Chapter 2

E-governance and E-governance portals in India

2.1 E-governance in India – In 1970 Department of Electronics formerly known as Department of IT put forward a proposal to UNDP for establishment of computer center to promote ICT initiatives in India. UNDP approved proposal and as result National Information Center (NIC) was established. Initially main objectives of NIC were purchasing hardware, software and computer training to government employees. Later NIC involved in promoting economic, social and scientific and technological activities throughout the nation using applications of ICT.

NIC has hierarchical infrastructure with central office at New Delhi and regional offices at every state and Union territory of Indian continent. NIC also established center at district level all over in the country for promotion of ICT with all types of support from funding to technical.

NIC is serving to every department of central and state government, local bodies of states’ government for supporting all kinds of activities like hardware support, network support, designing and developing of applications of ICT and E-governance. NIC provides effective information and development support in development, revenue, judiciary and administration wings at national and state level.42

41 www.egov.in  
42 www.nic.gov.in
To support citizens, government departments, businesses following E-governance/ICT initiatives are introduced by NIC at initial level-

1. Budget Computerization.
2. Online Tax management system for finance and revenue department.
3. Supreme Court, High Court and District Court computerization.
4. Election Management System.
5. Land record Management system.
6. Transport Department computerization.
7. E-governance projects for rural areas and Panchayat.

In 2006 Government of India approved 27 mission mode projects and 8 componental projects. Later 4 projects on health, education, PDS and post were also added. On 18 May 2006 GOI has approved National E-governance Plan (NeGp) for India with 31 MMPs for central centric and state centric activities. This proposal was formulated by Department of Information and Technology of India and Department of Administrative Reforms & Public Grievances of India with vision to provide government services at door step to Common man.

Towards E-governance vision is stated as-

"Make all Government services accessible to the common man in his locality, through common service delivery outlets and ensure efficiency, transparency, and reliability of such services at affordable costs to realize the basic needs of the common man"

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43 www.deit.gov.in/content
NeGp defines various policies, projects to support citizen services and service delivery to end user. It divides infrastructure components into two tiers-

(1) At first tier major core components like State data centers (SDC), State service delivery wide area network (SWAN), Common service center (CSC) are available. This tier is also known as Core level.

(2) At second tier National E-governance service delivery gateways (SNDG), State E-governance delivery gateways (SSDG) and Mobile E-governance service delivery gateways are available. This tier is also known as support level.

For Designing, Developing, Implementing E-governance plan and efficient service delivery to end user NeGp define institutional framework at National level and State level –

Diagram No- 1

Source- www.negp.gov.in
Both the framework defines various committee and agencies at national and state level for proper implementations of E-governance.

In NeGp various individual projects are included for implementing E-governance at national and state level. These projects are categorized in three categories mentioned in diagram with their status and uses-

Diagram No - 2

Status of MMPs

<table>
<thead>
<tr>
<th>CENTRAL - 11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banking*</td>
</tr>
<tr>
<td>Insurance*</td>
</tr>
<tr>
<td>Income Tax</td>
</tr>
<tr>
<td>Central Excise</td>
</tr>
<tr>
<td>MCA 21</td>
</tr>
<tr>
<td>Pensions</td>
</tr>
<tr>
<td>Passport</td>
</tr>
<tr>
<td>e-office</td>
</tr>
<tr>
<td>National ID / UID</td>
</tr>
<tr>
<td>Immigration / Visa</td>
</tr>
<tr>
<td>e-Posts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STATE - 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Rec./NLRMP</td>
</tr>
<tr>
<td>Transport</td>
</tr>
<tr>
<td>e-District</td>
</tr>
<tr>
<td>Commercial Taxes</td>
</tr>
<tr>
<td>Treasuries</td>
</tr>
<tr>
<td>Municipalities</td>
</tr>
<tr>
<td>Agriculture</td>
</tr>
<tr>
<td>Police – CCTNS</td>
</tr>
<tr>
<td>PDS</td>
</tr>
<tr>
<td>e-Panchayat</td>
</tr>
<tr>
<td>Employment Exh.</td>
</tr>
<tr>
<td>Health</td>
</tr>
<tr>
<td>Education</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INTEGRATED - 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>India Portal</td>
</tr>
<tr>
<td>NSDG</td>
</tr>
<tr>
<td>CSC</td>
</tr>
<tr>
<td>e-Courts</td>
</tr>
<tr>
<td>EDI</td>
</tr>
<tr>
<td>e-Procurement</td>
</tr>
<tr>
<td>e-Biz</td>
</tr>
</tbody>
</table>

