APPOINTMENT, TRAINING
AND
CONTROL OF INCOME TAX
AUTHORITIES
CHAPTER 3

Appointment, Training and Control of Income Tax Authorities

Human resource planning is one of the most important elements in a successful human resource management program. Human resource planning is the strategy for the acquisition, utilization, improvement and preservation of an enterprise’s human resources. It relates to establishing job satisfactions or the quantitative requirements of jobs determining the number of personnel required and developing sources of manpower.¹

Human resource planning is the process by which a firm ensures that it has the right number of people and the right kind of people at the right time doing the work for which they are economically most useful.² Human resource planning uses demand and supply forecasting techniques to determine future workforce requirements of the company.³ It involves two stages. The first stage is concerned with the details of planning manpower requirements for all types and levels of employees throughout the period of the plan and the second stage is concerned with planning of manpower supplies to provide the organization with the right type of people from all sources to meet the planning requirements.⁴

Of all the resources required to make a program or job work and to translate objective into specific outcomes, by far the most important one is the human resource. Human resources are the most important assets in an organization. It is with the people that quality performance really begins and ends.⁵

Thus, no activity of public administration can be performed without efficient human resources. Walter R. Sharp has rightly said, "Good administration is a composite of effective organization, adequate material facilities and qualified personnel. Even poorly devised machinery may be made to work if it is manned with well trained, intelligent, Imaginative and devoted staff. On the other hand the best planned organization may produce unsatisfactory results, if it is operated by mediocre or disgruntled people." Moreover, people are the only assets of an organization that appreciate over a period of time while all the other assets depreciate. The more an organization is investing in human resources, the greater the return from the investment is likely to be.

The government had made certain provisions regarding the recruitment under the article 309 of the constitution. In terms of the constitution the Parliament is to enact a legislation governing the recruitment and conditions of service for employees of the Central Government. Pending such legislation, The President is empowered by the constitution to make rules to these subjects. The Parliament is yet to enact any law governing the conditions of the service of the central government employees. At present, these are governed by rules framed by The President in terms of the aforesaid provision to article 309 of the constitution. These rules relate primarily to recruitment, conduct, discipline and appeals, pay, recruitment benefits and pensions etc. In respect of matters for which there are no specific rules, the conditions of service are governed by executive orders issued by the government.

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The government of India had classified all the Central Civil Posts into groups as group ‘A’, ‘B’, ‘C’, and ‘D’, which depends on their pay scale.

<table>
<thead>
<tr>
<th>Description of Posts</th>
<th>Classification of Posts</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Central civil post carrying a pay or a scale of pay with a maximum of not less than Rs. 13,500/-</td>
<td>Group ‘A’</td>
</tr>
<tr>
<td>A Central civil post carrying a pay or a scale of pay with a maximum of not less than Rs. 9,000/- but less than Rs. 13,500/-</td>
<td>Group ‘B’</td>
</tr>
<tr>
<td>A Central civil post carrying a pay or a scale of pay with a maximum of over Rs. 4,000/- but less than Rs. 9,000/-</td>
<td>Group ‘C’</td>
</tr>
<tr>
<td>A Central civil post carrying a pay or a scale of pay with a maximum of which is Rs. 4,000/- or less</td>
<td>Group ‘D’</td>
</tr>
</tbody>
</table>

Source: Fifth Pay Commission report

Group ‘A’ posts carry higher duties and responsibilities and comprise middle and senior level management cadre of government, whereas the Group ‘B’ posts are supervisory posts above group ‘C’, which are assistant and clerk level post. The group ‘D’ are supporting staff, peon etc.

**Sources of Recruitment in Income Tax Department**

The first step in the process of direct recruitment is to attract the people to fill up the vacancies. Each organization has its own procedure to select the candidates. Expressing the utility of direct recruitment sources Klatt, et al. said “the greater the number of verity of sources of personnel, the greater the chance of finding the right individual for the job”. The sources that are adopted by the Income Tax Department, to recruit the employees over the years are below:

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**Employment Exchange**: Only the group D employees of the Income Tax Department are selected through employment exchange. Only after getting non-availability certificate from the employment exchange the department proceed to the next source i.e. advertisement.

