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**STANDING COMMITTEE ON FINANCE
(2022-23)**

SEVENTEENTH LOK SABHA

**MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)**

**DEMANDS FOR GRANTS
(2023-24)**

FIFTY-FIFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2023 / Phalguna, 1944 (Saka)

FIFTY-FIFTH REPORT

STANDING COMMITTEE ON FINANCE
(2022-23)

(SEVENTEENTH LOK SABHA)

MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

DEMANDS FOR GRANTS
(2023-24)

Presented to Lok Sabha on 23 March, 2023

Laid in Rajya Sabha on 23 March, 2023



LOK SABHA SECRETARIAT
NEW DELHI

March, 2023 / Phalguna, 1944 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON FINANCE (2022-23)

Shri Jayant Sinha - Chairperson

MEMBERS

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Sukhbir Singh Badal
4. Shri Subhash Chandra Baheria
5. Dr. Subhash Ramrao Bhamre
6. Smt. Sunita Duggal
7. Shri Gaurav Gogoi
8. Shri Sudheer Gupta
9. Shri Manoj Kishorbhai Kotak
10. Shri Pinaki Misra
11. Shri Hemant Shriram Patil
12. Shri Ravi Shankar Prasad
13. Shri Nama Nageshwara Rao
14. Prof. Sougata Ray
15. Shri P.V. Midhun Reddy
16. Shri Gopal Chinayya Shetty
17. Shri Parvesh Sahib Singh
18. Dr. (Prof) Kirit Premjibhai Solanki
19. Shri Manish Tewari
20. Shri Balashowry Vallabbhaneni
21. Shri Rajesh Verma

RAJYA SABHA

22. Dr. Radha Mohan Das Agarwal
23. Shri Raghav Chadha
24. Shri P. Chidambaram
25. Shri Damodar Rao Divakonda
26. Shri Ryaga Krishnaiah
27. Shri Sushil Kumar Modi
28. Dr. Amar Patnaik
29. Dr. C.M. Ramesh
30. Shri G.V.L. Narasimha Rao
31. Vacant*

SECRETARIAT

1. Shri Siddharth Mahajan - Joint Secretary
2. Shri Ramkumar Suryanarayanan - Director
3. Shri Kulmohan Singh Arora - Additional Director
4. Shri Preetam Prabhakar - Committee Officer

*Dr. Manmohan Singh resigned from the Committee w.e.f. 9th February, 2023.

INTRODUCTION

I, the Chairperson of the Standing Committee on Finance, having been authorised by the Committee, present this Fifty- Fifth Report (Seventeenth Lok Sabha) on 'Demands for Grants (2023-24)' of the Ministry of Finance (Department of Revenue).

2. The Demands for Grants (2023-24) of the Ministry of Finance (Department of Revenue) were laid on the Table of the House on 08 February, 2023 under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took oral evidence of the representatives of the Ministry of Finance (Department of Revenue) on 01 March, 2023. The Committee wish to express their thanks to the representatives of the Department of Revenue for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2023-24).

4. The Committee considered and adopted this Report at their Sitting held on 15 March, 2023.

5. For facility of reference, the Observations / Recommendations of the Committee have been printed in bold at the end of the Report.

New Delhi;
15 March, 2023
24 Phalgun, 1944 (Saka)

SHRI JAYANT SINHA,
Chairperson
Standing Committee on Finance

REPORT

PART – I

Background Analysis

I. INTRODUCTORY

1.1 The Department of Revenue functions under the overall direction and control of the Secretary (Revenue). It exercises control in respect of matters relating to all the Direct and Indirect Taxes through two Statutory Boards, namely, the Central Board of Direct Taxes (CBDT) and the Central Board of Indirect Taxes and Customs (CBIC). Each Board is headed by a Chairman who is also ex-officio Special Secretary to the Government of India. Matters relating to the levy and collection of all the Direct Taxes are looked after by CBDT whereas those relating to levy and collection of Good and Services Taxes (GST), Customs and Central Excise duties, Service Tax and other indirect taxes fall within the purview of the CBIC. The two Boards were constituted under the Central Board of Revenue Act, 1963. Each Board has a sanctioned strength of 6 (six) Members.

1.2 The Department of Revenue administers the following Acts:-

- i. Income Tax Act, 1961
- ii. Black Money (Undisclosed Foreign Income & Assets) Imposition of Tax Act, 2015
- iii. Benami Transactions (Prohibition) Act, 1988
- iv. Chapter - VII of Finance (No.2) Act, 2004 (Relating to Levy of Securities Transactions Tax)
- v. Central Excise Act, 1944 and related matters
- vi. Customs Act, 1962 and related matters
- vii. Central Sales Tax Act, 1956
- viii. Custom Tariff Act, 1975
- ix. Central Excise Tariff Act 1985
- x. Narcotic Drugs and Psychotropic Substances Act, 1985
- xi. Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988
- xii. Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976
- xiii. Indian Stamp Act, 1899 (to the extent falling within jurisdiction of the Union)
- xiv. Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
- xv. Prevention of Money Laundering Act, 2002
- xvi. Foreign Exchange Management Act, 1999.
- xvii. Union Territory Goods & Services Tax Act, 2017
- xviii. Goods & Services Tax (compensation to States) Act, 2017
- xix. Central Goods & Services Tax Act, 2017
- xx. State Goods & Services Tax Act, 2017
- xxi. Integrated Goods & Services Tax Act, 2017

1.3 The Department looks after the matters relating to the above-mentioned Acts through the following attached/subordinate offices:

- i. Commissionerates/Directorates under Central Board of Indirect Taxes and Customs
- ii. Commissionerates/Directorates under Central Board of Direct Taxes
- iii. Central Economic Intelligence Bureau
- iv. Directorate of Enforcement
- v. Central Bureau of Narcotics
- vi. Chief Controller of Factories
- vii. Appellate Tribunal under SAFEMA
- viii. Income Tax Settlement Commission
- ix. Customs and Central Excise Settlement Commission
- x. Customs, Excise and Service Tax Appellate Tribunal
- xi. Authority for Advance Rulings (for Income Tax and Central Excise, Customs & Service Tax)
- xii. National Committee for Promotion of Social and Economic Welfare
- xiii. Competent Authorities appointed under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976 & Narcotic Drugs and Psychotropic Substances Act, 1985
- xiv. Financial Intelligent Unit, India (FIU-IND)
- xv. Adjudicating Authority under Prevention of Money Laundering Act
- xvi. Revision Application Unit.

II. REVENUE HEADQUARTERS ADMINISTRATION

The Department of Revenue looks after matters relating to all administration work pertaining to the Department, coordination between the two Boards (CBIC and CBDT), the administration of the Indian Stamp Act 1899 (to the extent falling within the jurisdiction of the Union), the Central Sales Tax Act 1956, Goods and Services Tax (GST), the Narcotic Drugs and Psychotropic Substances Act 1985 (NDPS), the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act 1976 (SAFEMA), the Foreign Exchange Management Act 1999 (FEMA), the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (COFEPOSA), the Prevention of Money Laundering Act, 2002 (PMLA) and matters relating to the following attached/ subordinate offices of the Department:

- a. Enforcement Directorate
- b. Central Economic Intelligence Bureau (CEIB)
- c. Competent Authorities appointed under SAFEMA and NDPS
- d. Chief Controller of Factories
- e. Central Bureau of Narcotics
- f. Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
- g. Appellate Tribunal under SAFEMA

- h. Customs and Central Excise Settlement Commission (CCESC)
- i. Income Tax Settlement Commission (ITSC)
- j. Authority for Advance Ruling for Income Tax and Central Excise, Customs & Service Tax
- k. National Committee for Promotion of Social and Economic Welfare
- l. Financial Intelligence Unit, India (FIU-IND)
- m. Adjudicating Authority under Prevention of Money Laundering Act
- n. National Institute of Public Finance and Policy (NIPFP)

The following items of works are also undertaken by the Headquarters:

Appointment of –

- ✓ Chairman and Members of CBIC and CBDT
- ✓ Chairman, Vice Presidents and Members of CESTAT
- ✓ Chairman, Vice Chairman and Members of CCESC and ITSC
- ✓ Chairman, Vice-Chairman and Members of AARs for Customs / Central Excise and Income Tax
- ✓ Director General of CEIB
- ✓ Director of Enforcement
- ✓ Competent Authorities (SAFEMA and NDPS)
- ✓ Director (FIU-IND)
- ✓ Chairperson and Member of Adjudicating Authority set up under PMLA
- ✓ Chairman and Members of "Appellate Tribunal" established under SAFEMA, 1976.
- ✓ Appointment of CVO, CBDT/ CBIC/ ED

III. BUDGETARY ALLOCATIONS AND UTILISATIONS

3.1 The detailed Demands for Grants (2023-24) of the Ministry of Finance were presented to Lok Sabha on 8 February, 2023. The details of the Revenue Section and Capital Section of the Demands for Department of Revenue, Direct Taxes and Indirect taxes for the year 2023-24 are as follows:

(Rs.in crore)

| Sl. No. | No. and Name of Demand | Revenue voted | Capital voted | Total |
|---------|----------------------------|---------------|---------------|-----------|
| 1. | 35 - Department of Revenue | 189707.53 | 119.84 | 189827.37 |
| 2. | 36 - Direct Taxes | 8282.87 | 1610.00 | 9892.87 |
| 3. | 37 - Indirect Taxes | 36305.58 | 2205.00 | 38510.58 |

3.2 Summary of Budgetary Provisions under Demand Nos. 35, 36 and 37 for 2020-21, 2021-22, 2022-23 and 2023-24 is as under:

Demand for Grant No. – 35 - Department of Revenue (HQ)

The Grant No 35 of Department of Revenue (erstwhile Grant No.31 in FY 2019-20 & FY 2020-21 and Grant No.33 in FY2021-22) does not have any Central Sector or Centrally Sponsored Schemes.

The entire Budget provision under Grant No. 35 is for GST Compensation to States/UTs and for establishment related expenditure of Secretariat and its attached and subordinate offices. The year wise allocation and utilization for last three years w.e.f. FY 2020-21 are as follows:

| (Rs. in Crores) | | | | | |
|-----------------|-----------|-----------|---|------------------|-------------------------|
| Financial Year | BE | RE | Expenditure up to 31 st March | % of RE Utilized | (+)Saving/ (-)Excess |
| 2020-21 | 272250.83 | 272454.75 | 268877.95 | 98.69 | (+)3576.80 |
| 2021-22 | 201512.64 | 209805.42 | 209656.35 | 99.93 | (+) 149.07 |
| 2022-23 | 227552.52 | 247295.02 | 169318.09 (expenditure upto December, 2022) | 68.47 | |
| 2023-24 | 189827.37 | | | | |

Explanations:

FY 2020-21

Total Budget provision under the Demand No 31 of Department of Revenue for the FY 2020-21 was Rs.272250.83 crores. Capital Expenditure forms a small part of the total budget grant and is Rs 91.21 crore. On the revenue side, the major component of Budget under Grant No.31- Department of Revenue was for providing GST Compensations to the State Govts/UTs due to revenue loss on introduction of tax reforms. A budget provision of Rs.135368.03 crores was kept for the year 2020-21 to meet the expenditure on payment of compensation to States/UTs with legislatures. An equal amount of cess Rs.135368.03 crore was also kept for transfer to GST Compensation Fund. The expenditure against the RE of Rs.272454.75 crore was only Rs.268877.95 crore.

FY 2021-22

Total Budget provision under the Demand No 33 of Department of Revenue for the FY 2021-22 was Rs.201512.64 crores including a Capital Expenditure of Rs 13.02 crore and establishment related expenditure of Department of Revenue. On the revenue side, the major component of Budget under Grant No.33- Department of Revenue was for providing GST Compensations to the State Govts/UTs due to revenue loss on tax reforms. A budget provision of Rs.100000 crores was kept for the year 2021-22 to meet the expenditure on payment of compensation to States/UTs with legislatures. An equal amount of cess Rs.100000 crore was also kept for transfer to GST Compensation Fund. The expenditure against the RE of Rs.209805.42 crore was only Rs.209656.35 crore.

FY 2022-23

Total Budget provision under the Demand No 35 of Department of Revenue for the FY 2022-23 is Rs.227552.52 crores including a Capital Expenditure of Rs 4.30 crore and establishment related expenditure of Department of Revenue. On the revenue side, the major component of Budget under Grant No.35- Department of Revenue is for providing GST Compensations to the State Govts/UTs due to revenue loss on tax reforms. A budget provision of Rs.106000.00 crores has been kept for the year 2022-23 to meet the expenditure on payment of compensation to States/UTs with legislatures. This estimate was based on trend of collection of cess/ AG certified revenue figures of FY 2017-18,2018-19, 2019-20, 2020-21 and 2021-22 of states. An amount of Rs.120000.00 crores compensation cess was also kept towards transfer to GST compensation Fund. This estimate is based on trend of collection of revenue. GST Compensation payable to States/UTs is provisionally calculated on bi-monthly basis and is subject to adjustment on receipt of revenue figure as audited by CAG. An amount of Rs.115661.5572 crore has already been released against the Budget Estimates of Rs.106000 crore to the States/UTs Government with legislature as GST compensation till December, 2022.

However, at RE stage, the Budget Provision has now been enhanced to 247295.02 crore against the BE 2022-23 provision of Rs.227552.52 crore, which is mainly due to provision of additional fund amounting to Rs.9662.00 crore and Rs.10000.00 crore towards release of GST compensation to States/Union Territories Government with legislature and transfer to GST Compensation Fund respectively. Further under Capital Section, provision of Rs.30.00 crore has been kept in RE 2022-23 for purchase of land and ready-built accommodation for Enforcement Directorate. The excess requirement under RE is to be met through supplementary. An amount of Rs.19728.49 crore (Rs.19698.49 crore under Revenue Section and Rs.30.00 crore under Capital Section) through token/technical/cash supplementary has been provided in 1st batch of supplementary demands for grants (December, 2022) taking into account the savings/recoveries/receipts under the same section of the Grant in 2022-23.

FY 2023-24

The total proposed Budget provision under the Demand No 35 of Department of Revenue for the FY 2023-24 is Rs.189827.37 crores. Capital Expenditure forms a small part of the total budget grant and is Rs 119.84 crore.