Legend

- MMPs Delivering Services (* Industry Initiative )
- MMPs Delivering Services partially
- Under Implementation
- Design & Development
- DPR Stage

Source - Source- www.negp.gov.in
NeGp describes only two projects are industry specific but currently different projects are industry centric. The projects that are used at national level are explained in this chapter and the projects that are state centric are described in next chapters of the study. Criteria for describing E-governance projects are- Contents on portal, working, features and limitation/problems associated with that portal towards E-governance. Same strategy is followed while describing state and integrated portal in next chapters. In this chapter only those E-governance portals are included for study those are directly or indirectly involved with industry.

2.2 Advantages of E-governance –

(1) **Faster mode of transferring information and service delivery to end user**- IT can speed service delivery for example by applications being transmitted electronically and then accuracy validation –line work load being engineering to improve the productivity\(^4\). With the use of ICT information and service provided by government to its end user like citizen, business and its departments become fast because of direct connectivity among them. Also quality of information and service may not differ from source to destination that were usually happens in traditional system of delivery. With available infrastructure like internet, kiosk, data center, Samdhan Kendra, e-choupal etc., information and services can be accessed and delivered at any point \(24 \times 7 \times 365\) manner. Computerization and ICT usages by governments becoming itself more

\(^4\) Better public service through E-government- Report by the comptroller and auditor general London, HC 701-I Session 2001-2002
effective, efficient and responsible towards citizen, business, industries, constitutional parts of governments and government agencies.

(2) Greater participation in democratic work culture – As services alone do not lead to democratization, governments have to make sure to integrate citizens’ knowledge by fostering a culture of collaborative production, even in a traditionally hierarchical environment. The potential of the informed mass (the citizens) lies in what they know, what they create, how they rate solutions, and how they use their money (in the form of micro-loans). Since wide use of ICT is increasing in the field of governance that shows anybody can participation in government process and can know the functioning of government. Online involvement makes possible to the end user to participate in government functioning, decision making, making policies for industries, IT and other fields. Due to increased participations of citizen democracy can be strengthened.

(3) Transparency- 24 × 7 availability for view information and it is possible only when information and services are available on portal all the time. With the use of E-governance in government function every step can visualize to its end users. Interaction process can also become more interactive with the use of videoconferencing and ICT. Every step either for application for any service or information can be submitted online. Also tracking of its status and online feedback system makes whole process transparent. A transparent and fair system becomes trustworthy and can improve binding between government and end users

45 J. Howe, Crowd sourcing : Why the power of the crowd is driving the future of business (Three rivers press, 2009, pg 146-258
of government services. A transparent image of E-governance shines the image of any government. For more transparency back process of E-governance can be brought in to front.

(4) Improve efficiency of government work culture – By adopting E-governance work culture of inter organization government department, its constitutional parts and its related agencies efficiency can be improved. In traditional system of governance government operation become complex and takes long time to complete at every level also that may lead higher cost of transactions. E-governance provides hazels free and streamlines to the government processes that improve efficiency of whole system. Through E-governance any department can connect and interact in real time mode that makes a process to complete in fractions of seconds and timely action can be taken for any type of work.

(5) Trustworthy collaboration of government and private sectors – All private sectors has been adopted ICT in their work culture and rising the fund for this purpose in every financial year. Now every private sector demands pace of work with them by government. But still in many departments working is based on traditional system.

