

JOINT COUNCIL OF ACTION

INCOME TAX EMPLOYEES FEDERATION & INCOME TAX GAZETTED OFFICERS' ASSOCIATION

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Press Note

More than one month has been passed since the Hon'ble Prime Minister declared demonetisation of currencies of 500 and 1000 denominations. Even while the debate on demonetisation in the public domain refuses to settle down, two points are emerging out very clearly:

1. The currencies of 500 and 1000 denominations that were in circulation prior to demonetisation are coming back into banking channels in much higher proportion than what was initially expected, indicating that the hoarders of black money are trying to circumvent the process of Demonetisation by resorting to illegitimate means. This is also evidenced by the detection of huge cash stashed in new currency notes in the raids conducted by Income Tax Department and other agencies suggests that generation of black money has started from the Day One post-Demonetization. Furthermore, there are confirmed reports about misuse of Jandhan as well as other Bank a/cs, foreign exchange mechanism, gold & bullion purchases and adoption of various other dubious means for investing the unaccounted cash.

In this background, one thing that is visibly clear is that there is an extensive battle ahead, primarily for the Income Tax Department, to significantly curb the menace of Black Money, if not wiped out completely.

Joint Council of Action (JCA) is a Joint Platform of the 2 (two) Service Associations in Income Tax Department namely, ITGOA (representing all Group 'B' and promote Group 'A' Officers) and ITEF (representing all Group 'C' Staff Members) and which represents 97% of the entire workforce in the Department and almost all the employees in field formations. After closely observing the post-Demonetization developments, JCA sent a letter on 17-11-2016 to the Hon'ble PM of India, suggesting several measures to effectively fight the battle against Black Money, some of which are enumerated as under:

1. Sharing Cash Deposit information with Income Tax Department by the Banks in real time basis
2. To impose prohibition on withdrawal from the accounts showing suspected deposits post 08.11.2016
3. Formation of Special Task Force, to be fully dedicated for speedy and proper dissemination of Information
4. Special provision, at least what had been practices in the case of IDS, for unexplained cash deposits
5. Severely/completely limiting Cash Transactions in certain fields.
6. All transactions, where PAN quoting is a must, should essentially be intimated to Income Tax Department.

- It is very heartening to see that Government has already acted upon on some of the suggestions, we made.
- However it is evident from the post-Demonetisation developments that various other stringent measures will also be needed to fight out the menace of black money and corruption and in such measures, the Income Tax Department will have to play a pivotal role. The total number of information of such suspected deposits may figure out upto **several crores**. As the *War against Black Money* requires a continuous and long-term mechanism, the process of identification, examination, investigation and verification of transactions made consequent to demonetization shall entail large increase in workload for which adequate manpower and logistical support will be required.
- In order to achieve the above objectives, Income Tax Department must have adequate manpower, especially at key positions, be provided with proper infrastructure facilities so that the workforce stays motivated, committed and highly spirited. But the entire department is totally de-motivated due to huge shortage of manpower in lower cadres and huge stagnation in officers' cadre right at this moment.

The following areas need urgent attention of the Government:

1. Manpower:

i) **Huge vacant posts** – Almost 30-35% vacancies are there at cutting-edge positions like ACIT/DCIT level and first supervisory position like JCIT/Addl. CIT level and also, the vacancy at staff level is more severe, around 40% subjecting to all of them under unbearable extra workload.

ii) **Faulty Cadre Structure**- After the Cadre-restructuring exercise, 2013, Group A Cadre Structure of the Department becomes reverse pyramid; 3 times more than desired concentration at Senior Administrative level, which is at the cost of proposed 398 posts at ACIT/DCIT (at cutting-edge level), thus seriously compromising the effectiveness of the all-important field functioning.

iii) **Promotions** getting abnormally delayed due to flimsy bureaucratic hurdles, creating huge vacancy at several grades. Existing employees in those grades have to bear the additional workload due to vacant posts; on the other hand, employees at feeder cadre stare at acute stagnation. Even the stagnation in the level of Income tax Officer is at the all time high of 15 years. There was a commitment by the Revenue Secretary, GOI, in consequent to a long agitation in the Department in 2015-16, to effect promotion for three recruitment years in this cadre to eradicate stagnation. This commitment is yet to be fully respected.

iv) **Recruitment Rules** of several grades are intentionally kept in limbo, causing delayed promotion.

2. Infrastructure :

i) **Severe Space Problems**: Department has undergone a sea change since last few years with introduction of new fields, but space addition has remained inadequate. At places, Assessing Officers have to take hearing on rotational basis.

ii) **Poor Connectivity**: Though the Policy makers have been strongly advocating for e-governance and e-communication, the internet and intranet connectivity of the Department till stands very poor, thus hindering the e-governance as well as internet based enquiries/ assessments as well knowledge sharing.

iii) **Procurement Laptop**: When such a high stake rides on the taxmen, the FM sanctioned proposal for Laptop procurement is unnecessarily stuck at the Department of Expenditure, thus depriving the facility of *connected on move* and the idea of *Digital India*.

3. Disparity in Pay matters:

Literally the employees of the Department of Revenue were taken for granted, even for availing normal notional benefit of pay scale, the employees were forced to take legal recourse, which has been dragged from one legal forum to another; all these made the employees completely dejected and de-motivated. Moreover, the 7th CPC report has discriminated the I.T. officers/officials from other Departments having lesser direct contribution in Nation-building.

➤ Last but not the least, we strongly object to the ill-founded, arbitrary accusation of the CEO, Niti Aayog, terming the discretionary power available to the assessing officers for the menace of Black Money, as it is not unique but common for all quasi-judicial or judicial authorities under Indian Legal System. Rather, such wild accusation will only hurt the morale of the foot soldiers in our Department, who will actually fight probably the biggest war ever against Black Money.

We have already made the request to the Hon'ble PM and FM, GOI, to equip the I.T. Department with sufficient manpower and proper infrastructure so that the officers/officials of the Department can deliver their best. We, therefore, once again request the GOI to address the above-mentioned issues on priority basis.

Yours comradely,



(Bhaskar Bhattacharya)



(Rupak Sarkar)

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