Department of Expenditure vide Notification dated 16th December, 2022, has notified the amendment of rule 8 of DFPR, 1978 w.e.f. 1st April, 2023 and various new object heads under Revenue and Capital Section has been inserted. As per the description/definition of the newly created object heads, some of the newly created object heads for which presently, the expenditures are booked under Revenue Section i.e. under object head Office, Expenses, Information Technology (OE) etc., has been transferred under Capital Section like object heads Information, Computer,

Telecommunications (ICT) equipment, Furnitures & Fixtures etc. Due to which, provision under Capital Section has been enhanced and kept ₹119.84 crore in BE 2023-24 against the BE 2022-23 and RE 2022-23 provision of Rs. 4.30 crores and Rs.34.30 crores respectively.

On the revenue side, major provision are proposed as below:-

The major component of Budget under Grant No.35- Department of Revenue is for providing GST Compensations to the State Govts/UTs due to revenue loss on tax reforms. A budget provision of Rs.43055.00 crores has been kept for the year 2023-24 to meet the expenditure on payment of compensation to States/UTs with legislatures. This estimate is based on the current expected growth in economy and trend of SGST/IGST and cess collection. It has also been proposed to transfer an amount of compensation cess (Rs.145000.00 crores) to GST compensation Fund in terms of Section 10 of GST Compensation Act, 2017, which provides that the proceeds of the GST compensation cess shall be credited to a non-lapsable fund known as GST compensation fund which shall for part of the public account of India.

In the establishment related expenditure of Revenue Headquarters & its Secretariat and various attached offices [Central Economic Intelligence Bureau; Financial Intelligence Unit of India; Goods & Service Tax Council Secretariat; Principal Chief Controller of Accounts, CBDT; Principal Chief Controller of Accounts, CBIC; Competent Authorities, Tax Policy Research Unit, Pay & Accounts Office (Revenue)] a provision of Rs.335.78 crore has been estimated for 2023-24 against the RE 2022-23 of Rs.378.84 crore. Due to infrastructural development, the BE provision for Enforcement Directorate has gone up at Rs.404.57 crore in comparison to BE of Rs.357.57 Crore & RE of Rs.398.97 crore for 2022-23. Further, a budget provision of Rs.296.00 crore has been kept towards payment of User Charges to GSTN for the year 2023-24 against the BE 2022-23 provision of Rs.233.32 crore under Demand No.35- Department of Revenue.

There are some other expenditure like grant-in-aid (salaries) to National Institute of Public Finance & Policy (NIPFP), an autonomous body under the Department of Revenue, Contributions to International Organizations in which India is an active participant and establishment related expenditure of Central Bureau of Narcotics, Special Investigation Team (SIT) and various tribunals (Appellate Tribunal for Forfeited Property; Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Adjudicating Authority under Prevention of Money Laundering Act (AA-PMLA) functioning under the department.

The other major expenditure under this Grant is on operating of Government Opium & Alkaloid Works, which are responsible for import of alkaloids for medicinal use by domestic pharma companies, processing of raw opium for exports, manufacturing of opiate alkaloids and other related functions through its two factories at Ghazipur (Uttar Pradesh) and Neemuch (Madhya Pradesh). A provision of Rs.467.74 crore (approx.) has been kept for 2023-24.

Under the Capital Section, the major requirement is under MH 4070, which is for establishment related expenditure of capital nature of Revenue Headquarters including TPRU, Pay & Accounts Office (Revenue), Competent Authorities under Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act and Narcotics Drugs & Psychotropic Substances Act, Income Tax Overseas Units (ITOU) in various countries, Central Economic Intelligence Bureau, Financial Intelligence Unit (FIU-IND), Principal Chief Controller of Accounts, CBDT, Principal Chief Controller of Accounts, CBEC & Goods and Service Tax Council Secretariat and Central Bureau of Narcotics.

Further, under MH 4059, token provision of Rs.0.08 crores has also been kept in BE 2023-24 to meet out various infrastructural related proposal of Enforcement Directorate.

Demand for Grant No. – 36 – Direct Taxes

Direct Taxes has no Central Sector Schemes and Centrally Sponsored Schemes. The entire budget is for Salaries/Administrative expenses pertaining to field offices of CBDT (Central Board of Direct Taxes).

Brief Summary year – wise starting from F.Y. 2020-21 is given in the table below:

| (Rs. In Crore) | | | | | |
|----------------|---------|------------------------------|---|------------------|---|
| Financial Year | BE | RE (including supplementary) | Total Expenditure (up to 31 st March of respective financial year) | % of RE Utilized | Difference between Budget and Expenditure |
| 2020-21 | 8065.39 | 7694.00 | 7403.07 | 96.22 | 662.32 crore from BE (since BE greater than RE) |
| 2021-22 | 8532.34 | 8508.89 | 7700.42 | 90.49 | 831.92 crore from BE (since BE greater than RE) |
| 2022-23 | 9308.80 | 9431.15 | 6206.37 (upto 31.12.2022) | 65.78 | - |
| 2023-24 | 9892.87 | | | | |

Explanations:

2020-21

BE of Rs. 8065.39 crore was reduced to Rs. 7694.00 crore at RE stage i.e. a decrease of Rs. 371.39 crore. Under Revenue Section, the allocation under 'Salaries' head was reduced to Rs. 4445.03 crore from Rs. 4534.97 crore i.e. a decrease of Rs. 89.94 crore over BE. Actual expenditure

incurred upto 31.03.2021 was Rs. 7403.07 crore (Rs. 7229.93 crore under Revenue Section and Rs. 173.14 crore under the Capital Section). It shows that 96.22% of budget as per RE was utilized. Utilization under Revenue Section was 67.51% of RE whereas it was 22.50% for Capital Section. The amount surrendered in F.Y. 2020-21 was Rs. 580.71 crore.

2021-22

The BE of Rs. 8532.34 Crore was reduced to Rs. 8508.89 crore at RE stage i.e. a decrease of Rs. 23.45 crore. Under Revenue Section the allocation under 'Salaries' was increased to Rs. 5056.30 crore from Rs. 4811.74 crore i.e. an increase of Rs. 244.56 crore over BE. Actual expenditure incurred upto 31.03.2022 was Rs. 7700.42 Crore (Rs. 7484.95 Crore under Revenue Section and Rs. 215.47 Crore under the Capital Section). It shows that 90.49% of budget as per RE was utilized. The utilization under Revenue Section works out to be 91.20% of RE, whereas utilization under Capital Section works out to be 71.35% of RE. The amount surrendered in F.Y. 2021-22 was Rs. 770.74 crore.

2022-23

The BE of Rs. 9308.80 Crore has been enhanced to Rs. 9431.15 crore at RE stage i.e. an increase of Rs. 122.35 crore. Under Revenue Section the allocation under 'Salaries' has been reduced to Rs. 5350.00 crore from Rs. 5546.00 crore i.e. a decrease of Rs. 196.00 crore from BE. Actual expenditure incurred up to 31.12.2022 is Rs. 6206.38 Crore (Rs. 6105.69 Crore under Revenue Section and Rs. 100.69 Crore under the Capital Section). It shows that 65.78% of budget as per RE has been utilized up to December, 2022. The utilization under Revenue Section works out to be 69.70% of RE, whereas utilization under Capital Section works out to be 14.99% of RE.

2023-24

The Budget Estimates 2023-24 have been proposed at Rs. 9892.87 crore out of which Rs. 8282.87 crore is under Revenue Head and Rs. 1610.00 Crore is under Capital Head. In Revenue section, the expenditure towards 'Salaries' has been estimated at Rs. 5851.00, which is 70.63 % of the Revenue Grant of Rs. 8282.87 Crore and 59.15 % of the total Grant of Rs 9892.87 Crore.

Vide notification S.O. No. 5895(E) dated 16.12.2022 of Department of Expenditure, there has been a revision of existing object heads. Under Revenue Expenditure "Object Class I" the "Compensation to Employees" has been given and this includes Salaries, Rewards, Allowances & Leave Travel Concessions. Accordingly, the break-up of existing object head "Salary" has to be given towards the requirement of Salaries, Rewards, Allowances & Leave Travel Concessions. Based on the expenditure trend of earlier years, inputs regarding details of the break-up of the object head "Salaries" received from the BCAs and also in view of the discussion with few BCAs, an amount of 40-45% of the Salaries is proposed towards the payment of Allowances, LTC, Reward (bonus) etc. and 55-60 % is proposed towards the Basic Part of the Salaries.

Accordingly, in view of the guidelines for revised object heads, the projection under the object head "Salaries" for the B.E. 2023-24 is proposed as below:

(In Rs. Crore)

| S. No. | Existing Object Head | B.E. 2023-24 | New Object Heads | B.E. 2023-24 |
|--------|----------------------|--------------|------------------|--------------|
| 1 | Salaries | 5851.00 | Salaries | 3335.50 |
| | | | Reward | 29.25 |
| | | | Allowances | 2457.00 |
| | | | LTC | 29.25 |
| Total | | 5851.00 | | 5851.00 |

Under Non- Salary revenue section, the brief of projection under various existing object heads and newly introduced object heads is given below: -

- Wages: -The expenditure under this head is estimated at Rs. 80.00 Crore for B.E. 2023-24, which is 0.96% of the Revenue Grant.
- Overtime Allowance: - In view of the notification dated 16.12.2022, w.e.f. 01.04.2023, Overtime Allowance is no more a separate object head and has to be treated as a part of Allowances only. Accordingly, the amount proposed under overtime allowance is NIL.
- Medical Treatment: - The expenditure under this head is estimated at Rs. 72 Crore for B.E. 2023-24, which is 0.86% of the Revenue Grant.
- Domestic Travel Expenses: - The expenditure under this head is estimated at Rs. 74 Crore for B.E. 2023-24, which is 0.89% of the Revenue Grant.
- Foreign Travel Expenses: - The expenditure under this head is estimated at 2.00 crore for BE 2023-24, which is 0.02% of Revenue Grant. Due to improved situation of the COVID-19 pandemic in the current financial year and due to holding of various Conferences and Seminars organized by OECD and other International Organizations, required to be attended by various officers posted under FT &TR, International Taxation and/or Transfer Pricing units, funds would be required.
- Office Expenses: - Considering the ceiling communicated by Budget Division, DEA for B.E. 2023-24 and in addition to the notification dated 16.12.2022, a part of the expenditure, which was earlier included in the existing object head "Office Expense" has to be partially taken to 3 new object heads namely "Rent for Others", Fuel and lubricants" and "Repair and Maintenance. The discussion regarding these three new object heads is given in the subsequent notes. Accordingly, based on the expenditure trends of the earlier years, inputs received from the BCAs and also, in view of the data on GeM website, the projection for the object head "Office Expenses" is proposed at Rs. 806.30 Crores for B. E. 2023-24.
- Rent, Rates & Taxes: - The expenditure under this head is estimated at Rs. 650.97 Crore for B.E. 2023-24, which is 7.86% of Revenue Grant.
- Publication: - The expenditure under this head is estimated at Rs. 3.30 Crore for B.E. 2023-24, which is 0.039% of Revenue Grant.

- Other Administrative Expenses: - In view of the notification dated 16.12.2022, w.e.f. 01.04.2023 the object head "Other Administrative Expenses" is no more a separate object head. The requirement under the existing object head "Other Administrative Expenses" has been included in the new object head "Other Revenue Expenditure" and "the training portion" has been included in the new object head "Training Expenses".
- Advertising & Publicity: - The expenditure under this head is estimated at Rs. 75.00 Crore by IFU for B.E. 2023-24, which is 0.90% of Revenue Grant.
- Minor Works: - The expenditure under this head is estimated at Rs. 100 Crore for B.E. 2023-24, which is 1.20% of Revenue Grant.
- Professional Services: - The expenditure under this head is estimated at Rs. 102.55 Crore for B.E. 2023-24 which is 1.23% of Revenue Grant.
- Contributions: - The expenditure under this head is estimated at Rs. 1.01 Crore for BE 2023-24 which is 0.01% of Revenue Grant.
- Secret Service Expenditure: - The expenditure under this head is estimated at Rs. 42.00 Crore for B.E. 2023-24 which is 0.50% of Revenue Grant.
- Other Charges: - In view of the notification dated 16.12.2022, w.e.f. 01.04.2023 the object head "Other Charges" is no more a separate object head and has to be treated either as a part of Awards & Prizes or Other Revenue Expenditure. Accordingly, the expenditure projected under Other Charges is being projected under a new object head called "Award and Prizes".
- Swachhta Action Plan: - The expenditure under this head is estimated at Rs. 25.00 Crore for B.E. 2023-24 which is 0.30% of Revenue Grant.
- Information Technology (OE): - In view of the guidelines issued vide notification dated 16.12.2022, w.e.f. 01.04.2023 the Revenue portion of the erstwhile IT(OE) is to be booked under Digital Equipment. Accordingly, Rs. 100 crores would be allocated to a new object head called "Digital Equipment". Further, an amount of Rs. 900 Crore has been identified as Capital expenditure and allocated under M.H. 4075.
- Rent for others: - This is a new object head and will include expenditure on rent for equipment and various items like office equipment, transport, computer and ancillary equipment, communication, air conditioning etc. It will also include lease charges for equipment and other items, the ownership of which is not transferable to Government. An amount of Rs. 187.91 Crores is being proposed for this new object head, which was earlier included in the existing object head "Office Expenses".
- Fuel & Lubricants This is a new object head and will include expenditure on petrol, oil, lubricants and other fuels. An amount of Rs. 15.00 Crores is being proposed for this new object head, which was earlier included in the existing object head "Office Expenses".
- Repair and maintenance This is a new object head and will include expenditure on repair and maintenance, (including all maintenance contract) of equipment such as machinery and equipment, office equipment, digital equipment for office use, digital equipment etc. An amount

of Rs. 25.00 Crores is being proposed for this new object head, which was earlier included in the existing object head "Office Expenses.