Industry / business collaboration with government can enhance the utility of E-governance system in routine. With public private partnership (PPP) private sector can raise the fund for E-governance projects of their interest. Also they can get benefit from this new system of communication.
2.3 National Level E-governance system in India for industrial sectors-

2.31 -Income Tax portal

URL- http://incometaxindia.gov.in/

Nature – Business and Industry oriented

Main source of any government is taxation. Every year from individual to corporate near 45 million\(^{46}\) income tax payee are filling return. Before 2008 processing of this huge data was very cumbersome and tedious job. After implementation of computerization of income tax department tax based increased, easier filling return and processing became simple for everyone. Atomization of income tax department simplifies following operations-

- Online apply for PAN card,\(^{47}\) checking of status of PAN card by website\(^ {48}\) –
  - http://tin.tin.nsdl.com/pan/index.html or portal of UTITSL
  - http://www.utitsl.co.in/utitsl/uti/newapp/newpanapplication.jsp
- Atomization of tax credit statement where TDS and PAN are simultaneously reported to Income tax dept. portal. Also tax credit can be viewed from website –http://incometaxindiaefiling.gov.in. Here user can register himself with tax credit system, 35 private and nationalized banks are also registered with this portal for direct deduction and refund and payment. Form 26 AS (Annual tax

\(^{46}\) Source www.incometaxindia.gov.in

\(^{47}\) PAN- Permanent Account Number given by income tax department to every assessee or tax payee

\(^{48}\) These are companies providing outsourcing for PAN to income tax department
statement under section 203 AA of the income tax ACT1961) is also available online for view tax credit.

- Online facility to generate and maintain Tax account number (TAN) of firm /party which deduct tax at the time of payment. Also we can change TAN data and check the status of TAN. For this third party NSDL and UTI are appointed by income tax department.
- TDS can also be maintained online.
- Different form for salaried person, businessman, industry, organization and individuals are online available. These all forms can fill through e-filling facility.
- Chalans can also generate online for different tax payments.
- Tax calculator is also available for those who are unable to understand complexity of taxation system in easy way.
- Form 16A is also online available if earning is other than salary.
- If excess amount is deducted as tax and deposited to department then with e-filling refund can automatically calculated and deposited directly to assess bank account.
- (AIR (Annual Information Return) is also available online. This is the information send to income tax department if any person/business/industry purchase land and property more than 30 lakh through registrar (land and property) payment through credit card more than 2 lakh, cash deposited more than 10 lakh in bank, and purchase of mutual fund 2 lakh.

TRP (Tax Return Preparer) scheme is online facility provided by third party appointed by income tax department. Tax Return Preparer Scheme seeks to assist small and marginal taxpayers in preparing and
filing their tax returns by creating a legion of ‘Tax Return Preparers’ (TRP). It was conceptualized by the ITD (Income Tax Department) and launched in 2006-07.

**Limitation towards e-governance of Income tax department portal-**

- Although PAN can be applied online but with required paper document downloaded form is to be send to NSDL and UTI to generate PAN.

- A common man can’t understand complication of taxation issue by himself.

- Filling online tax return it is required to know all bylaws, rules, rebates, sections related to income taxes which are not possible for common man and even industries.

- In small industry or small medium industry for taxation issue third party i.e. consultants are required.

- Various ITR forms are available on portal and choosing correct form is utmost important. Among available ITR form some are applicable to individuals, some are for business, some are for industries and some are for organization. If wrong form is chosen that leads to defect returns and may cause of notice issue and return is deemed to be not filled. Also changes are made to ITR from every year and that must know by assessee means continuous updation is required.

- Some data filled with ITR and data available on Income tax department database does not match, this situation occurs when person changes job and both the employer gives benefits of tax
deduction and that will lead to additional tax liability at the time of return filling.

