainings were conducted for the all the stakeholders (Officers and Dealers) in different location in the state.
3. Detailed FAQ were published on the departmental website for the dealers.
4. Then the offline form was made available and it was made compulsory for the dealers having turn over more than 50 Lakhs.
5. Feedback of the utility was taken from the all the stakeholders, and required modification were made in the utility/process.
6. Finally the module was rolled out 100% (for all the dealers).

(iv) Communication and dissemination strategy and approach used.):

1. Workshops/Trainings were conducted for the all the stakeholders (industry, business associations) in different location in the state.
2. A video voice over describing the process to file the offline return was aired on the regional News channels. Advertisements were also published in the news papers.
3. Detailed FAQ were published on the departmental website for the dealers.
4. User manual was also provided with offline utility.

### 5. Technology Platform used-

(i) Description

Windows Server 2008 R2
Dot Net Framework 2.0/3.5
SQL Server 2008 R2

(ii) Interoperability



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Data from this module is also integrated in e-Taal portal of Government of India.

**(iii) Security concerns**

Website has been security audit cleared by DIT's empanelled agency.

SSL has been implemented

**(iv) Any issue with the technology used**

MSoffice 2003 2007

**(v) Service level Agreements(SLAs) (Give details about presence of SLA, whether documented, whether referred etc. #)**

Not applicable

**6. Citizen Centricity (Give specific details on the following#)**

**(i) Impact on effort, time and cost incurred by user,**

Dealers need not come to concerned office for submitting of return.  
Printout of sale/purchase list is not required to be submitted.

- No internet connectivity is required at the time of filling up of voluminous data of invoices.

They can fill return/annexures offline, therefore saving time and cost.

Statutory forms now can be generated by the dealers from the application using the data of this module, which was issued by the department. Earlier the dealer had to come to collect it from the office.

Dealer can now fill the return themselves without help of the legal advisors.

**(ii) Feedback/grievance redressal mechanism,**

1. Feedbacks were taken by the stakeholders by conducting the meetings/workshops,.
2. Helpdesk with toll free number and email id has been established and created respectively for the redressal of grievances.

**(iii) Audit Trails,**

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User details, Time stamp and IP address are being captured.

(iv) Interactive platform for service delivery,

User friendly and menu driven interface for filling up of data in offline software.

Web-Based solution for uploading of XML based e-Return.

(v) Stakeholder consultation

Software is demonstrated to members of industrial & business association and Tax bar associations before its launch.

7. **User convenience** (Give specific details about the followings #)

(i) Service delivery channels (Web, email, SMS etc.)

Dealer is informed through website, e-mail and SMS

(ii) Completeness of information provided to the users,

1. User manuals are made available for filling up of data in offline software.
2. Step-wise instructions are provided in offline software for filling up of invoice-wise data.
3. video voice over on news channels and advertisements in the new papers.

(iii) Accessibility (Time Window),

The solution is web-based which can be used at anytime from anywhere by having a computer system and internet connection.

(iv) Distance required to travel to Access Points

None. It can be used from anywhere.

(v) Facility for online/offline download and online submission of forms,

Yes.

(vi) status tracking

User can check status of previous return and details through website. Also Pull SMS service is used to track status.

8. **Efficiency Enhancement** (Give specific details about the following #)

(i) Volume of transactions processed



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300000 – eReturn,

Invoice wise data

Sale List (within State) – 1.5 Crore , Purchase List. – 1.2 Crore

InterState State Transaction – 70 Lakhs

(ii) Coping with transaction volume growth

Return/Annexures data for one financial year is made available to users and previous year data is kept in archive database.

(iii) Time taken to process transactions,

Annexures for quarterly returns are filled offline on downloadable forms. At the time of uploading XML file is generated which does not take much time for normal file size.

(iv) Accuracy of output,

There are many validation checks at multiple stages in the software before submitting of return, hence chances of wrong data submitting are minimum.

(v) Number of delays in service delivery

None.

9. **Cost effectiveness** (Give details about impact on cost incurred w.r.t. overhead cost, direct and indirect cost, man days/man hour required to do a job etc.#)

Free of cost to the user.

10. **Capacity Building and Organizational Sustainability** (Give details about hiring skilled staff, imparting training etc.#)

A module Leader/e-Champions have been identified within the department for implementation and help in development and further changes in the system as per requirement.

Wokshop and training for stakeholders (Officers/Staff of CTD/Dealers/ Helpdesk personnel) are arranged regularly.