- Royalty: - This is a new object head and will include expenses on royalties on patents, designs etc. and an amount of Rs. 50 thousand is being proposed for this new object head.
- Training Expenses: - This is a new object head and will include expenditure on cost of training such as fees paid, contingencies, materials etc. for participating in the training, workshops. Earlier this amount was included in "Other Administrative Expenses". An amount of Rs. 42 Crores is being proposed for this new object head for the fund requirement of Pr. DGIT (HRD), New Delhi and Pr. DGIT (Training), NADT, Nagpur.
- Other Revenue Expenditure: - This is a new object head and will include expenditure on reimbursement of newspapers, briefcase etc. Further, any other expenditure which cannot be classified under any of these specified object heads will be debited to this head. An amount of Rs. 21.82 Crores is being proposed for this new object head.
- Award & Prizes: - This is a new object head and will include expenditure on Awards and prizes given by the Government to the eminent person and organisations. Some part of this object head was included in the existing object head "Other Charges". An amount of Rs. 3.01 Crores is being proposed for this new object head.
- Digital Equipment: - This is a new object head and will include the expenses to be classified as revenue expenditure on procurement of hardware and software, where the cost of item does not exceed, the threshold of Rs. 1 Lakh or three years of useful life, either of the two, and consumables etc. This object head was included in the existing object head "Information Technology (OE)". An amount of Rs. 100 Crores is being proposed for this new object head.

Summary of the projections for the Revenue Section for financial year 2023-24 is as per the details given below.

(In Rs. Crore)

| Sl. No. | Existing Object Head | B.E. 2023-24 | | | Revised Object Heads | B.E. 2023-24 |
|---------|--------------------------|--------------|-----------|---|--------------------------|--------------|
| 1 | Salaries | 5851.00 | | 1 | Salary | 3,335.50 |
| | | | | 2 | Allowances | 2,457.00 |
| | | | | 3 | Reward | 29.25 |
| | | | | 4 | LTC | 29.25 |
| 2 | Wages | 80.00 | No change | 5 | Wages | 80.00 |
| 3 | Medical Treatment | 72.00 | No change | 6 | Medical Treatment | 72.00 |
| 4 | Domestic Travel Expenses | 74.00 | No change | 7 | Domestic Travel Expenses | 74.00 |
| 5 | Foreign Travel Expenses | 2.00 | No change | 8 | Foreign Travel Expenses | 2.00 |
| 6 | Overtime Allowance (OTA) | 0.25 | Deleted | | | 0.00 |
| 7 | Office Expenses | - | | 9 | Office Expenses | 806.30 |

| | | | | | | |
|----|--|--------|---|----|----------------------------|--------|
| | (Voted) | | New Head (Apportioned from OE) | 10 | Rent for Others | 187.91 |
| | | | New Head (Apportioned from OE) | 11 | Fuel and Lubricants | 15.00 |
| | | | New Head (Apportioned from OE) | 12 | Repair and Maintenance | 25.00 |
| | | | New Head | 13 | Royalty | 0.01 |
| 8 | Rent, Rate & Taxes | 650.97 | No change | 14 | Rent, Rate & Taxes | 650.97 |
| 9 | Publication | 3.30 | No change | 15 | Publication | 3.30 |
| 10 | Other Administrative Expenses | - | Taken to a New Object head "Training Expenses" & | 16 | Training Expenses | 45.00 |
| | | | Partly taken to a New Object head "Other Revenue Expenditure" | 17 | Other Revenue Expenditure | 21.82 |
| 11 | Advertising & Publicity | 75.00 | No change | 18 | Advertising & Publicity | 75.00 |
| 12 | Minor Works | 100.00 | No change | 19 | Minor Works | 100.00 |
| 13 | Professional Services | 102.55 | No change | 20 | Professional Services | 102.55 |
| 14 | Contributions | 1.00 | No change | 21 | Contributions | 1.01 |
| 15 | Secret Service Expenditure | 42.00 | No change | 22 | Secret Service Expenditure | 42.00 |
| 16 | Other Charges | - | Discontinued and amount taken to a new head "Other Revenue Expenditure" and "Award & Prizes". | 23 | Award and Prizes | 3.01 |
| 17 | Swatchh Action Plan (O.E.)- Office Expenditure | 25.00 | No change | 24 | Swatchh Action Plan | 25.00 |
| 18 | Information Technology (O.E.)- Office Expenditure | 100.00 | Revised and amount taken to a new object head "Digital Equipment" | 25 | Digital Equipment | 100.00 |
| 19 | Departmental Canteens- Other Administrative Expenses | - | Included in Salaries & "OE" | | | 0.00 |

In the Capital Section, an amount of Rs. 1610.00 crore has been proposed for BE 2023-24

- A grant of Rs. 560.00 Crores is towards Major Head 4059 (Acquisition of office accommodation), 4075 (Acquisition of Property XX-C) and 4216 Acquisition of Residential Accommodation).
- Further, an amount of Rs 1050.00 Crores, has been proposed for capitalization, out of Revenue object heads "Office Expenses" & "Information Technology (OE)", due to change in object heads as per notification S.O. No. 5895(E) dated 16.12.2022 of Department of Expenditure.

The break-up of projection for Capital section for B. E. 2023-24 is as given below: -

(Rs. in Crore)

| | CAPITAL SECTION | B. E. 2023-24 |
|---------|---|----------------------|
| Sr. No. | Major Head | |
| 1 | 4059 Acquisition of office accommodation | 466.19 |
| 2 | 4059 Acquisition of ready build office accommodation | 0.01 |
| 3 | 4075 Capital Outlay on Miscellaneous General Services | 1052.00 |
| 4 | 4216 Acquisition of Residential Accommodation | 91.79 |
| 5 | Acquisition of ready built Residential Accommodation | 0.01 |
| | TOTAL | 1610.00 |

Salient Features:-

(A) Revenue Section

1. The Allocation under the head "Salaries" has been increasing continuously. In RE for 2020-21 the amount was Rs. 4445.03 Crore and for BE 2023-24 it has been proposed at Rs. 5851.00 Crore. Since F.Y. 2020-21 the allocation under this head has increased by 31.63% up to F.Y. 2023-24.
2. The Allocation under the head "Wages" has been increasing continuously. In RE for 2020-21 the amount was Rs. 70.61 Crore and for BE 2023-24 it has been proposed at Rs. 80.00 crore. Since F.Y. 2020-21 the allocation under this head has increased by 9.39% up to F.Y. 2023-24.
3. The Allocation under the head "Medical Treatment" has been increasing continuously. In RE for 2020-21 the amount was Rs. 52.86 Crore and for BE 2023-24 it has been proposed at Rs. 72 Crore. Since F.Y. 2020-21 the allocation under this head has increased by 36.21% up to F.Y. 2023-24.
4. The Allocation under the head "Domestic Travel Expenses" has been increasing continuously. In RE for 2020-21 the amount was Rs. 72.00 crore and for BE 2023-24 it has been proposed at Rs. 74.00 Crore. Since F.Y. 2020-21 the allocation under this head has increased by 2.78% up to F.Y. 2023-24.

5. The Allocation under the head "Foreign Travel Expenses" has increased in BE 2023-24 by 1900% (Rs. 2 Crore) in comparison to R.E 2020-21 (Rs. 0.10 Crore only).
6. The Allocation under the head "Office Expenses" was Rs. 1114.29 Crore in FY 2020-21. For BE 2023-24 the allocation has been proposed at Rs. 806.30 crore which is a decrease of 27.64% in comparison to F.Y. 2020-21.
7. The Allocation under the head "Rent, Rates & Taxes" has been increasing continuously. In RE for 2020-21 the amount was Rs. 555.96 Crore and for BE 2023-24 it has been proposed at Rs. 650.97 Crore Since F.Y. 2020-21 the allocation under this head has increased by 17.09% up to F.Y. 2023-24.
8. The Allocation under the head "Publication" has increased; in RE 2020-21 the amount was Rs. 2.67 crore whereas in BE 2023-24 it has been proposed at Rs. 3.30 crore which shows overall increase of 23.60% from RE 2020-21.
9. The Allocation under the head "Advertising & Publicity" has been increasing continuously. In RE for 2020-21 the amount was Rs. 38.64 Crore and for BE 2023-24 it has been proposed at Rs. 75.00 crore Since F.Y. 2020-21 the allocation under this head has increased by 94.10% up to F.Y. 2023-24.
10. The Allocation under the head "Minor & Civil Works" was Rs. 70.07 crore in RE 2020-21. For BE 2023-24 the allocation has been proposed at Rs. 100.00 Crore which is an increase of 42.71% in comparison to F.Y. 2020-21.
11. The Allocation under the head "Professional Services" was Rs. 99.57 Crore in FY 2020-21, for BE 2023-24 the allocation has been proposed at Rs. 102.55 Crore which is an increase of 2.99% in comparison to F.Y. 2020-21.
12. The Allocation under the head "Contribution" was Rs. 0.25 Crore in FY 2020-21, for BE 2023-24 the allocation has been proposed at Rs. 1.00 Crore which is an increase of 300% in comparison to F.Y. 2020-21.
13. The Allocation under the head "Secret Services Expenses" has been increasing continuously. In RE for 2020-21 the amount was Rs. 28.50 Crore and for BE 2023-24 it has been proposed at Rs. 42 Crore. Since F.Y. 2020-21 the allocation under this head has increased by 47.37% up to F.Y. 2023-24.
14. The Allocation under the head "Swachhta Action Plan (OE)" has increased by 13.64% from Rs. 22.00 Crore in RE 2020-21 to Rs. 25.00 crore in BE 2023-24.

(B) Capital Section

Under Capital Section, the pace of completion of projects was slow during F.Y 2020-21 and also part of F.Y. 2021-22. Due to the COVID-19, many of the projects have been delayed. Some amount of allocated funds under Capital Segment has been surrendered in F.Y.2020-21 and F.Y.

2021-22. However, it is expected that the coming year might be a normal year and anticipating this, BE 2023-24 has been enhanced. In RE 2020-21 allocation was Rs. 202.02 Crore whereas the amount has been increased to Rs. 1610.00 crore for F.Y. 2023-24 which is a huge increase of 697.03% in comparison to F.Y. 2020-21 due to operationalisation of revised /new object heads under Rule-8 of DFPR, 1978.

Demand for Grant No. – 37 – Indirect Taxes

The provision under this grant is for establishment related expenditure for the field offices of CBIC (Central Board of Indirect Taxes & Customs) and provision for Central Sector Schemes such as Remission of Duties and Taxes on Exported Products (RoDTEP) & various other scrip-based schemes. The Year-wise allocation and utilisation for last 3 years w.e.f. F.Y. 2020-21 is as follows:

(Rs. In Cr.)

| Financial Year | BE | RE | Total Expenditure (upto 31/3 of each FY) | % of RE Utilized | Amount Surrendered |
|----------------|----------|----------|--|------------------|--------------------|
| 2020-21 | 8258.50 | 7582.47 | 7384.21 | 97.39 | 762.11 |
| 2021-22 | 21359.27 | 74938.99 | 57592.53 | 76.85 | 17152.89 |
| 2022-23 | 41139.17 | 36687.94 | 24622.32 (upto Dec., 2022) | 67.11 | - |
| 2023-24 | 38510.58 | - | - | - | - |

Explanations:

FY 2020-21

The Budget Estimates in 2020-21 were reduced from Rs.8258.50 crore [under Revenue Section: Rs.7820.50 crore & under Capital Section: Rs.438.00 crore] to Rs.7582.47 crore in RE 2020-21 [Revenue Section Rs.7304.47 crore + Capital Section Rs.278.00 crore]. The reduction was primarily under the Rewards, Domestic Travel Expenses, Other Administrative Expenses and Advertising & Publicity under Revenue Expenditure. Under Capital Heads, reduction was mainly under provision for Acquisition of Anti-smuggling equipment and for Office and Residential Buildings.

The total expenditure up to 31.03.2021 was Rs.7384.21 crore [Rs.7168.11 crore under Revenue section and Rs.216.10 crore under Capital Section] indicating that 97.39% of the budget as per RE was utilized up to March, 2021. Utilization under Revenue Section was 98.13% of RE under Revenue Section whereas under Capital Section it was 77.73% of RE under Capital Section.

FY 2021-22

During FY 2021-22, an amount of Rs.13,000 crore was provisioned for the RoDTEP Scheme. Due to this provision, the Budget Estimates for FY 2021-22 was increased significantly to Rs.21359.27 crore from BE 2020-21 of Rs.8258.50 crore.

Further, at the time of RE 2021-22 with provision of RoSCTL and Other Scrip based Schemes, the Budget Estimates in 2021-22 were increased from Rs.21359.27 crore [under Revenue Section: Rs.20907.27 crore & under Capital Section: Rs.452.00 crore] to Rs.74938.99 crore in RE 2021-22 [Revenue Section Rs.73960.99 crore + Capital Section Rs.978.00 crore]. The increase was mainly due to the inclusion of budget of Scrip Based Schemes from Rs. 13000.00 crore in BE 2021-22 to Rs.66122.63 crore for RoDETP, ROSCTL and other scrip-based schemes. The increase in other object heads of establishment related expenditure were Rewards, Rent Rates & Taxes and Information Technology under Revenue Expenditure. Under Capital Heads, increase was mainly due to Infrastructure related Capital Projects for Office and Residential Buildings of CBIC.

The total expenditure up to 31.03.2022 was Rs.57592.53 crore [Rs.7589.78 crore out of the budget of Rs.7838.36 crore showing 96.83% of utilization of regular budget of CBIC and Rs.49323.46 crore out of the budget of Rs.66122.63 crore showing 74.59% of utilization of budget of Scrip Based Schemes under Revenue section and Rs.679.29 crore out of the budget of Rs.978.00 crore showing 69.46% of utilization of budget under Capital Section] indicating 76.85% of overall utilization of budget Grant as per RE.

FY 2022-23 (up to December, 2022)

The Budget Estimates in 2022-23 were reduced from Rs.41139.17 crore [under Revenue Section: Rs.39739.17 crore & under Capital Section: Rs.1400.00 crore] to Rs.36687.94 crore in RE 2022-23 [Revenue Section Rs.35749.94 crore + Capital Section Rs.938.00 crore]. The reduction was primarily under budget of Scrip Based Schemes under Revenue Expenditure. Under Capital Heads, reduction was mainly under provision for Acquisition of Anti-smuggling equipment's and provision for Office and Residential Buildings.

The total expenditure up to 31.12.2022 was Rs.24622.32 crore [Rs.6495.78 crore out of the budget of Rs.8640.22 crore showing 75.18% of utilization of regular budget of CBIC and Rs.17787.06 crore out of the budget of Rs.27109.72 crore showing 65.61% of utilization of budget of Scrip Based Schemes under Revenue section and Rs.339.48 crore out of the budget of Rs.938.00 crore showing 36.19% of utilization of budget under Capital Section] indicating 67.11% of overall utilization of budget grant as per RE 2022-23.