- Submission of ITR-V is must. It is an acknowledgement that is obtained after e-filling and is to be sent through normal post to Income Tax department.

- Chhalan correction mechanism is manual. This correction is required if assess filled wrong ITR and deposited excess amount or fewer amounts as tax payment.

- Automatic updation or filling personal information is not available. It means every year while e-filling through portal all personal and general information of assessee is to be filled that makes tedious process.

- Attachment of documents is problematic process, here no option for clarification and any type of reference.

- Notice issued by department can’t easily be rectified by common man.

- During e-filling wrong information is provided by assessee demand can be generated by department and rectification and correction in demand is very tedious and process is manual.

- SBI is one of the reliable bank among all nationalized and private banks. But it provides online payment between 8 AM to 8 PM not 24 × 7. Other private and nationalized banks are providing 24 × 7 facility.
2.32 - MCA portal -
URL- www.mca.gov.in
Nature- Industry/Company specific

MCA21 is an E-governance initiative of the ministry of corporate affairs for computerization and started ICT enable services for ministry operations. This portal provides easy and secure service related to company affairs any time to user at their door step.

This portal is divided into different sections-

- Registration of company and online submission of supported documents.
- Online grievance management with tracking facility.
- Professionals like CS, CA etc can provide online services to their client company.
- Online payment facility with collaboration with national/ private banks
- Online inter connectivity between departments and its constitutional parts for speedy and smooth working.
- e-filling facilities of all types of services like -
  - Annual Filling.
  - Registration of Charges (In case of Bank Loan).
  - Any Information related to change in directorship.
- All types of forms can fill online and with amendment facility.
- Online refund facility in case of excess payment, inaccurate calculation before payment, after deposited of amount and documents.
- This portal is associated with ROC help desk/certifying filling centers for assistance of e-filling.
- This portal manages truncation online with unique SRN (serial request number) generated by system at the time of e-filling.
- Online status checking facility through single SRN for transaction/payment/service provided by portal.
- On this portal whole security is managed by digital signature system that is covered by IT act 2000 in case of any legal issue.
- Digital signature is provided by authorized signatory.

Whole MCA21 portal can analyzed before and after adoption of ICT and computerization as below-

Diagram – 3

<table>
<thead>
<tr>
<th>Before Adoption</th>
<th>After Adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time consuming process for filing and inspecting forms</td>
<td>Whole process is more transparent</td>
</tr>
<tr>
<td>Absence of transparency in process</td>
<td>Speedy activity in all stages</td>
</tr>
<tr>
<td>Typical analysis process</td>
<td>Simple analysis process using computerized tools</td>
</tr>
<tr>
<td>Poor grievance system</td>
<td>Power full and faster</td>
</tr>
<tr>
<td>Registration of company is manual and paper based</td>
<td>Whole process is online process</td>
</tr>
<tr>
<td>Multiple locations for multiple jobs</td>
<td>Single portal for multiple job with single click</td>
</tr>
<tr>
<td>Searching old records is tedious process</td>
<td>Searching becomes fast</td>
</tr>
<tr>
<td>Multiple numbers may be allotted in Manual process</td>
<td>Single Number handles all process</td>
</tr>
</tbody>
</table>
### Table - 1  Efficiency in delivery under MCA-21

<table>
<thead>
<tr>
<th>Name of Service</th>
<th>Status of service before MCA-21</th>
<th>Status of service after MCA-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name approval</td>
<td>7 Days</td>
<td>1-2 Days</td>
</tr>
<tr>
<td>Company incorporation</td>
<td>15 Days</td>
<td>1-3 Days</td>
</tr>
<tr>
<td>Change of name</td>
<td>15 Days</td>
<td>3 Days</td>
</tr>
<tr>
<td>Charge creation / Modification</td>
<td>10-15 Days</td>
<td>2 Days</td>
</tr>
<tr>
<td>Certified copy</td>
<td>10 Days</td>
<td>2 Days</td>
</tr>
<tr>
<td>Annual return</td>
<td>60 Days</td>
<td>Instantaneous</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>60 Days</td>
<td>Instantaneous</td>
</tr>
<tr>
<td>Change in Directors</td>
<td>60 Days</td>
<td>1-3 Days</td>
</tr>
<tr>
<td>Change in registered office address</td>
<td>60 Days</td>
<td>1-3 Days</td>
</tr>
<tr>
<td>Increase in authorized capital</td>
<td>60 Days</td>
<td>1-3 Days</td>
</tr>
<tr>
<td>Inspection of public documents</td>
<td>Physical</td>
<td>Online</td>
</tr>
</tbody>
</table>