**Advertisement**: The department is concerned only to select the group ‘D’ employees through advertisement. The recruitment of group ‘C’ employees is done through Staff Selection Commission. The SSC has given advertisement in leading newspapers and receive maximum applications. The recruitment of Assistant commissioner is done through Union Public Service Commission. The UPSC has given advertisement in leading newspapers and receive number of applications.

**Process of recruitment**

Recruitment is the process of discovering potential applicants for actual and anticipated job vacancies in the organization and stimulating them to apply for these jobs. In other words recruitment facilitates attracting pool of people from which qualified candidates can be chosen. Expressing similar views Dale writes recruitment is the process of employing effective measures for attracting manpower in adequate number. In other words one can say that more the applicants the better the choice would be. Therefore a systematic and well-planned recruitment, as Stahl writes can increase the number of applicants per job opening. Recruitment may inform qualified individuals about employment opportunities, creating a positive image of the company, provide enough

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information about the jobs so that applicants can make comparison with their qualifications and interests, and generate enthusiasm among the best candidates so that they will apply for the available position. In fact, recruitment involves seeking and attracting a pool of people from which qualified candidates for job vacancies can be chosen.

Recruitment and selection

The process of recruitment and selection is the key to a strong public service, and, as Stahl puts it, the "corner stone to the whole public personnel structure." Recruitment and selection are two crucial steps in the human resource process.

Methods of Recruitment

The two methods of recruitment followed by the department are recruitment form within (Indirect Recruitment), and recruitment from without (Direct Recruitment). Direct recruitment means filling of vacant posts in the income tax department by suitable and qualified candidates. It is made through open competitive examination conducted by the different recruiting agencies. The first method is, properly speaking, promotion, and the second one is recruitment in the true sense of the term.

Percentage of Posts Filled Through Direct and Indirect Recruitment

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Category of Post</th>
<th>Percentage of Indirect Recruitment</th>
<th>Percentage of Direct Recruitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chief Commissioner</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Commissioner</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Additional Commissioner</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Joint Commissioner</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Deputy Commissioner</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Assistant Commissioner</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>7</td>
<td>Income Tax Officers</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Inspectors</td>
<td>66.6</td>
<td>33.3</td>
</tr>
</tbody>
</table>

The above mentioned figures are taken as per the policy of the Income Tax Department.

Although number of posts are filled through direct recruitment but the employees are not satisfied with this procedure. During the visit in the Department, it is found that the numbers of employees want to fill the higher posts on the basis of internal promotions. The views of Respondents are shown in the table below.
Response of Income Tax Authorities

Table 3.1

<table>
<thead>
<tr>
<th>Level</th>
<th>% Direct Recruitment</th>
<th>% Internal Promotions</th>
<th>% Cant Say</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class – I Officers (67)</td>
<td>24%</td>
<td>57%</td>
<td>19%</td>
<td>100%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>14%</td>
<td>58%</td>
<td>28%</td>
<td>100%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>6%</td>
<td>80%</td>
<td>14%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Graph 3.1: Method for filling up higher posts
The above table 3.1 indicates that most of the employees recommended internal promotions as the best method for filling up the upper level positions. 57% Class-I officers, 58% Class-II officers and 80% Inspectors are agreed with internal promotions method. However 24% Class-I, 14% Class-II and 6% Inspectors submitted their opinion as the filling of the upper posts should be through direct recruitment. 19% Class-I officers, 28% Class-II officers and 14% Inspectors had no opinion. So it is clear that the higher level posts should be filled through internal promotions because these posts are very responsible and need only experienced and intelligent persons. Departmental confidential reports help lot in these types of promotions.

**Direct Recruitment**

Direct recruitment ensures a continuous supply of fresh men of abilities and competence. This is particularly essential in technical and profession fields where new techniques and ideas continue emerging rapidly. Governmental work and practice are, thus, enabled to keep pace with advances made in these several fields. Since direct recruitment ensures a regular induction of young persons into the government, the public services are kept attuned to the changing socio economic conditions of the country. This system, thus, arrests stagnation and the development of conservative habits.