FY 2023-24

The Budget of Rs.38510.58 crore in B.E 2023-24 [Rs.36305.58 crore under Revenue Section and Rs.2205.00 crore under Capital Section], includes budget of Rs.27554.59 crore for RoDTEP and various scrip-based schemes. In the B.E 2023-24, Establishment related expenditure of CBIC, excluding Central Sector Schemes i.e. RoDTEP+other scrip-based schemes is Rs.10955.99 crore

Revenue Section- On Revenue Side, expenditure on 'Salaries' (Rs.6962.31 crore) is estimated to be 18.08% of the total grant of Rs.38510.58 crore. The increase of 12.00% over RE of previous FY2021-22 (Rs.6216.35 crore) in 'Salaries' Head is to accommodate annual increment, instalments of DA, filling up of new posts in CBIC. In the DDG 2023-24 the total Expenditure towards Salary has been classified under three Object Heads i.e. Salary, Allowances and LTC due to operationalisation of new/revised Object Heads as per OM dated 15.12.2022 of Department of Expenditure. The major expenditure other than Salary on Revenue Side is under Five Major Heads i.e. "RoDTEP+other scrip-based schemes", 'Offices Expenses', 'Rent, Rates and Taxes for Land and Building', 'Rent for others' and 'Professional Services' to the tune of Rs.28734.07 crores, which is 79.14% of total "Revenue Section" (Rs.36305.58 crore). Brief details of these heads are as under:

- (a) RoDTEP+other scrip-based schemes (Central Sector Schemes): Budget Estimate for FY 2023-24 is Rs.27554.59 crore which is 1.64 % more as compared to RE of these schemes (Rs.27109.72 crore) in FY 2022-23 (as detailed in the Annexure).
- (b) Office Expenses: The expenditure under 'Office Expenses' is estimated at Rs.434.04 crore, which is 1.13% of the total grant (38510.58 crore). The decrease of 46.28% in expenditure over RE 2022-23 (Rs. 808.00 Cr.) is due to operationalisation of new object heads as per the OM dated 15.12.2022 of Department of Expenditure, as a result of which some of the expenditure which was earlier booked under Office Expenses, is now classified under other object heads.
- (c) 'Rent, Rates & Taxes for Land and Building': The expenditure under this head is estimated to be of Rs.468.02 crore which is 1.22% of total grant (38510.58 crore). There is a decrease of 6.40 % over RE of FY 2022-23 (Rs 500.00 crore) in 'Rent, Rates & Taxes'. Decrease in BE 2023-24 is due to less cases arrears of RRT claims requested by filed formation to be paid during FY 2023-24.
- (d) Rent for others: The expenditure under this head is estimated to be of Rs.172.44 crore which is 0.45% of total grant (38510.58 crore). This is the new object head as mentioned in OM dated 15.12.2022 of Department of Expenditure. The expenditure included under this Head is mostly towards hiring of vehicles.
- (e) Professional Services: The expenditure under this head is estimated to be of Rs.105.00 crore which is 0.27% of total grant (38510.58 crore). There is an increase of 41.59 % over RE of FY 2022-23 (Rs.74.16 crore) in 'Professional Services'. The increase is mainly due to the more requirement of funds for paying deficit court fees.

Capital Section-Budget Estimate for FY 2023-24 is 2205.00 crore which is increased by 135.07% as compared to RE 2022-23 (Rs.938.00 crore). Brief details of these heads are as under:

- (a) MH 4047 - The expenditure under this head is estimated to be of Rs.855.00 crore (including Rs.150.00 crore for Procurement of Anti-Smuggling Equipment and Rs.495.00 crore for major IT projects of DG, Systems) which is 38.77% of total Capital grant (2205.00 crore). There is an increase of 1888.37 % over RE of FY 2022-23 (Rs.43.00 crore) in 'MH 4047'. Increase is mainly due to opening of new object head under Capital Section as mentioned in O.M. dated 15.12.2022 of Department of Expenditure. The new expenditure included under this Head is mostly relating to Information, Computer, Telecommunications (ICT) equipment and Furniture & Fixtures for Customs and CGST filed formations which was earlier part of Revenue Section.
- (b) MH 4059- The expenditure under this head is estimated to be of Rs.950.00 crore which is 43.08% of total grant (2205.00 crore). There is an increase of 50.79 % over RE of FY 2022-23 (Rs. 630 crore) in 'MH 4059'. Increase is mainly due to the more requirement of funds for Infrastructural projects of office accommodation of CBIC such as purchase of land for office and construction of office buildings etc.
- (c) MH 4216- The expenditure under this head is estimated to be of Rs.400.00 crore which is 18.14% of total grant (2205.00 crore). There is an increase of 50.94 % over RE of FY 2022-23 (Rs.265.00 crore) in 'MH 4216'. Increase is mainly due to the more requirement of funds for Infrastructural projects of residential accommodation of CBIC such as purchase of residential land and construction of residential buildings etc.

Target fixed for collection of Direct and Indirect Taxes for the year 2023-24 and target achieved during the last three fiscals 2020-21, 2021-22 and 2022-23.

Demand for Grant No. – 36 Direct Taxes

(Fig. Rs. in Crore)

| Financial Year | Budget Estimate | Revised Estimate | Direct Tax Collection (Net) |
|---------------------------|-----------------|------------------|-----------------------------|
| 2020-21 | 13,19,000.00 | 9,05,000.00 | 9,47,176.37# |
| 2021-22 | 11,08,000.00 | 12,50,000.00 | 14,12,422.45# |
| 2022-23* (as on 31.01.23) | 14,20,000.00 | 16,50,000.00 | 12,52,753.43# |
| 2023-24\$ | 18,23,250.00 | - | - |

Source: Receipt Budget &# Pr. CCA, CBDT

* Pr. CCA(CBDT) Flash figure (31/01/23)

\$ Target fixed For BE 2023-24

Demand for Grant No. – 37 Indirect Taxes

(Fig Rs. In crore)

| | Revised Targets for FY 2020-21 | Actual collection for FY 2020-21 | Revised Targets for FY 2021-22 | Actual Collection for FY 2021-22 | Revised Target for FY 2022-23 | Actual Collection for FY 2022-23 | Target for FY 2023-24 (BE) |
|--------------------------------|--------------------------------|----------------------------------|--------------------------------|----------------------------------|-------------------------------|----------------------------------|----------------------------|
| Customs duty | 1,12,000 | 1,34,750 | 1,89,000 | 1,99,728 | 2,10,000 | 1,60,739 | 2,33,100 |
| Central Excise duty | 3,61,000 | 3,89,667 | 3,94,000 | 3,90,808 | 3,20,000 | 2,43,384 | 3,39,000 |
| ST(arrears) | 1,400 | 1,615 | 1,000 | 1,012 | 1,000 | 139 | 500 |
| Total (Non-GST) | 4,74,400 | 5,26,032 | 5,84,000 | 5,91,548 | 5,31,000 | 4,04,263 | 5,72,600 |
| CGST | 4,31,000 | 4,56,334 | 5,70,000 | 5,91,226 | 7,24,000 | 5,32,193 | 8,11,600 |
| IGST | - | 7,251 | - | 2,119 | - | 142 | - |
| GST-Comp. Cess | 84,100 | 85,192 | 1,05,000 | 1,04,769 | 1,30,000 | 93,408 | 1,45,000 |
| Total (GST) | 5,15,100 | 5,48,777 | 6,75,000 | 6,98,114 | 8,54,000 | 6,25,744 | 9,56,600 |
| Total Net [GST+Non-GST] | 9,89,500 | 10,74,810 | 12,59,000 | 12,89,662 | 13,85,000 | 10,30,007 | 15,29,200 |

IV. Goods and Services Tax (GST):

4.1 The introduction of Goods and Services Tax (GST) regime in the country was a very significant step in the field of indirect tax reforms in India. By amalgamating a large number of Central and State taxes into a single tax, the aim was to mitigate cascading or Department of Revenue III-121 double taxation in a major way and pave the way for a common national market. Before implementation of the GST regime in the country, the issue was deliberated in detail by the Empowered Committee of State Finance Ministers, Select Committee of Rajya Sabha and Parliamentary Standing Committee on Finance. After detailed and prolonged deliberation, the Constitution (One Hundred and First Amendment) Act, after ratification by 50% of the States, was assented to by the President on 8 th September, 2016. Thereafter, Central Goods and Services Tax (CGST) Act, Integrated Goods and Services Tax (IGST) Act, Union Territory Goods and Services Tax (UTGST) Act, and Goods and Services Tax (Compensation to States) Act were enacted in order to achieve a successful roll-out of the GST regime in the country from 1st July, 2017.

4.2 Union Territories Goods and Services Tax (UTGST):

Like State Goods and Services Tax (SGST) Act, which is enacted by the respective States/UTs with legislature to levy and collect on all transactions within the respective State/ UT, Union

Territories Goods and Services Tax (UTGST) Act, 2017 is enacted to levy and collect GST specifically in the Union Territories without legislature i.e. Andaman and Nicobar Islands, Lakshadweep, Dadra and Nagar Haveli and Daman and Diu, Chandigarh and Ladakh.

4.3 The amount of revenue loss suffered/reported by various states, separately and the extent of compensation paid.

As per Section 7 of the GST (Compensation to States) Act, 2017, the States are required to be compensated for loss of revenue due to implementation of GST from the proceeds of the GST compensation Cess being levied on certain luxury items and demerit goods under Section 8 of the said Act. As per provisions in Section 10 (1) of GST (Compensation to state) Act, 2017, GST Compensation cess has been credited into a non lapsable Fund known as GST Compensation Fund in Public Account of India. Section 10(2) of the said Act, 2017 provides that payment of GST compensation shall be made out of compensation fund.

Accordingly, provisional bi-monthly GST compensation which is equal to shortfall in revenue of States/ UTs for a particular year with respect to protected revenue of that year (calculated with 14% compounded growth rate over the base year revenue of 2015-16) is being calculated and released to States/UTs w.e.f. 01.07.2017.

Taking into account release of ₹ 1.10 lakh crore for FY 2020-21 and ₹ 1.59 lakh crore for FY 2021-22 to States/UTs as back to back loan in lieu of GST compensation, the entire GST compensation dues of States/UTs as per provision of GST (Compensation to States) Act, 2017 has been cleared by Central Government for the period up to 31.05.2022. During 2022-23, Central Government released full compensation up to 31.05.2022 despite insufficient amount in the Compensation Fund, by meeting the required balance from its own resources to the extent of ₹ 62,000 crore in May 2022, and ₹ 17,000 crore again in November 2022 to partly meet compensation due for June, 2022, to assist the States in managing their resources. Accordingly, the provisional GST compensation released to States/ UTs for the period 01.07.2017 to 30.6.2022 is as per details in Annexure C. Moreover, Rs 16982 crore balance provisional GST compensation has also been released on 22.02.2023. With this release, Centre cleared the entire provisionally admissible compensation due for five years as envisaged in the GST (Compensation to States) Act,2017.

4.4 Quantum of month-wise GST (Goods and Services Tax) collections; Input Tax Credit; Refunds and net-collections during FY 2021-22 and till 31 December during current fiscal.

The month-wise Refund and Net collections i.r.o. GST during FY 2021-22 and for FY 2022-23 till 31st December, 2022, are provided below:

Amount in Rs. Crore

| Month | Total GST Collection of Centre [CGST+IGST+GST Compensation Cess] | | | |
|-------------|--|----------------|----------------|----------------|
| | Refund | | Net | |
| | FY 2021-22 [P] | FY 2022-23 [P] | FY 2021-22 [P] | FY 2022-23 [P] |
| April | 12,516 | 12,830 | 69,433 | 85,873 |
| May | 14,128 | 20,497 | 52,518 | 64,816 |
| June | 9,623 | 14,350 | 46,638 | 59,775 |
| July | 12,905 | 15,662 | 51,699 | 72,910 |
| August | 10,160 | 16,107 | 45,604 | 70,739 |
| Sept | 12,371 | 13,064 | 55,234 | 74,620 |
| Oct. | 13,133 | 11,213 | 65,737 | 63,125 |
| Nov | 13,755 | 19,391 | 65,917 | 65,592 |
| Dec | 9,618 | 16,222 | 70,003 | 68,294 |
| Jan | 14,906 | | 51,209 | |
| Feb | 13,687 | | 66,172 | |
| March | 14,581 | | 59,074 | |
| April-March | 1,51,384 | 1,39,336 | 6,99,239 | 6,25,744 |

Source: PrCCA, CBIC; [P]: Provisional

Note: The above Net figures for FY 2021-22 shows difference of Rs. 1,125 crore in IGST w.r.t. Receipt Budget 2023-24.