11. **Accountability** (Give details about, impact on transparency of process, fixing responsibilities etc. #)

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The dealer filing the quarterly return is accountable to submit correct data about invoices. As the details given in one annexure of a dealer is verifiable to another annexure of another dealer.

The different statutory forms like Form-C & Form-XI are self generated by dealers from the invoice data uploaded by them. This ensures that dealers are submitting correct invoice details for generation of correct Form-C and Form-XI.

12. **Innovation** (Give details on the extent to which re-engineered process is unique, compared to other common process re-engineering efforts, impact on number of steps required, identification and removal of bottlenecks/Irrelevant steps etc. #)

The process has been re-engineered/reversed by developing an offline return filing software where dealer is required to first fill invoice -wise data in all the relevant annexures and e-Return is generated/calculated from the summary totals of data in these Annexures. Around 80 percent data/parameters in e-Return is calculated from these annexures. The offline software, developed in MS-Excel, uses VB-Macros to validate various parameters like TIN, date format, numeric values etc entered by a dealer. Once the Invoice-wise data is entered by a dealer in all relevant annexures, the software provides feature to validate all entries in the invoices. Once invoice data is error-free, the dealer can generate e-Return. XML file is then generated comprising e-Return and Annexure data. The dealer can save generated XML file on local computer and upload it onto the Commercial Tax Department Uttarakhand Web Application using his/her user credentials. While uploading of XML file, once again data is validated for various fields.

13. **Appropriate Delegation** (Give details on whether a team involving employees from all levels has been deployed for the project implementation and maintenance, can employees be held accountable for their actions, etc. #)

The commercial tax Department Uttarakhand has designated a team of officials named as e-Champions for successful implementation of the project. All validation checks along with parameterized mapping of invoice summarized data with return form is done by the team.



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14. **Result Achieved/ Value Delivered** to the beneficiary of the project-(share the results, matrices, key learning's, feedback and stakeholders statements that show a positive difference is being made etc):

**(i) To organization**

- With the implementation of the invoice wise return in digitized form, the department has been able to minimize wrong ITC claims by dealers.
- Various MIS reports from invoice data like trend analysis, commodity wise reports, comparative analysis etc. are generated by the department.
- The department is now in planning stage to use huge amount of invoice data for business intelligence

**(ii) To citizen**

- Dealers need not to submit invoice-wise list in hard copy to the department for which they had to visit department.
- Citizens/dealers are able to electronically prepare their quarterly return just by entering invoice data in offline software. And upload on department site using their user credentials.
- All dealers have been provided facility to self generate Form-C and Form-XI using the invoice data uploaded by them through quarterly return.

**(iii) Other stakeholders**

Other State Commercial Tax Department officers and dealers can verify the authenticity of Form-C issued to them by Uttarakhand registered dealers.

15. Extent to which the Objective of the Project is fulfilled-(benefit to the target audience i.e.G2G, G2C, G2B, G2E or any other, size and category of population/stakeholder benefited etc):

**G2G – National level (Commercial tax Department of every State) G2C- National Level (Dealer of any State), G2B- State level (Dealers of Uttarakhand)**

16. **Adaptability Analysis**

**(i) Measures to ensure adaptability and scalability**

Every registered dealer is required to submit online quarterly return. Therefore it is

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mandatory for them to use developed solution.

### (ii) Measures to ensure replicability

- The concept of preparation of return from its annexure can be replicated in any sector like Excise, Service Tax etc.
- The Commercial Tax Department of any State can replicate this solution after minor customization depending upon their State's requirements.

### (iii) Restrictions, if any, in replication and or scalability

None.

### (iv) Risk Analysis

Validation checks have been put at various stages to mitigate the risk of wrong data.

17. Comparative Analysis of earlier Vs new system with respect to the BPR, Change Management, Outcome/benefit, change in legal system, rules and regulations

- No submission of hard copy of invoice list by dealers to the department. Changes have been made in VAT Act and rules to accept data in digitized form.
- No manual issuance of Form-C/Form-XI by department. Online self generated Form-C/Form-XI by dealers have been legally made valid by making changes in VAT Act.

18. Other distinctive features/ accomplishments of the project:

- Offline solution for filling-up of large format of quarterly return.
- Online Self Generation of Form-C and Form-XI by dealers
- 3. Data management of invoice data is easier for dealers as well as for department through the web-based user interface.