**Direct Recruitment of Assistant Commissioner of Income Tax**

The Assistant Commissioner is the highest post in the Income Tax Department, which is filled up through direct recruitment. 50% posts are filled up through direct recruitment and 50% are filled up through Indirect recruitment. Other higher posts are filled up through promotion only. The UPSC is responsible to conduct All India Services examination. This is a single examination for recruitment to the Indian Administrative Services and Indian Foreign Services, Indian Police Services, and central Services. The Income Tax Department comes under central services or Indian Revenue Services. The UPSC is responsible to select Assistant Commissioners through direct recruitment. The procedure of selection adopted by the UPSC is as under:
Qualifications  The essential qualifications for the post of Assistant Commissioner are as under:

The candidate should be the Indian citizen,

The candidate should be between the age group of 21-30 years. There is age relaxation in the case of the candidates belonging to scheduled castes and schedule tribes.

The candidate should hold a bachelor’s degree from a recognized University, Institute complete his bachelor’s degree from any recognized university.

Preliminary Examination

First of all The UPSC make a list of the eligible candidates and call them for the preliminary examination. This examination has two papers; both the papers are of objective type. The paper in general studies carries 150 marks, and the paper in optional subject 300 marks. Only those who qualify in the Preliminary Examination are allowed to appear the Main Examination. But the marks obtained in the preliminary examination level are not considered for the Main Examination.

Main Examination

The main examination consists of two parts one is the written examination and the second is Interview. The written examination consists of eight papers, each carrying 300 marks. All papers are of essay type. Two papers of languages and remaining six papers are of optional subjects.

Interview

The interview is “conversation with a purpose.”18 Of all the selection devices that organization use to differentiate candidates the interview continues to be the one most frequently used.19 “Interview is the heart of employment process.”20

Through interview it can be observed that, which the suitable candidate for the specific job is. After written test the Union Public Service Commission shortlist the candidates for the interview. Out of qualified candidates only a selected number, in proportion to the number of vacancies, are called for interview. The marks for interview are 300 with no qualifying minimum marks. The marks obtained in the written examination as well as in the interview are added and the final merit list is prepared on that basis.

The posts of Assistant Commissioners are filled through direct recruitment by UPSC. When the UPSC selected the candidates for this post they are still on probation for the period of six months. After qualifying the departmental examination they are eligible to select on relevant posts. The procedure of examination adopted by the department is as below:

**The Departmental Examination for Assistant Commissioner of Income Tax**

The examination for Probationers is conducted once a year in the month of September / October. A Supplementary examination, if necessary, is also held in the month of January every year for the ACIT probationers who fail in the main examination. The relevant authority for conduct of these examinations is derived from the Rules of Departmental Examination for Assistant Commissioner of Income Tax (Probationers) 1996.

Presently, the National Academy of Direct Taxes is involved in the departmental examination process. It is responsible for the conduct of examinations applicable in the cases of Group ‘A’ Officers (Probationers).

The Academy conducts these examinations like any other field office. It is provided by the Directorate of Income Tax with question papers and other modalities of conducting examinations such as observers. The Directorate finally declares the results. Thirty percent of the total marks in the entire subject are allocated for the internal assessments to be made by the DGIT. National Academy of Direct Taxes based on various periodical tests and appraisals carried out in the Academy. The Directorate of Income Tax in accordance with
the procedure applicable to all other departmental examinations earmarks the balance 70 percent marks for evaluation.

**Eligibility Criterion:** A probationer would be eligible to take the Departmental Examination if on the first day of the month of the examination he has completed 7 months of training in the National Academy of Direct Taxes, Nagpur.

**Chances Permissible:** A probationer will be required to pass the Departmental Examination fully in not more than three chances.

The Director of Income - Tax (IT) may at his discretion give not more than one additional chance to a probationer, provided the failure to pass fully in his case in the admissible chances, has been on account of unavoidable circumstances and the head of the department under who the probationer is posted certifies that the work and conduct of the probationer is good and recommends an extra chance on that account.