ITC Utilised (In Crore)

| Financial Year | Month | ITC Utilized |
|----------------|--------|--------------|
| 2021-22 | Apr-21 | 2,70,713.87 |
| | May-21 | 2,14,644.73 |
| | Jun-21 | 3,19,062.46 |
| | Jul-21 | 3,15,656.82 |
| | Aug-21 | 3,20,907.99 |
| | Sep-21 | 3,77,254.14 |
| | Oct-21 | 3,65,560.96 |
| | Nov-21 | 3,18,537.24 |
| | Dec-21 | 4,09,470.12 |
| | Jan-22 | 3,53,915.30 |
| | Feb-22 | 3,55,960.36 |
| | Mar-22 | 5,23,452.76 |
| | | TOTAL |
| 2022-23 | Apr-22 | 3,70,926.64 |
| | May-22 | 3,76,303.25 |
| | Jun-22 | 4,29,780.11 |
| | Jul-22 | 3,84,203.71 |
| | Aug-22 | 3,82,773.14 |
| | Sep-22 | 4,68,421.88 |
| | Oct-22 | 3,89,283.11 |
| | Nov-22 | 3,86,724.01 |

| | |
|--------------|---------------------|
| Dec-22 | 4,60,619.68 |
| TOTAL | 36,49,035.53 |

When asked about the Steps taken to plug leakages/evasion of taxes and quantum of tax detected therefrom in FY 2020-21, FY 2021-22 and current fiscal, the Ministry of Finance (Department of Revenue) in their written reply have submitted as thus:

"a. Central GST field formations have made consistent efforts, to detect cases involving tax evasion, through the use of intelligence and extensive data analytics.

b. Nationwide special drive is being carried out against unscrupulous entities for availing and passing on Input Tax Credit (ITC) fraudulently on the strength of fake/bogus invoices. CBIC has detected major cases of fraudulent ITC involving arrest of kingpins/masterminds. The details of detection/recovery from 09.11.2020 to 07.02.2023 are mentioned below:

| Special Drive against GST Invoice Fraudsters | | | | |
|--|---------------------|----------------------------|---------------------------------------|---------------------------|
| Period | No. of cases booked | Number of persons arrested | Fake ITC/GST Amount Detected (In Cr.) | Amount Recovered (In Cr.) |
| 9 th November, 2020 to 7 th February, 2023 | 7628 | 742 | 58949.89 | 3377.76 |

c. In order to ensure comprehensive deterrent measures against fake dealers/invoice, the information of cases booked by CBIC is also shared with SGST authorities through the GST Council and with FIU-IND also for tracking suspicious transaction records, and with CBDT for initiating action related to bogus expenditures, etc.

d. Department has been using data analytics and information technology system-based tools to identify deviant behaviour and inconsistencies between various reports of the taxpayers. Artificial intelligence tools such as NETRA (Networking Exploration Tools for Revenue Argumentation), BIFA (Business Intelligent and Fraud Analytics) & ADAIT (Advanced Analytics in Indirect Taxation) based on network analysis have been implemented to identify risky taxpayers.

e. With the use of data analytics and AI based tools Red Flag reports are being generated by GSTN as well as Directorate General of Analysis and Risk Management (DGARM) in respect of defaulting taxpayers and risky taxpayers with deviant behaviour in form of discrepancies between returns and other database, like GSTR-1 and GSTR-3B, GSTR3B and GSTR 2B, GSTR 3B and e-way bills etc, which are being shared with the tax officers for verification on regular basis. Action on these Red Flag reports by field formation has resulted in considerable detection and recovery, and has led to improving overall compliance by the taxpayers. In addition to action based on these Red Flag Reports, a risk-based standardized system of return scrutiny has also been provided.

f. The data sharing of toll movement as a consequence of Fastag being made mandatory for payment of toll, with GSTN, now allows correlation of EWB with that of Fastag data, which would help identify fraudulent misuse of EWB and help detect dealers of fake invoices and curb evasion as well.

g. To bring discipline in return filing CGST Rules have been amended with effect from 01.01.2022 for restricting/blocking of filing of GSTR-1, if taxpayer fails to furnish the GSTR-3B return for preceding tax period. This has resulted in timely filing of GSTR-3B returns and thus, timely payment of tax to the Government.

h. Provision has also been made to make filing of GSTR-1 mandatory before filing of GSTR-3B for a tax period and also for mandating sequential filing of GSTR-1 w.e.f. 01.10.2022.

i. Section 16 of the CGST Act and rule 36(4) of the CGST rules have been amended w.e.f. 01.01.2022 to limit the input tax credit availment to the extent the input tax credit furnished by the supplier in GSTR-1 and appearing in taxpayer's GSTR-2B.

j. Amendment to FORM GSTR-1 has been notified to provide for reporting of details of supplies made through ECOs, covered under section 52 and section 9(5) of CGST Act, 2017, by the supplier and reporting by the ECO in respect of supplies made under section 9(5) of CGST Act, 2017.

k. Rule 88C and FORM GST DRC-01B have been inserted in CGST Rules, 2017 w.e.f. 26.12.2022 for intimation to the taxpayer, by the common portal, about the difference between liability reported by the taxpayer in FORM GSTR-1 and in FORM GSTR-3B for a tax period, where such difference exceeds a specified amount and/ or percentage, for enabling the taxpayer to either pay the differential liability or explain the difference. Further, clause (d) has been inserted in sub-rule (6) of rule 59 of CGST Rules, 2017 to restrict furnishing of FORM GSTR-1 for a subsequent tax period if the taxpayer has neither deposited the amount specified in the intimation nor has furnished a reply explaining the reasons for the amount remaining unpaid."

V Details of Total Tax Collections Made During Last Three Financial Years (including the current financial year) for different heads and slabs:

Direct Taxes:

(Gross figures) (Rs. In Crore)

| S. No. | Direct Taxes Collection | 2020-21 [@] | 2021-22 [@] | 2022-23 [#] (as on 31.01.2023) |
|--------|-----------------------------------|----------------------|----------------------|---|
| a | Income Tax | 470216.72 | 673052.19 | 699989.67 |
| b | Corporate Tax | 457718.97 | 712037.33 | 765661.91 |
| c | Securities Transactions Tax (STT) | 16926.99 | 23191.03 | 19526.75 |
| d | Dividend Distribution Tax (DDT)* | 13035.30 | 7956.80 | 10415.80 |
| e | Wealth Tax | 11.85 | 12.33 | 15.21 |

| | | | | |
|---|-------------------|------|------|------|
| f | Gift Tax | 0.00 | 0.00 | 0.70 |
| g | Capital Gains Tax | | | |

Source: @Receipt Budget (Actuals)

#Provisional Pr. CCA, CBDT

*OLTAS as on 31.01.2023

Note 1: No minor head is maintained for any challan in respect of capital gain tax, therefore no data in this regard is available.

(Gross figures) (Rs. In Crore)

| S. No | Others | 2020-21 | 2021-22 | 2022-23* (As on 13.02.2023) |
|-------|--|-------------|-------------|-----------------------------|
| 1 | (a)+(c) Tax from Tax Deducted at Source (TDS) + Tax Collected at Source (TCS). | 5,24,300.90 | 7,07,785.30 | 8,04,723.30 |
| 2 | (b) Advance Tax | 4,95,152.40 | 6,82,972.00 | 5,33,583.90 |
| 3 | (c) Tax Collected at Source (TCS)[Provided with TDS at Sl. No. (a)] | - | - | - |
| 4 | (d) Tax from Scrutiny Assessment (4+5+6) | 42,373 | 61,659 | 59,495.90 |
| 5 | (e) Tax from other Assessments, if any (Included in S. No. 4 above) | - | - | - |
| 6 | (f) Tax from Searches and Seizures (Included in S. No. 4 above) | - | - | - |
| 7 | (g) Tax from amnesty schemes | 6.80 | 37.30 | 59.50 |

Source: OLTAS and Directorate of Systems, CBDT

Note: 1. Tax from amnesty schemes include Income Declaration Scheme, 2016[minor head 111], Black Money Act, 2015[minor head 108/109] and PMGKY [minor head 112]

2. All the figures above are Gross tax collection figures as on 17.02.2023.

Slab-wise Income Tax collected and number of assesses under various heads

The Tax wise slab summary for Assessment Year 2019-20, 2020-21 and 2021-22 are attached as per Annexure A.

Indirect Taxes

Amount in Rs. Crore

| | Actual collection for FY 2019-20 | Actual collection for FY 2020-21 | Actual Collection for FY 2021-22 | Actual Collection for FY 2022-23 (till December 2022) [P] |
|-------------------------|----------------------------------|----------------------------------|----------------------------------|---|
| Customs duty | 1,09,283 | 1,34,750 | 1,99,728 | 1,60,739 |
| Central Excise duty | 2,39,452 | 3,89,667 | 3,90,808 | 2,43,384 |
| Service Tax(arrears) | 6,029 | 1,615 | 1,012 | 139 |
| Total (Non-GST) | 3,54,764 | 5,26,032 | 5,91,548 | 4,04,263 |
| CGST | 4,94,071 | 4,56,334 | 5,91,226 | 5,32,193 |
| IGST | 9,125 | 7,251 | 2,119 | 142 |
| GST-Comp. Cess | 95,553 | 85,192 | 1,04,769 | 93,408 |
| Total (GST) | 5,98,749 | 5,48,777 | 6,98,114 | 6,25,744 |
| Total Net [GST+Non-GST] | 9,53,513 | 10,74,810 | 12,89,662 | 10,30,007 |

Source: Receipt Budget, PrCCA, CBIC, DG Systems; [P]: Provisional

Note: The Accounting Procedure has been revised starting from FY 2021-22, accordingly the Customs duty from the Financial year 2021-22 onwards includes duty paid through scrips also.

VI. Sector-wise quantum of searches, seizures and surveys made during the last three financial years (including the current financial year)

Direct Taxes:

The Income Tax Department conducts search & seizure operations in cases of persons, including companies, which are engaged in diversified business activities, across different sectors. Statistics with regard to search and seizure actions for the last three financial years including for the current financial year (up to December, 2022) is as under:

| S. No. | Financial Year | No. of groups searched | Total seizure (in Rs. Crore) |
|--------|---------------------------|------------------------|------------------------------|
| 1 | 2020-21 | 569 | 880.83 |
| 2 | 2021-22 | 686 | 1159.59 |
| 3 | 2022-23* (up to Dec 2022) | 526 | 1405.90 |

*figures are provisional

Survey u/s 133A of the Income Tax Act, 1961 are the enforcement tool available with the Income Tax Department to verify the compliance of an assessee with the relevant tax provisions, create necessary deterrence and also for creation of an atmosphere of voluntary compliance. Statistics with regard to survey actions undertaken during the last three financial years including for the current financial year (up to December, 2022) is as under:

| S. No. | Financial Year | No. of surveys |
|--------|--------------------------|----------------|
| 1 | 2020-21 | 426 |
| 2 | 2021-22 | 1046 |
| 3 | 2022-23 (up to Dec 2022) | 664 |

It is further stated that sector-wise details of search & seizure and surveys are not maintained separately.

With regard to details of actual and final tax realization, it is stated that the Income Tax Department takes several punitive and deterrent steps to monitor unaccounted money and curb tax evasion. These include scrutiny of returns, surveys, search and seizure action, imposition of penalty and launching of prosecution in appropriate cases. Under the Income-tax Act, 1961, investigation culminates into an assessment/re-assessment, which then is a subject matter of appeal. Invariably, in many cases appeals are preferred by assessee/department or both depending upon the facts and circumstances of the case. The appeals often reach up-to High Court/ Supreme Court. The final results of investigation can be known only when the appeals etc. are finalized and the matter does not travel further in appellate hierarchy. In view of the above, the collection of tax from the search actions conducted cannot be quantified unless all the quasi-judicial and judicial proceedings are finalized.

Indirect Taxes

The quantum of searches, seizures and surveys made during the last three financial years is as below:

| Total Number of GST Offence Cases | | | | |
|--|--------------|---------------------------|--------------------------|---------------|
| Period: 2020-21 to 2022-23 (up to November 2022) | | | | |
| Period | No. of Cases | Detection (In Rs. Cr.) | Recovery (In Rs. Cr.) | No. of Arrest |
| 2020-21 | 12596 | 49383.96 | 12235.00 | 460 |
| 2021-22 | 12574 | 73237.65 | 25156.53 | 342 |
| 2022-23 (upto November 22) | 8960 | 76515.09 | 21084.64 | 131 |

| Total Number of Customs Offence Cases | | | | |
|---|--------------|---------------------------|--------------------------|----------------|
| Period: 2020-21 to 2022-23 (up to January 2023) | | | | |
| Period | No. of Cases | Detection (In Rs. Cr.) | Recovery (In Rs. Cr.) | No. of Arrests |
| 2020-21 | 14446 | 12935.88 | 2613.92 | 1770 |
| 2021-22 | 15801 | 45931.08 | 3486.27 | 2224 |
| 2022-23 (upto January 23) | 16361 | 23494.4 | 2235.94 | 2031 |

| Total Number of Central Excise Offence Cases | | | | |
|--|--------------|---------------------------|--------------------------|--|
| Period: 2020-21 to 2022-23 (up to November 2022) | | | | |
| Period | No. of Cases | Detection (In Rs. Cr.) | Recovery (In Rs. Cr.) | |
| 2020-21 | 233 | 1827.53 | 111.57 | |
| 2021-22 | 108 | 918.64 | 139.02 | |
| 2022-23 (upto November 22) | 27 | 566.02 | 26.22 | |

| Total Number of Service Tax Offence Cases | | | | |
|--|--------------|---------------------------|--------------------------|--|
| Period: 2020-21 to 2022-23 (up to November 2022) | | | | |
| Period | No. of Cases | Detection (In Rs. Cr.) | Recovery (In Rs. Cr.) | |
| 2020-21 | 9643 | 17900.50 | 704.11 | |
| 2021-22 | 2263 | 20652.34 | 260.18 | |
| 2022-23 (upto November 22) | 443 | 843.62 | 47.99 | |

VII. Quantum of both direct and indirect tax cases (no. of cases and amount respectively) pending in various fora/court during the last 3 financial years including the age of pendency.

Direct Taxes:

| Year | Forum | Department Appeals | | Party's Appeals | | Total | |
|---------|---------------|--------------------|-----------|-----------------|-----------|--------|------------|
| | | No. | Amount | No. | Amount | No. | Amount |
| 2019-20 | Supreme Court | 4831 | 26281.79 | 646 | 1048.62 | 5477 | 27330.41 |
| | High Court | 24886 | 299534.25 | 6936 | 9703.32 | 31822 | 309237.57 |
| | ITAT | 16058 | 175130.6 | 15230 | 92293.07 | 31288 | 267423.68 |
| | CITs(A) | | | | | 457808 | 883330.89 |
| 2020-21 | Supreme Court | 3442 | 24468.81 | 602 | 805.94 | 4044 | 25274.75 |
| | High Court | 20133 | 268376.14 | 6311 | 6953.11 | 26444 | 275329.25 |
| | ITAT | 13606 | 175549.64 | 13726 | 94488.96 | 27332 | 270038.60 |
| | CITs(A) | | | | | 448992 | 2452300.69 |
| 2021-22 | Supreme Court | 3531 | 26739.94 | 577 | 995.82 | 4108 | 27735.77 |
| | High Court | 22205 | 314899.83 | 7558 | 16345.39 | 29763 | 331245.22 |
| | ITAT | 12910 | 186239.29 | 13902 | 118847.57 | 26812 | 305086.86 |
| | CITs(A) | | | | | 502111 | 1418631.34 |

Source: R&S, Monthly Disposal Report of Appeals by CIT and Quarterly Progress Report of Appeals/write before ITAT/HC/SC.

Indirect Taxes

The information for the Financial Year 2019-20, 2020-21 and 2021-22 is attached as Annexure B.

When asked about the quantum of (a) collectible arrears (b) difficult to collect arrears in respect of both direct and indirect taxes as on 31 August, 2022, the Department of Revenue have replied as thus:

“Direct Taxes:

The following data is extracted from CAP-I Report of August, 2022

- Total arrear demand for collection as on 31.08.2022: Rs. 22,15,956 Cr.
- Total demand difficult to recover out of above: Rs. 21,42,486 Cr.
- Net collectible arrear demand as on 31.08.2022 Rs. 73,470 Cr.