Problems with MCA portal-

- Frequent break down of server.
- Always required updated computer infrastructure.
- Time Consuming in various stages of submission process.
- Charges for each Form filling.
- Required technically well qualified person to deal which increases cost to end user.

2.33- Provident fund portal-

URL- www.epfindia.com

Nature- Business /Industry oriented

This is the national level portal with mission-“To extend the reach and quality of publicly managed old age income security program through consistent and ever-improving standards of compliance and benefit delivery in manner that wins the approval and confidence of members in our methods, fairness, honesty and integrity, thereby contributing to the economic and social well being of members”\(^{50}\)

To work with above mission this portal is giving various services online to end user. This portal is dedicated to-

- Manage mandatory saving schemes for old age / contingencies.
- Under pension scheme 1995 provided pension to members, widows, widower, children, orphans, physically disabled members, dependent parents and nominee.

\(^{50}\) www.epfindia.com
• Provide service to those who are registered under employee’s deposit linked insurance scheme 1976 with benefits to beneficiaries who died while in service.

• This portal provides online facility with three main sections-

  (A) For employee-

  1. Registration of employee who is member of EPF.
  2. Online e-passbook facility to active members.
  3. Link with PAN, AADHAR, passport and bank account number.
  4. Security with PIN no received at user’s mobile.
  5. Online claim facility for claim with guideline.
  6. Online registration and other service to international workers.

  (B) For employer-

  1. Online registration with firm/company user id and password.
  2. Upload electronic data and upload electronic return with ECR.
  3. Online payment through SBI or authorized bank.
  4. Online availability of 5/10/12 A/ 3A/ 6A form.
  5. Online contribution will be credit to member’s account on monthly basis.
  6. Online availability of member’s slip from 2011-2012.
  7. Online request for PF slip for the cases before 2011-2012.
  8. Online checking of claim status after 10 days of submit of application.\(^{51}\)

\(^{51}\) Still in progress.
(C) For EPF office users-

1. To release Office orders, appointments, transfer and posting of officials.
2. To allot separate login facility to each employee.
3. Options for questions with Loksabha and Rajya Sabha.
4. Option for property declaration by officers.
5. Online performance of officials.
6. Certificate of coverage for officials.
7. Download and upload using password.

**Problems with Provident Fund Portal –**

1. Claim form is not online, i.e. Manual form is to be submitted and for checking status visit to old employers office of PF office is must.  

2. If employer does not have digital signature than online payment transfer is not possible.
3. If employee transfer job from one employer to other than transfer is dependent on previous employer.
4. In some cases if online entry is made incorrect then for any rectification and correction person has to visit office. And also EPF office block account for uncertain days, and when it will unblock it is not fixed.
5. To handle large data server always give problem.

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52 Case of Mrs. Hemlata verma (She is employee of Shri Cloth Market Girls College, Indore) was covered for verifying this point
6. Speed of server processing is very slow in case of handling large employee data.

7. Some formalities with online submission are still manual at the time of registering firm, employee and operating EPF account.

2.34- ESIC- Portal


PortalLogin.aspx

**Nature**- Business/ Industry Oriented

Employees State Insurance Corporation’s is statutory corporation under the ministry of Labour and Employment, Government of India (GoI). This Corporation is responsible for implementing social security scheme in India. Under scheme worker population of any organization is provided socio economic protection to self and covering to dependent.