**Subjects:** The departmental examination in the cases of ACIT (Probationers consists of subjects spread over four papers as under:

i. Paper I (Part A) – Income Tax Law (Theory-without books)

ii. Paper I (Part B)- Income Tax Law (Practical – with books)

iii. Paper II Book Keeping ( without books)

iv. Paper III Other Taxes and Allied Laws

v. Paper IV Office Management and Tax Procedures

**System of Examination:**

i. Thirty per cent of the total marks in all the subjects included in the departmental examination are allocated for the internal assessment to be made by the NADT based on various kinds of periodical tests and other appraisals in the NADT. Balance 70 marks in all the subjects included in the departmental examination are allocated for the examination to be conducted by the Directorate.
ii. When regulations for re-fixation of inter-se seniority on completion of training are applicable with specific percentage of marks allotted for assessment by the NADT, the total marks for all papers shall be 100 each.

**Requirements for Pass Percentage**

i. A probationer will be declared to have passed the departmental examination if he/she secures not less than 55 per cent (50 per cent in the case of probationer belonging to the reserved categories) of the marks in each subject. A probationer who fails in the examination will, however, be treated to have passed and be exempted from re-examination in the subject in which a minimum of 55 per cent (50 per cent in the case of probationers belonging to the reserved categories) of the marks is secured.

ii. The marks for internal assessment for the subjects mentioned in the departmental examination to be awarded by the DG, NADT would be based on various kinds of periodical tests conducted and appraisal made in the NADT before the departmental examination. These marks will be intimated by the DG, NADT (only once) by 30th November of the year of examination when the probationer appears in the departmental examination for the first time.

iii. The marks for the internal assessment as intimated by the DG, NADT and the marks obtained by the probationer in the examination held by the Directorate in each subject would be added together to see whether the candidate has secured the requisite pass percentage marks in the subject.

**Declaration of Results:** The results of the departmental examination will be declared by the Director of Income - Tax (Income Tax) who will also declare the names of the probationers who have passed the departmental examination as a whole or in part.

After qualifying the examination the probationers are posted on their posts and they start there functioning. The date of joining counts from the beginning when they join the department as probationers.
Direct Recruitment of Income Tax Inspectors:

Staff selection commission is responsible for the direct recruitment of Inspectors. 33.3% posts are filled up through direct recruitment. The staff selection commission receives the applications from the eligible candidates then scrutinizes the applications and calls the eligible candidates for written test. First the preliminary examination is conducted by the board. The qualified candidates in the preliminary examination are called for main examination which is subjective. After qualifying the written examination the candidates are called for interview. When the candidate qualify the interview he or she is selected as Income Tax Inspector by completing other formalities.

Promotion

The need of promotion arises from variety of factors. An organisation is enabled to retain the services of its personnel by the device of promotion. A sound policy of promotion fosters a feeling of belongingness in the personnel, contributes to a measure of continuity in policies and leads to building up of traditions and conventions. Promotion is yet another means of recruitment. It is the process of filling up vacancies from within the organization. According to L. D. White, "It is an appointment from a given position to higher grade involving a change of duties to a more difficult type of work and greater responsibilities." Promotion has also been defined as a reassignment of the individual to a job of higher rank usually involving and increase in responsibilities and accompanying pay privileges, prestige, status, authority etc. Expressing similar views Michael J. Jucius said, “As a result of this method the moral of employees is generally raised because the employees are there by giving concrete evidence that they are preferred over outsiders when vacancies occur.”

Effective utilization of available human resources is essential for the organizational growth and development. The ability of an organisation is to ensure optimum utilization of its human resources depends on the extent to which it is able to meet the multiple city of needs and aspirations of its employees. The employment relationship between the individual and the organisation may be long term or short term. Where the individual feels that an organisation is not able to meet his career aspirations, he has the option to either surrender his career aspiration and continue in employment or switch over to other organisation, where he feels that career opportunities are brighter. The organisation that provides fair and reasonable opportunity for satisfying careers will be able to attract, motivate, and retain a committed work force. It is the responsibility of the organisation that it should maintain balance between direct recruits and elder promotes to the same level. The problem of senior persons making a lateral entry from another company may also pose the problem of adjustment.