Indirect Taxes:

The information is at Annexure D.”

Average age of pendencies of cases (forum/stage-wise pendencies) in respect of direct and indirect taxes

Direct Taxes:

Average age of pendency of collectible demand and demand difficult to recover is not captured in CAP-I report. However, the age wise analysis of disputed and demand not under dispute as collated is reproduced as under:

| Tax revenues raised but not realized | >1 yr and <=2 yrs | >2 yrs and <=5 yrs | >5 yrs and <=10 yrs | >10 yrs | Total |
|--------------------------------------|-------------------|--------------------|---------------------|------------------|-------------------|
| Disputed Demand | <u>723279.99</u> | 406535.40 | 53064.86 | <u>27384.63</u> | <u>1210264.87</u> |
| Demand not under Dispute | <u>495067.69</u> | 190702.36 | 119318.57 | <u>134074.24</u> | <u>939162.85</u> |
| Total Tax Revenues not realized | 1218347.68 | 597237.75 | 172383.43 | 161458.87 | 2149427.72 |

Note: Pendency of disputed/ non disputed arrear demand less than one year is not captured and hence not included in the table and that accounts for the variance in figure of total tax revenues not realised with total arrear demand figures reply of part (a) of point 7(i)

Indirect Taxes:

The information is at Annexure D.

Viii. Grievance redressal mechanism for the tax payers (w.r.t. Direct Taxes).

The following initiatives have been taken:

i. Taxpayer Facilitation and Assistance: The 12th report of 2nd Administrative Reform Commission (ARC) aimed at Citizen Centric Governance, inter-alia, with the aid of modern technology. The setting up of Aaykar Seva Kendras (ASKs) is a step in this direction. ASKs were set up under 'Sevottam' which is the concept of establishing excellence in Public service delivery. ASK is a single window mechanism to render computerized service for centralized receipt of returns, applications, grievances and distribution of dak in various Income Tax Offices. All communication as well as returns received in ASKs mandate timely disposal which can be monitored and reviewed.

Aaykar Sampark Kendra, a National Call Centre and 4 Regional Call Centres have been set up and are operational from 8 AM to 10 PM from Monday to Saturday to furnish information to tax related queries. Apart from this, the CPC-ITR at Bengaluru, CPC-TDS at Vaishali and e-filing facility also have separate call centers to address specific issues.

ii. E-Nivaran: In order to ensure better grievance redressal, E-Nivaran, a special electronic grievance redressal system is functional in the Income Tax Department. The taxpayer avails this platform for redressing issues relating to erroneous tax demand, refund, etc. It integrates all the online and physical complaints received by the department which are further monitored by the concerned Officers up to the supervisory authorities.

iii. Transparent taxation: Honouring the Honest: A 'Transparent Taxation' platform titled "Honouring the Honest" was launched in 2020. The platform comprised faceless assessments, faceless appeals and a taxpayer's Charter. The reforms are part of the government's attempt to

honour 'honest' taxpayers of the country and to make the tax system 'seamless, faceless and painless'.

iv. Taxpayers' Charter: The Taxpayers' Charter provides for responsibilities of the Income Tax Department towards taxpayers and also lists duties of the taxpayers. Section 119A has now been inserted in the Act through the Finance Bill, 2020 to empower the CBDT to adopt and declare a taxpayer's charter and issue orders, and directions or guidelines to the I-T authorities.

v. Aaykar Setu: The use of smart phone is increasing day by day. With the objective to enhance taxpayer services and mobile access experience, a mobile app (available on Android/IOS platform) called "Aaykar Setu" was launched in 2017, which is responsive version of the Tax Payer Services (TPS) section at the national website. "Aaykar Setu" would facilitate the online payment of the taxes, calculation of taxes, removal of grievances through login to the e-Nivaran module, information about the TPS hierarchy, ASK IT module, tax Gyaan, TDS/TRACES and other features.

vi. Local Committees have been set at each Pr. CCIT Region for resolution of grievances related to High Pitched Assessment.

Annexure A

| SR | ASSESSMENT YEAR | | Total Number ITR filers (ITR-1/2/3/4/5/6/7) | Income from Salary/Pension (>0) | Income from House Property (non-zero amount) | HUF_COUNT (PAN category is HUF) | Income From Business/Profession (>0) | PROFESSION (Nature of Business is Professional) | PRESUMPTIVE (submitted ITR-4 with income from business >0) |
|----|-----------------|--|---|---------------------------------|--|---------------------------------|--------------------------------------|---|--|
| | | | TOTAL ITRS | SALARY_COUNT | HP_COUNT | HUF_COUNT | BUSINESS_COUNT | PROFESSION_COUNT | ITR4-PRESUMPTIVE_COUNT |
| | (a) | | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | 2019-20 | Total-Tax-Paid >= 0 and <= 3 Lakh | 6,64,48,706 | 3,12,44,765 | 89,98,288 | 11,71,697 | 2,89,16,782 | 9,57,270 | 1,69,11,052 |
| 2 | 2019-20 | Total-Tax-Paid > 3 Lakh and <= 5 Lakh | 11,78,877 | 7,84,632 | 4,04,544 | 13,491 | 3,84,714 | 29,500 | 48,491 |
| 3 | 2019-20 | Total-Tax-Paid > 5 Lakh and <= 10 Lakh | 9,79,595 | 6,43,017 | 3,43,611 | 9,245 | 3,33,200 | 28,941 | 24,518 |
| 4 | 2019-20 | Total-Tax-Paid > 10 Lakh and <= 20 Lakh | 4,22,183 | 2,38,194 | 1,23,069 | 3,889 | 1,76,779 | 17,770 | 4,453 |
| 5 | 2019-20 | Total-Tax-Paid > 20 Lakh and <= 50 Lakh | 2,35,552 | 1,14,752 | 61,106 | 2,006 | 1,13,117 | 12,196 | 64 |
| 6 | 2019-20 | Total-Tax-Paid > 50 Lakh and <= 100 Lakh | 69,398 | 27,660 | 18,700 | 435 | 38,189 | 3,888 | 8 |
| 7 | 2019-20 | Total-Tax-Paid > 100 Lakh | 59,943 | 13,628 | 14,364 | 264 | 40,252 | 3,186 | 2 |
| | | | 6,93,94,254 | 3,30,66,648 | 99,63,682 | 12,01,027 | 3,00,03,033 | 10,52,751 | 1,69,88,588 |

The following consideration are made while calculating Slab-wise Income Tax collected and number of assessees under various heads-

1. In case an assessee has declared both salary and income from house-property in ITR, it has been counted separately in both (d) and (e).
3. In case of House-Property (e), both positive and negative amounts have been counted.
4. The following points are considered to calculate counts:

| | |
|--|--|
| | Number of ITR-1/2/3/4 with Salary-Income > 0. |
| (b) HP_INCOME COUNT | Number of ITRs with Income-From-House-Property <> 0. |
| (c) HUF_COUNT | Number of ITRs submitted by HUF (Fourth character of PAN is 'H') |
| (d) BUSINESS_COUNT | Number of ITRs with Total-Income-from-Business-Profession > 0. |
| (e) PRESUMPTIVE BUSINESS (ITR-4) COUNT | Number of ITR-4 with Income-From-Business > 0. |
| (f) PROFESSION | Number of ITR-1/2/2A/3/4/4S with nature-of-business-code in 0601-0607 (Professionals) OR 16001-16020/16019_1 (Professions) |

| SR | ASSESSMENT YEAR | | Total Number of ITR filers (ITR-1/2/3/4/5) | Income from Salary/Pension (>0) | Income from House-Property (non-zero amount) | HUF_COUNT (PAN category is HUF) | Income From Business/Profession (>0) | PROFESSION (Nature of Business is Professional) | PRESUMPTIVE (submitted ITR-4 with Income-from-business > 0) |
|----|-----------------|--|--|---------------------------------|--|---------------------------------|--------------------------------------|---|---|
| | | | TOTAL_ITRS | SALARY_COUNT | HP_COUNT | HUF_COUNTS | BUSINESS_COUNT | PROFESSION_COUNT | ITR4_PRESUMPTIVE_COUNT |
| | (a) | | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
| 1 | 2021-22 | Total-Tax-Paid >= 0 and <= 3 Lakh | 6,59,80,297 | 2,94,67,760 | 85,87,049 | 11,93,472 | 2,98,54,026 | 1,89,66,748 | 7,14,730 |
| 2 | 2021-22 | Total-Tax-Paid > 3 Lakh and <= 5 Lakh | 13,85,470 | 9,87,729 | 4,48,737 | 14,445 | 3,85,136 | 42,587 | 28,243 |
| 3 | 2021-22 | Total-Tax-Paid > 5 Lakh and <= 10 Lakh | 11,57,281 | 8,11,729 | 3,78,115 | 9,933 | 3,45,097 | 25,020 | 28,418 |
| 4 | 2021-22 | Total-Tax-Paid > 10 Lakh and <= 20 Lakh | 4,85,550 | 2,98,041 | 1,31,786 | 4,152 | 1,83,353 | 4,462 | 17,650 |
| 5 | 2021-22 | Total-Tax-Paid > 20 Lakh and <= 50 Lakh | 2,60,541 | 1,39,091 | 63,528 | 2,136 | 1,16,357 | 135 | 12,292 |
| 6 | 2021-22 | Total-Tax-Paid > 50 Lakh and <= 100 Lakh | 72,069 | 30,860 | 19,025 | 474 | 38,024 | 7 | 3,513 |
| 7 | 2021-22 | Total-Tax-Paid > 100 Lakh | 65,431 | 16,882 | 15,173 | 293 | 41,443 | - | 3,124 |
| | | | 6,94,06,639 | 3,17,52,092 | 96,43,413 | 12,24,905 | 3,09,63,436 | 1,90,38,959 | 8,07,970 |

- Latest eReturns of AY 2021-22 submitted upto 31-Dec-2022 have been taken into consideration.

The following consideration are made while calculating Slab-wise Income Tax collected and number of assessee under various heads-

1. In case an assessee has declared both salary and income from house-property in ITR, it has been counted separately in both (d) and (e).
2. Total number of assessee in column (c) will not match total of remaining columns due to multiple types of incomes being declared in a single ITR.
3. In case of House-Property (e), both positive and negative amounts have been counted.
4. The following points are considered to calculate counts:

| | |
|--|--|
| (a) SALARY_COUNT | Number of ITR-1/2/3/4 with Salary-Income > 0. |
| (b) HP_INCOME COUNT | Number of ITRs with Income-From-House-Property <> 0. |
| (c) HUF_COUNT | Number of ITRs submitted by HUF (Fourth character of PAN is 'H') |
| (d) BUSINESS_COUNT | Number of ITRs with Total-Income-from-Business-Profession > 0. |
| (e) PRESUMPTIVE BUSINESS (ITR-4) COUNT | Number of ITR-4 with Income-From-Business > 0. |
| (f) PROFESSION | Number of ITR-1/2/2A/3/4/4S with nature-of-business-code in 0601-0607 (Professionals) OR 16001-16020/16019_1 (Professions) |

All Pendency of Appeals

(As on 31 March 2020)

(Rs. In Crores)

| Central Excise | | | | | | | | | | | | |
|----------------|------------------------|-------------------|----------|--------------|-----------|-------|-----------|-------------------------------|---------|---------|----------|------------------|
| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 810 | 11008.87 | 462 | 2214.56 | 1272 | 13223.43 | 282 | 281 | 256 | 330 | 123 |
| 2 | High Court | 1794 | 10535.15 | 3138 | 9064.49 | 4932 | 19599.65 | 1505 | 1218 | 576 | 829 | 804 |
| 3 | CESTAT | 2707 | 11628.36 | 19785 | 62296.31 | 22492 | 73924.67 | 7694 | 5159 | 4325 | 4646 | 668 |
| 4 | Commissioner (Appeals) | 747 | 817.55 | 4516 | 1691.25 | 5263 | 2508.80 | 3370 | 1348 | 296 | 185 | 64 |
| | Total | 6058 | 33989.93 | 27901 | 75266.61 | 33959 | 109256.54 | 12851 | 8006 | 5453 | 5990 | 1659 |
| Service Tax | | | | | | | | | | | | |
| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 568 | 10449.29 | 381 | 7468.14 | 949 | 17917.43 | 291 | 305 | 156 | 189 | 8 |
| 2 | High Court | 776 | 5276.28 | 3667 | 20025.52 | 4443 | 25301.80 | 1525 | 1287 | 521 | 898 | 212 |
| 3 | CESTAT | 2785 | 16105.30 | 23053 | 93990.48 | 25838 | 110095.78 | 9547 | 6847 | 4741 | 4357 | 346 |
| 4 | Commissioner (Appeals) | 1168 | 449.65 | 7781 | 4653.46 | 8949 | 5103.11 | 6315 | 2121 | 258 | 249 | 6 |
| | Total | 5297 | 32280.51 | 34882 | 126137.60 | 40179 | 158418.11 | 17678 | 10560 | 5676 | 5693 | 572 |
| Customs | | | | | | | | | | | | |
| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 475 | 2909.03 | 396 | 3182.41 | 871 | 6091.44 | 263 | 184 | 175 | 190 | 59 |
| 2 | High Court | 2195 | 3767.06 | 3040 | 4665.21 | 5235 | 8432.27 | 2148 | 1011 | 879 | 659 | 538 |
| 3 | CESTAT | 2695 | 3313.84 | 11716 | 16801.77 | 14411 | 20115.60 | 4803 | 3752 | 2901 | 2531 | 424 |
| 4 | Commissioner (Appeals) | 696 | 88.56 | 10055 | 1074.32 | 10751 | 1162.88 | 9057 | 1657 | 34 | 3 | 0 |
| | Total | 6061 | 10078.48 | 25207 | 25723.71 | 31268 | 35802.18 | 16271 | 6604 | 3989 | 3383 | 1021 |

| GST | | | | | | | | | | | | |
|--------|--------------------------------|-------------------|----------|--------------|---------|-------|---------|-------------------------------|---------|---------|----------|------------------|
| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 14 | 6.99 | 3 | 8.65 | 17 | 15.64 | 13 | 4 | 0 | 0 | 0 |
| 2 | High Court | 58 | 15.35 | 1277 | 3628.72 | 1335 | 3644.07 | 801 | 534 | 0 | 0 | 0 |
| 3 | GSTAT/CESTAT | 0 | 0 | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| 4 | Commissioner (Appeals) | 60 | 27 | 161 | 178 | 221 | 204.81 | 221 | 0 | 0 | 0 | 0 |
| 5 | Addl. Commr/JL Commr (Appeals) | 479 | 334.71 | 1485 | 1626.17 | 1964 | 1960.88 | 1698 | 266 | 0 | 0 | 0 |
| | Total | 611 | 384.0044 | 2926 | 5441.40 | 3537 | 5825.40 | 2733 | 804 | 0 | 0 | 0 |

| Overall (C.Ex + Service Tax + Customs + GST) | | | | | | | | | | | | |
|--|--------------------------------|-------------------|----------|--------------|-----------|--------|-----------|-------------------------------|---------|---------|----------|------------------|
| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 1867 | 24374.17 | 1242 | 12873.76 | 3109 | 37247.93 | 849 | 774 | 587 | 709 | 190 |
| 2 | High Court | 4823 | 19593.84 | 11122 | 37383.95 | 15945 | 56977.79 | 5979 | 4050 | 1976 | 2386 | 1554 |
| 3 | CESTAT | 8187 | 31047.49 | 54554 | 173088.56 | 62741 | 204136.05 | 22044 | 15758 | 11967 | 11534 | 1438 |
| 4 | Commissioner (Appeals) | 2671 | 1382.70 | 22513 | 7596.89 | 25184 | 8979.59 | 18963 | 5126 | 588 | 437 | 70 |
| 5 | Addl. Commr/JL Commr (Appeals) | 479 | 334.71 | 1485 | 1626.17 | 1964 | 1960.88 | 1698 | 266 | 0 | 0 | 0 |
| | Total | 18027 | 76732.92 | 90916 | 232569.32 | 108943 | 309302.24 | 49533 | 25974 | 15118 | 15066 | 3252 |

