



**ORIGINAL RESEARCH PAPER**

**Management**

**DIGITAL INDIA--HOW GOOD IS OUR IMPLEMENTATION OF IT? (A CASE STUDY)**

**KEY WORDS:**

**Proff. Dr. Suresh  
Abhyankar**

Balaji Institute of Modern Management, SBUP Pune Maharashtra

**INTRODUCTION:**

Mr. XYZ is running is marketing consultancy from 1997 along with working as visiting faculty in Marketing in various reputed Management institutes. Service tax registration had become compulsory from 1994 and any service with gross value exceeding Rs.5 lacs was taxable at 10%. That could be recovered from the client by charging it in your invoice. Mr. XYZ religiously submitted service tax returns ST-3 quarterly without fail. This went on without any problems for many years and Mr. XYZ kept paying the dues whenever required on the cash counter of the service tax office (it was inside the Central excise building) till 2010 when the threshold limit was increased to Rs.10 lacs. At this time, he had taken a full time job as Director of a management institute as he had acquired his Ph.D. in management. In that year he cancelled his service tax registration.

He worked as Director of management institutes till 2012 and then again started his consultancy and visiting faculty process. He had only two clients paying him Rs.15000/- per day whenever he was required along with actual expenses towards travel, food and stay at hotels etc. One of the company asked him to attend their office in south Maharashtra city every week one day and promised to pay him lump sum Rs.60000/-pm towards it when he refused to join them on full-time basis. He started visiting them every Tuesday, he would take early morning Konduskar bus and reach their office by 1030am and stay overnight in a hotel nearby and return next day. He stopped doing this after six months as sitting in their office was becoming boring as he had not much opportunity to give inputs and so again started training programs occasionally. For the other client he would hold training programs either at Pune or other parts of India on a regular basis. This continued for next many years. Along time he had few newer clients.

**The facts**

**Stage-I**

In 2021 nearly ten years after Mr.XYZ cancelled his service tax registration he received a Show Cause Notice saying that in the year 2014 his service taxable income was more than Rs.10 lacs and so he was liable to pay service tax on that extra income and explain why action should not be taken against him. Mr. XYZ got in touch with a consultant through his friends and the consultant prepared answer (by oversight the extra income was not noticed) to that SCN and submitted to the department now called as GST department. The department asked to submit following

1. Service tax on the additional income of Rs.51000/-
2. Fine
3. Interest at applicable rate amount totaling to about Rs.25000/-
4. P&L and BS for the years 2010-11,2011-12,2012-13,2013-14,2014-15,2015-16

The tax consultant developed the challan online after getting fresh password for the service tax registration number (now not operative) and mandate form (showing RBI account number etc.) and asked him to pay it through nationalized bank. Mr. XYZ paid the amount through Nationalized Bank and submitted the compliance report to GST department along with

1. Bank UTR number showing RBI account number etc.
2. Copy of challan
3. Copy of mandate
4. Xcel sheet showing how the amount was computed
5. All the required P&L and BS statements

After submitting it due acknowledgement was taken with the department stamp.

**Stage-II**

In 2024 Mr. XYZ again received to SCN from the departments two offices in the city asking him why action should not be taken against them for no action on their earlier SCNs in 2021. Mr. XYZ contacted the consultant again and gave him copies of all the documents (thankfully saved as soft copy) and asked him to check why this notice. The answer was shocking

- a) While the merger of Central excise department and service tax department with GST many files were lost and our papers are not to be found
- b) Their website does not show the receipt of the payment

Mr. XYZ resubmitted all the papers but the GST department remained adamant saying since the payment is not showing on their website it is not paid. The bank may have deposited the amount in WRONG account (WE have not made any mistake) and Mr. XYZ was made liable to pay the amount with additional fine.

**Stage-III**

Mr. XYZ contacted the Maharashtra bank and gave them letter saying what GST department is saying and the branch gave him a printout showing the amount debited to his account and credited to RBI account. This printout was not acceptable to GST department and they said bank has made mistake and amount is credited to WRONG account.

Mr. XYZ then sent emails to Nationalized Bank's customer care and customer services email ids along with

1. Challan
2. Mandate form
3. UTR
4. Banks printout showing credit and debit

Asking them to give a letter saying the amount was RIGHTFULLY credited to the account shown in the mandate form.

Both customer care and customer services departments received the mails but did not care to reply or even acknowledge the receipt of the mail.

**Stage-IV**

The consultant said either we pay the amount or go in for the litigation that could be long winding. Mr. XYZ now above 70 years of age and crippled with neurological problems decided to pay as the litigation may cause more money, time and energy without any expected positive outcome. He asked the consultant to pay the amount in cash or by DD at GST department and take physical receipt for which they said we only accept online payments. He paid the amount (Not through Nationalized Bank account) this time ensuring that it appeared on GST website.

**QUESTIONS/Objectives to researchers**

1. How can the amount not show on GST website even when it was paid to the RBI account?
2. Why the department is not willing to check whereabouts of the amount paid and get it retransferred to required account?
3. Why is Nationalized Bank behaving so insensibly? Is there no check on them? (nationalized banks)
4. Why all Nationalized banks are not directed to instantly respond to customer complaints?
5. How many such cases are happening across India making the citizens worry and pay again when they should not be made to pay?
6. How can similar things be avoided in future saving the gullible citizens?

**CONCLUSIONS**

Following conclusions can be made

1. The Government staff handling the websites is not properly trained and make mistakes
2. The software developer may have been selected without checking credibility leading to faulty program and mistakes
3. Nationalized Banks do not acknowledge leave aside answer the emails received by them through Customer care and/or customer service departments.
4. Immediate action is required by RBI on both the tax department and the nationalized banks on these matters.