Registered Employer and employee of Business/Industry/Service sector can get medical benefit for self and dependents, case benefit in time of physical distress due to sickness from one day to many days, temporary or permanent disablement result in earning capacity, monthly pension to self and dependents in case of employment injury or occupational.

ESIC has mission to provide medical infrastructure facilities and economic protection to workers that would enhance worker productivity and well being.
ESIC initiated computerization and use of ICT for service delivery to its user as E-governance development in corporation. Corporation started project PNCHDEEP with joint venture with WIPRO co. in 2009 as part of ICT and E-governance strategy. This project covers infrastructure and application development for corporation activities. It provides connectivity for databases from various places, connectivity between employers, workers and healthcare provides. Project Panchdeep is divided into five components -

(1) **Project Pechchan** - This component deals with Pechchan (Identity) of employee and his dependents (family members). A Pechchan card is allotted to all registered employee, it contains photograph all beneficiary family members and employee

(2) **Project Milap** - This component includes networking of hospitals, dispensaries, branch offices and state directorates. It connects in numbers as below - Total locations connected – 2220

Table no - 2

<table>
<thead>
<tr>
<th>Locations</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitals</td>
<td>144</td>
</tr>
<tr>
<td>Dispensaries</td>
<td>1388</td>
</tr>
<tr>
<td>Branch office</td>
<td>620</td>
</tr>
<tr>
<td>Regional offices</td>
<td>40</td>
</tr>
<tr>
<td>State Directorates</td>
<td>27</td>
</tr>
</tbody>
</table>

53 Data captured from www.esic.in
(3) **Project Pashan** – This component includes setting up centralized repository of data storage, system failure detection, handling and recovery center and setting up all required infrastructure for activities of ESIC and computing large data.

(4) **Project Dhanwantri** - This component is dedicated to support of IT related services to parts mentioned in component Milap and Pashan. It also involved in design, development and implementation of MIS (Medical Information System) for all ESIC hospitals and dispensaries.

(5) **Project Pragati** – It includes identification and undertaking all services related to ERP modules like – Finance, Human Resource, Legal, Procurements, health insurance etc.

**Problems with ESIC portal**-

- Every month records have to be submitted with file upload option. No any online form is available.

- Mobile number is required for uploading file and in case of change in mobile number process becomes problematic.

- In monthly filling payment old file can be uploaded. There is no any checking facility for mistake. Here system takes old file instead of new file. This problem is identified by department in next month during verification of data. To overcome this problem is very tedious, personal visit is required.
If numbers of users are online at the same time the systems become slow and we can’t log in. It has impact on workflow.\textsuperscript{54}

None functioning of the ESIC portal meant that employees can’t avail the benefits even when they are in needed.\textsuperscript{55} Employees are totally dependent on employer; they can’t do themselves on portal.

Online system always not works properly and at some urgent moment it always create problem. Due to this employees couldn’t get emergency benefit and company paid amount for emergency.\textsuperscript{56}

In early morning or late evening portal remains very slow, it hangs and accessing is too much difficult.\textsuperscript{57}

In case of emergency medical help there is no online connection or link between registered hospitals of ESIC and department and employer. If any employee admitted in hospital then some manual formalities are still there. Also moving from government hospital to registered hospital and again government hospital is in process for some paper work.\textsuperscript{58}

Project Pashan and Project Dhanwantri are not working.

\textsuperscript{*****}

\textsuperscript{54} Mr. kamal karnath- MD Kelly service
\textsuperscript{55} Mr Amitava Ghosh- Head Regulatory, Team Service
\textsuperscript{56} Mr Namr Kishore, Head of Marketing in Power Services India
\textsuperscript{57} Mr. Shabuddinn Khan – ESIC and PF consultant
\textsuperscript{58} The practical problem was observed in case of Mrs. Usha Jore.(Employee of Shri Cloth Market Girls Commerce College Indore