All Pendency of Appeals

(As on 31 March 2021)

(Rs. In Crores)

Central Excise

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|-----------------|--------------|------------------|-------------------------------|-------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 647 | 11699.40 | 432 | 2991.17 | 1079 | 14690.57 | 259 | 256 | 169 | 256 | 139 |
| 2 | High Court | 2201 | 10950.23 | 3340 | 12109.55 | 5541 | 23059.77 | 1994 | 1235 | 565 | 938 | 809 |
| 3 | CESTAT | 2542 | 12434.35 | 17301 | 58978.98 | 19843 | 71413.32 | 5511 | 5350 | 3811 | 4392 | 779 |
| 4 | Commissioner (Appeals) | 585 | 534.13 | 3192 | 1415.96 | 3777 | 1950.09 | 1668 | 1210 | 468 | 306 | 125 |
| | Total | 5975 | 35618.10 | 24265 | 75495.65 | 30240 | 111113.75 | 9432 | 8051 | 5013 | 5892 | 1852 |

Service Tax

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|------------------|--------------|------------------|-------------------------------|--------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 555 | 12544.52 | 388 | 7845.69 | 943 | 20390.21 | 272 | 262 | 178 | 222 | 9 |
| 2 | High Court | 862 | 8530.95 | 3562 | 25269.93 | 4424 | 33800.87 | 1757 | 1104 | 631 | 681 | 251 |
| 3 | CESTAT | 2723 | 17329.44 | 20473 | 91817.77 | 23196 | 109147.21 | 6844 | 7095 | 4886 | 3978 | 393 |
| 4 | Commissioner (Appeals) | 943 | 345.41 | 5604 | 3571.76 | 6547 | 3917.17 | 3712 | 1684 | 789 | 267 | 95 |
| | Total | 5083 | 38750.31 | 30027 | 128505.15 | 35110 | 167255.46 | 12585 | 10145 | 6484 | 5148 | 748 |

Customs

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|-----------------|--------------|-----------------|-------------------------------|-------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 528 | 3494.05 | 407 | 3962.70 | 935 | 7456.75 | 235 | 220 | 186 | 229 | 65 |
| 2 | High Court | 2311 | 4027.72 | 3380 | 5941.42 | 5691 | 9969.14 | 2052 | 1219 | 1013 | 800 | 607 |
| 3 | CESTAT | 2981 | 3606.56 | 12037 | 17434.19 | 15018 | 21040.75 | 4635 | 4273 | 3083 | 2611 | 416 |
| 4 | Commissioner (Appeals) | 518 | 224.92 | 12978 | 1285.67 | 13496 | 1510.60 | 10594 | 2822 | 75 | 4 | 1 |
| | Total | 6338 | 11353.25 | 28802 | 28623.99 | 35140 | 39977.24 | 17516 | 8534 | 4357 | 3644 | 1089 |

GST

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|---------------------------------|-------------------|----------------|--------------|----------------|-------------|----------------|-------------------------------|-------------|-----------|----------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 187 | 987.58 | 13 | 24.64 | 200 | 1012.22 | 125 | 74 | 1 | 0 | 0 |
| 2 | High Court | 45 | 13.45 | 2104 | 4329.95 | 2149 | 4343.40 | 1051 | 1062 | 36 | 0 | 0 |
| 3 | GSTAT/CESTAT | 0 | 0 | 2 | 0.04 | 2 | 0.04 | 2 | 0 | 0 | 0 | 0 |
| 4 | Commissioner (Appeals) | 11 | 19 | 141 | 133 | 152 | 152 | 141 | 11 | 0 | 0 | 0 |
| 5 | Addl. Commr/Jt. Commr (Appeals) | 230 | 286.26 | 2751 | 1641.07 | 2981 | 1927.33 | 2821 | 159 | 1 | 0 | 0 |
| | Total | 473 | 1306.42 | 5011 | 6128.61 | 5484 | 7435.03 | 4140 | 1306 | 38 | 0 | 0 |

Overall (C.Ex + Service Tax + Customs + GST)

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|---------------------------------|-------------------|-----------------|--------------|------------------|---------------|------------------|-------------------------------|--------------|--------------|--------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 1917 | 28725.55 | 1240 | 14824.20 | 3157 | 43549.75 | 891 | 812 | 534 | 707 | 213 |
| 2 | High Court | 5419 | 23522.34 | 12386 | 47650.85 | 17805 | 71173.18 | 6854 | 4620 | 2245 | 2419 | 1667 |
| 3 | CESTAT | 8246 | 33370.34 | 49813 | 168230.98 | 58059 | 201601.32 | 16992 | 16718 | 11780 | 10981 | 1588 |
| 4 | Commissioner (Appeals) | 2057 | 1123.59 | 21915 | 6406.30 | 23972 | 7529.90 | 16115 | 5727 | 1332 | 577 | 221 |
| 5 | Addl. Commr/Jt. Commr (Appeals) | 230 | 286.26 | 2751 | 1641.07 | 2981 | 1927.33 | 2821 | 159 | 1 | 0 | 0 |
| | Total | 17869 | 87028.09 | 88105 | 238753.40 | 105974 | 325781.48 | 43673 | 28036 | 15892 | 14684 | 3689 |

All Pendency of Appeals

(As on 31 March 2022)

(Rs. In Crores)

Central Excise

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|-----------------|--------------|------------------|-------------------------------|-------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 659 | 12701.82 | 405 | 2951.05 | 1064 | 15652.87 | 207 | 243 | 203 | 255 | 156 |
| 2 | High Court | 2729 | 12368.76 | 3127 | 10382.68 | 5856 | 22751.44 | 2289 | 1126 | 644 | 922 | 875 |
| 3 | CESTAT | 2338 | 12131.77 | 15953 | 62321.04 | 18291 | 74452.81 | 4838 | 4723 | 3442 | 4602 | 686 |
| 4 | Commissioner (Appeals) | 412 | 540.54 | 2819 | 1537.86 | 3231 | 2078.40 | 1786 | 636 | 445 | 246 | 118 |
| | Total | 6138 | 37742.88 | 22304 | 77192.63 | 28442 | 114935.51 | 9120 | 6728 | 4734 | 6025 | 1835 |

Service Tax

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|------------------|--------------|------------------|-------------------------------|-------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 524 | 14789.96 | 352 | 7662.16 | 876 | 22452.12 | 221 | 229 | 163 | 234 | 29 |
| 2 | High Court | 880 | 10537.65 | 3646 | 33386.08 | 4526 | 43923.73 | 1792 | 1183 | 611 | 673 | 267 |
| 3 | CESTAT | 2834 | 20851.67 | 20158 | 96936.25 | 22992 | 117787.92 | 6540 | 6325 | 4940 | 4597 | 590 |
| 4 | Commissioner (Appeals) | 1111 | 525.88 | 7063 | 3428.69 | 8174 | 3954.57 | 5473 | 1331 | 986 | 320 | 64 |
| | Total | 5349 | 46705.15 | 31219 | 141413.18 | 36568 | 188118.34 | 14026 | 9068 | 6700 | 5824 | 950 |

Customs

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|------------------------|-------------------|-----------------|--------------|-----------------|--------------|-----------------|-------------------------------|-------------|-------------|-------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 577 | 3662.79 | 403 | 3965.89 | 980 | 7628.68 | 237 | 220 | 176 | 212 | 135 |
| 2 | High Court | 2284 | 3844.24 | 3954 | 12737.60 | 6238 | 16581.84 | 2302 | 1416 | 1071 | 766 | 683 |
| 3 | CESTAT | 3034 | 3869.57 | 13642 | 20359.45 | 16676 | 24229.02 | 5243 | 4890 | 3180 | 2947 | 416 |
| 4 | Commissioner (Appeals) | 561 | 243.32 | 15208 | 1919.20 | 15769 | 2162.52 | 12423 | 3184 | 142 | 20 | 0 |
| | Total | 6456 | 11619.92 | 33207 | 38982.14 | 39663 | 50602.06 | 20205 | 9710 | 4569 | 3945 | 1234 |

GST

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|---------------------------------|-------------------|------------|--------------|--------------|-------------|--------------|-------------------------------|-------------|------------|----------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 310 | 160.93 | 29 | 176.19 | 339 | 337 | 156 | 180 | 3 | 0 | 0 |
| 2 | High Court | 77 | 183.56 | 3445 | 9294.33 | 3522 | 9478 | 1720 | 1556 | 244 | 2 | 0 |
| 3 | GSTAT/CESTAT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Commissioner (Appeals) | 41 | 118.81 | 359 | 581.27 | 400 | 700 | 304 | 96 | 0 | 0 | 0 |
| 5 | Addl. Commr/Jt. Commr (Appeals) | 1030 | 416.16 | 3490 | 2544.48 | 4520 | 2961 | 3875 | 645 | 0 | 0 | 0 |
| | Total | 1458 | 879 | 7323 | 12596 | 8781 | 13476 | 6055 | 2477 | 247 | 2 | 0 |

Overall (C.Ex + Service Tax + Customs + GST)

| S. No. | Forum | Department Appeal | | Party Appeal | | Total | | Age-Wise Break Up of Pendency | | | | |
|--------|---------------------------------|-------------------|-----------------|--------------|------------------|---------------|------------------|-------------------------------|--------------|--------------|--------------|------------------|
| | | NO | Amount | NO | Amount | NO | Amount | LESS THAN 1 YEAR | 1-3 YRS | 3-5 YRS | 5-10 YRS | MORE THAN 10 YRS |
| 1 | Supreme Court | 2070 | 31315.49 | 1189 | 14755.30 | 3259 | 46070.79 | 821 | 872 | 545 | 701 | 320 |
| 2 | High Court | 5970 | 26934.21 | 14172 | 65800.68 | 20142 | 92734.89 | 8103 | 5281 | 2570 | 2363 | 1825 |
| 3 | CESTAT | 8206 | 36853.01 | 49753 | 179616.74 | 57959 | 216469.75 | 16621 | 15938 | 11562 | 12146 | 1692 |
| 4 | Commissioner (Appeals) | 2125 | 1428.54 | 25449 | 7467.02 | 27574 | 8895.56 | 19986 | 5247 | 1573 | 586 | 182 |
| 5 | Addl. Commr/Jt. Commr (Appeals) | 1030 | 416.16 | 3490 | 2544.48 | 4520 | 2960.64 | 3875 | 645 | 0 | 0 | 0 |
| | Total | 19401 | 96947.41 | 94053 | 270184.22 | 113454 | 367131.63 | 49406 | 27983 | 16250 | 15796 | 4019 |

Annexure C

(Rs. in crore)

| S.No | Name of State/UT | GST compensation released for FY 2017-18 | GST compensation released for FY 2018-19 | GST compensation released for FY 2019-20 | GST compensation released for FY 2020-21 | GST compensation released for FY 2021-22 | GST compensation released for FY 2022-23 | Total |
|------|-------------------|--|--|--|--|--|--|---------------|
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| 1 | Andhra Pradesh | 619 | 0 | 3028 | 5220 | 2536 | 2034 | 13438 |
| 2 | Arunachal Pradesh | 15 | 0 | 0 | 6 | 0 | 0 | 21 |
| 3 | Assam | 980 | 454 | 1306 | 1875 | 40 | 384 | 5039 |
| 4 | Bihar | 2922 | 2805 | 5441 | 4039 | 0 | 1016 | 16222 |
| 5 | Chhattisgarh | 1262 | 2608 | 4538 | 2846 | 657 | 1782 | 13694 |
| 6 | Delhi | 326 | 5868 | 9148 | 10793 | 7230 | 3193 | 36560 |
| 7 | Goa | 281 | 502 | 1093 | 1395 | 1085 | 445 | 4801 |
| 8 | Gujarat | 4277 | 8788 | 15558 | 13719 | 2181 | 2904 | 47427 |
| 9 | Haryana | 1461 | 3835 | 6617 | 5453 | 949 | 1627 | 19942 |
| 10 | Himachal Pradesh | 1059 | 2084 | 2619 | 1623 | 452 | 841 | 8678 |
| 11 | J & K | 1160 | 1667 | 3281 | 1834 | 0 | 793 | 8735 |
| 12 | Jharkhand | 1368 | 1098 | 2219 | 2625 | 933 | 1132 | 9375 |
| 13 | Karnataka | 7670 | 12465 | 18463 | 19301 | 11019 | 6775 | 75692 |
| 14 | Kerala | 2102 | 3532 | 8111 | 7063 | 4121 | 3125 | 28054 |
| 15 | Madhya Pradesh | 2668 | 3302 | 6538 | 5788 | 1946 | 2626 | 22868 |
| 16 | Maharashtra | 3077 | 8467 | 18844 | 35498 | 13626 | 4702 | 84215 |
| 17 | Manipur | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Meghalaya | 140 | 66 | 157 | 270 | 0 | 0 | 633 |
| 19 | Mizoram | 0 | 0 | 0 | 11 | 0 | 0 | 11 |
| 20 | Nagaland | 0 | 0 | 0 | 14 | 0 | 0 | 14 |
| 21 | Odisha | 2348 | 4241 | 5332 | 4243 | 1286 | 1827 | 19277 |
| 22 | Puducherry | 387 | 693 | 1057 | 586 | 348 | 374 | 3445 |
| 23 | Punjab | 5109 | 8985 | 12187 | 7826 | 3481 | 4388 | 41976 |
| 24 | Rajasthan | 2989 | 2570 | 7085 | 7625 | 741 | 1843 | 22853 |
| 25 | Sikkim | 6 | 0 | 0 | 36 | 0 | 0 | 42 |
| 26 | Tamil Nadu | 1018 | 5363 | 11423 | 16963 | 8169 | 3822 | 46759 |
| 27 | Telangana | 0 | 0 | 2891 | 5891 | 1561 | 1090 | 11434 |
| 28 | Tripura | 149 | 172 | 293 | 219 | 0 | 27 | 860 |
| 29 | Uttar Pradesh | 2432 | 0 | 9123 | 13680 | 8028 | 3262 | 36525 |
| 30 | Uttarakhand | 1432 | 2442 | 3375 | 2519 | 1030 | 1106 | 11904 |
| 31 | West Bengal | 1608 | 2615 | 6200 | 7828 | 5383 | 2844 | 26478 |
| | Total | 48865 | 84623 | 165928 | 186790 | 76802 | 53964 | 616972 |

| Collective Arrears as on 31 August, 2022(A) | | | | | | | | | | | | |
|---|-------|------------|-----------------|---------|----------------------------------|---------|-----------------------------------|---------|------------------------------------|---------|---------------|----------------|
| | | | | | | | | | | | | (Amt in Crore) |
| | | | 1 year or below | | Over 1 year but less than 2 year | | Over 2 years but less than 5 year | | Over 5 years but less than 10 year | | Over 10 Years | |
| | No | Amt | No | Amt | No | Amt | No | Amt | No | Amt | No | Amt |
| Total | 57497 | 17576.9577 | 29045 | 12185.3 | 10026 | 2249.14 | 9154 | 1543.14 | 5551 | 1228.82 | 3721 | 370.514 |

❖ Collectible arrears are free from all litigation, Unit Closed and write off matter

| Difficult to collect Arrears as on 31 August, 2022(B) | | | | | | | | | | | | |
|---|--------|------------|-----------------|--------|----------------------------------|---------|-----------------------------------|---------|------------------------------------|---------|---------------|----------------|
| | | | | | | | | | | | | (Amt in Crore) |
| | | | 1 year or below | | Over 1 year but less than 2 year | | Over 2 years but less than 5 year | | Over 5 years but less than 10 year | | Over 10 Years | |
| | No | Amt | No | Amt | No | Amt | No | Amt | No | Amt | No | Amt |
| Total | 139857 | 294886.155 | 52571 | 101467 | 12592 | 45014.5 | 23288 | 70254.7 | 26697 | 63751.8 | 24709 | 14398.7 |

PART II

OBSERVATIONS/RECOMMENDATIONS

1. Analysis of expenditure trend in Grant No. 36- Direct Tax

The Committee's analysis of Grant No. 36 pertaining to Direct Taxes reveal some variations at different stages i.e. BE, RE and the Actuals. While 96.22% of RE was utilized during the FY 2020-21, during FY 2021-22 the actual expenditure came down to 90.49%. For FY 2022-23, expenditure incurred up to 31 December, 2022 is only 65.78% of RE of Rs 9431.15 crores, (which was upwardly revised from BE of Rs 9308.80 crores) implying that the remaining budgeted amount would have to be spent in the remaining 3 months only. The Committee would thus expect the Ministry to show greater financial discipline.

2. Demand for Grant No. 37 (Indirect Taxes) – Budgetary Allocations and Utilization

The Committee also note a similar expenditure pattern of the Ministry with respect to the Indirect Taxes. In the FY 2020-21, 97.39% of the RE was utilized, while during the FY 2021-22 the expenditure came down to 76.85% of RE and in 2022-23 only 67.11% of the budgeted fund has been utilized up to December, 2022 which means that almost 33% of the allocated fund has to be utilized in the last quarter, and if unutilized a substantial amount will have to be 'surrendered'. As far as the 'surrendered' amount is concerned, Rs762.11 crore has been shown as surrendered amount during the financial year 2020-21 and for the FY 2021-22, Rs 17152.89 crore has been declared as 'surrendered'. The Committee, therefore, urge the Ministry for close monitoring of fund utilization pattern of the Ministry so that the actual expenditure does not recurrently fall on the lower side of the budgeted allocations.

3. Goods and Services Tax (GST)

The Committee note with concern that with respect to Audit in GST, large number of documents are being sought from tax-payers for conducting an audit. Besides, the assesseees are also being called to the GST offices for physical appearance, which consumes lot of time of not only the assesseees but also the officials of the Department. The Committee would, therefore, recommend to the Ministry of Finance (Department of Revenue) to look into the feasibility of developing a mechanism for online audit in GST, which can make the process more efficient and less intrusive. In this regard, the Committee urge the Department of Revenue to prepare a white list of documents that would be necessarily required for conducting an audit and would thus become a guidance note for the officers as well as the assesseees.

4. Widening the ambit of TDS/TCS

Tax Deducted at Source (TDS)/ Tax Collected at Source (TCS) and Advance Tax comprise 90% of tax revenue and these are non-intrusive, non-adversarial, system based approach. These are efficient tools for direct tax collection, leaving behind audit trail and acting as deterrence to tax evasion. The Committee note that for widening the net of Tax Deduction at Source(TDS) and Tax Collection at Source(TCS) several new transactions were brought into its ambit, including huge cash withdrawals, foreign remittance, purchase of luxury car, e-commerce participants, sale of goods, acquisition of immovable property, virtual digital assets, etc. The Committee further note that Finance Bill, 2023 has proposed to provide for TDS on winning from online games and interest on listed debentures paid to a resident. The Committee believe that TDS/TCS method has over the years proved to be not only efficient and revenue buoyant but also non-intrusive in nature, which minimizes discretion and promotes better tax compliance. While appreciating the initiatives taken by the Ministry thus far,

the Committee recommend that TDS/TCS coverage should be further expanded so as to cover more transactions involving large amount of cash.

5. Search, Seizure and Survey

Keeping in view possible harassment from intrusive operations such as search seizure etc, the Committee desire that these operations should be handled judiciously with adequate caution. It is expected that due-diligence is fully carried out before undertaking these enforcement operations, so as to pre-empt legitimate complaints and to ensure due realization of tax therefrom. The Committee are of the view that while stepping up enforcement action against wilful or chronic evaders, honest taxpayers should not be alienated.

6. Simplification of process of filing of Income Tax Returns

The Committee observe that with the passage of time the process of filing income tax return has no doubt undergone changes but it still remains rather complex for an ordinary taxpayer. Any person with income from various sources viz. salary income, rental income, business income etc. cannot file his return by his own and has to seek advice of either a Chartered Accountant or a person having adequate knowledge and expertise in filing income tax return. The Committee would thus urge the Department to make the process simpler and more taxpayer friendly.

7. Tax Litigation

The Committee note that the Department of Revenue is trapped in litigation and appeals at various tribunals and courts.

The Committee would therefore like the Department to ensure that appeals are filed judiciously after close scrutiny and not in a routine manner. Further, all the pending cases in different fora should be critically reviewed at the highest level, say by an empowered Committee of officers so that litigation is minimised. The Committee also

desire that all tax arrears, wherever collectible, should be realised expeditiously on a mission-mode.

The Committee are also concerned about various contentious issues arising out of GST and, therefore, reiterate their earlier recommendation to the Ministry of Finance (Department of Revenue) to set up GST Tribunal for settlement of disputes pertaining to GST.

New Delhi;
15 March, 2023
24 Phalgun, 1944 (Saka)

SHRI JAYANT SINHA,
Chairperson
Standing Committee on Finance

Minutes of the Fourteenth sitting of the Standing Committee on Finance (2022-23). The Committee sat on Wednesday, the 1st March, 2023 from 1500hrs. to 1630 hrs in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri Subhash Chandra Baheria
3. Dr. Subhash Ramrao Bhamre
4. Smt. Sunita duggal
5. Shri Sudheer Gupta
6. Shri Manoj Kishorbhai Kotak
7. Shri Hemant Shriram Patil
8. Shri Ravi Shankar Prasad
9. Shri Nama Nageswara Rao
10. Prof. Sougata Ray
11. Shri Gopal Chinayya Shetty
12. Shri Manish Tewari
13. Shri Balashowry Vallabbhaneni
14. Shri Rajesh Verma

RAJYA SABHA

15. Dr. Radha Mohan Das Agarwal
16. Shri P. Chidambaram
17. Shri Damodar Rao Divaknoda
18. Shri Sushil Kumar Modi
19. Dr. Amar Patnaik
20. Dr. C.M. Ramesh
21. Shri G.V.L Narasimha Rao

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Shri Siddharth Mahajan | - | Joint Secretary |
| 2. | Shri Ramkumar Suryanarayanan | - | Director |
| 3. | Shri Kulmohan Singh Arora | - | Additional Director |

WITNESSES

Department of Economic Affairs

1. Shri Sanjay Malhotra, Secretary (Revenue)
2. Shri Vivek Aggarwal, Additional Secretary (Revenue)
3. Shri Manoj Sahay, AS&FA
4. Shri Vivek Johri, Chairman (CBIC)
5. Shri Nitin Gupta, Chairman (CBDT)
6. Shri Subashree Anantkrishnan, Member (A&J), CBDT
7. Ms. Pragya Sahay Saksena, Member (L&S), CBDT
8. Ms. Sangeeta Singh, Member (IT&R and TPS), CBDT
9. Ms. Anuja Sarangi, Member (Admn. & Faceless Scheme), CBDT
10. Shri Shashank Priya, Member (GST, Central Excise, Service Tax & Legal)
11. Shri Rajiv Talwar, Member (Customs)
12. Ms. Poonam Khaira Sidhu, Pr. DGIT (Admin & TPS), CBDT
13. Shri Ritvik Pandey, Joint Secretary (Revenue)
14. Ms. Limatula Yaden, Joint Secretary (TRU), CBIC
15. Shri Sanjay Mangal, Pr. Comm (GST)
16. Shri Kamlesh Chandra Varshney, Joint Secretary (TPL-I), CBDT
17. Shri Raman Chopra, Joint Secretary (TPL-II)
18. Ms. Neetika Bansal, ADG (Expenditure Budget), CBDT

2. At the outset, the Chairperson welcomed the Members and the witnesses to the sitting of the Committee. After the customary introduction of the witnesses the Secretary, Department of Revenue briefed the Committee on various aspects related to Demands for Grants (2023-24) of the Ministry of Finance (Department of Revenue). The major issues discussed, *inter-alia*, included Direct and Indirect Taxes, GST collection, GST compensation to States, extension of timeline for providing GST compensation and cess to states, audit in GST, Appellate tribunal in GST, GST Council, input tax credit, difference between BE & RE in Corporation tax and Income tax, functioning of Central Processing Centre (CPC) in Bengaluru, Simplification of Income Tax (IT) return filing process, inverted duty structure, overall impact on tax payers with the introduction

of digital ecosystem in Income tax, tax on private digital assets; search, survey and seizures, efficacy of faceless schemes, New Tax Regime and tax disputes held up in courts / various fora etc.

3. The witnesses responded to the queries raised by the Members and the Chairperson then directed the representatives of the Ministry of Finance (Department of Revenue) to furnish written replies to the points raised by the Members, which could not be readily replied by them during the discussion, before 6th March to the Secretariat.

The witnesses then withdrew.

The Committee then adjourned.

A verbatim record of the proceedings has been kept.

Minutes of the Fifteenth sitting of the Standing Committee on Finance (2022-23)
The Committee sat on Wednesday, the 15th March, 2023 from 1500hrs. to 1720
hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Subhash Chandra Baheria
4. Dr. Subhash Ramrao Bhamre
5. Smt. Sunita duggal
6. Shri Gaurav Gogoi
7. Shri Sudheer Gupta
8. Shri Manoj Kishorbhai Kotak
9. Shri Pinaki Misra
10. Shri Hemant Shriram Patil
11. Shri Ravi Shankar Prasad
12. Prof. Sougata Ray
13. Shri Gopal Chinayya Shetty
14. Dr. (Prof.) Kirit Premjibhai Solanki
15. Shri Manish Tewari
16. Shri Balashowry Vallabbhaneni
17. Shri Rajesh Verma

RAJYA SABHA

18. Shri Sushil Kumar Modi
19. Dr. Amar Patnaik
20. Shri G.V.L Narasimha Rao
21. Shri Pramod Tiwari

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Shri Siddharth Mahajan | - | Joint Secretary |
| 2. | Shri Ramkumar Suryanarayanan | - | Director |
| 3. | Shri Kulmohan Singh Arora | - | Additional Director |

PART I

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(The witnesses then withdrew)

3. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. Thereafter, the Committee took up the following draft reports for consideration and adoption:

- (i) Fifty-Fourth Report on Demands for Grants (2023-24) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services, Investment & Public Asset Management and Public Enterprises).
- (ii) Fifty-Fifth Report on Demands for Grants (2023-24) of the Ministry of Finance (Department of Revenue).
- (iii) Fifty-Sixth Report on Demands for Grants (2023-24) of the Ministry of Corporate Affairs.
- (iv) Fifty-Seventh Report on Demands for Grants (2023-24) of the Ministry of Planning.
- (v) Fifty-Eighth Report on Demands for Grants (2023-24) of the Ministry of Statistics and Programme Implementation.

After some deliberations, the Committee adopted draft Reports on DFG (2023-24) and authorised the Chairperson to finalise them and present the Reports to the Parliament.

The Committee then adjourned.

A verbatim record of the proceedings has been kept.