When a person chooses a career, he expect the promotional opportunities that organisation hopefully will have in store. A career is a sequence of positions occupied by a person during the course of lifetime. At the same time, the importance assigned to promotional prospects vis-à-vis attractiveness of the chosen jobs varies form individual to individual. Many employees join an organisation; they bring with them a set of wants, needs, desires, and past experiences that combined to form job expectation. Job satisfaction expresses the amount of agreement between one’s emerging expectation and rewards that the job provides.

**Basic Principles of Promotion**

Promotion in public services is governed by seniority, merit, and seniority cum fitness. The system of Promotion adopted by Income Tax Department is merit cum seniority.

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The department conducts examinations to make a merit list. Who passes the exams first, can supersede the senior person on the basis of service length. When discussing with the Income Tax Authorities that what should the basis of Promotion their views are as below:

**Response of Income Tax Authorities**

**Table : 3.2**

<table>
<thead>
<tr>
<th>Level</th>
<th>% Seniority</th>
<th>% Merit</th>
<th>% Merit cum Seniority</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class – I Officers (67)</td>
<td>18%</td>
<td>18%</td>
<td>64%</td>
<td>100%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>10%</td>
<td>36%</td>
<td>54%</td>
<td>100%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>12%</td>
<td>24%</td>
<td>64%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Graph 3.2 : The basis of Promotions should be**

- **% Seniority**
- **% Merit**
- **% Merit cum Seniority**

Responses:
- Class – I Officers (67)
- Class – II Officers (78)
- Inspectors (160)
Above table 3.3 shows that most of employees favors that the basis of promotion should be both merit and seniority. As per Income Tax Authorities quality, qualification and experience all should be considered while promoting a person. 64% Class-I officers, 54% Class-II officers and 64% Inspectors are agreed with the merit cum seniority point for the promotions. 18% Class-I Officers opt for merit and 18% says seniority is the right criteria. 36% Class-II Officers picked merit and 10% go for the seniority, while 24% Inspectors picked merit and 12% seniority as the best way for promotions. If the merit is not given due consideration performance is adversely affected. Being a technical department only highly qualified and experienced persons should be promoted.

Indirect Recruitment ensures that persons who are appointed at higher posts have had sufficient experience of governmental work and administration. This experience helps them in discharging their responsibilities with both ability and confidence. As persons appointed higher posts already possess experience and knowledge of governmental work, prolonged training may not be necessary for them. Government has, consequently, spared this additional burden and cost.

### Response of Income Tax Authorities

<table>
<thead>
<tr>
<th>Recruitment from within</th>
<th>N = 305</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level</td>
<td>% Yes</td>
</tr>
<tr>
<td>Class – I Officers (67)</td>
<td>76%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>81%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>83%</td>
</tr>
</tbody>
</table>
Above table shows a simple majority towards the recruitment by within. 76% Class-I officers, 81% Class-II officers and 83% Inspectors are of the opinion that the recruitment should be done within to enhance the moral of the existing employees. 15% Class-I officers, 13% Class-II officers and 11% Inspectors had opinion that the recruitment through direct channel is the best way as new and qualified people get the chance. However 9% Class-I officers, 6% Class-II officers and 6% Inspectors have no opinion to submit.

Hence it is clear that most of officers as well as officials have opinion that the recruitment should be done within the department but the basis of recruitment is merit cum seniority. It will increase the morale of intelligent and laborious persons.
The Description of posts filled up through Indirect Recruit is as under

Recruitment of Group ‘A’ Posts in the Indian Revenue Services

The Indian Revenue Service, which is one of the premier organized group ‘A’ services of the Central Government, has a large cadre strength, which has been further augmented by the recent restructuring of the Income Tax Department. The present grade - wise strength of the service is indicated below:

<table>
<thead>
<tr>
<th>Cadre Post (Duty Posts)</th>
<th>Pre-revised Pay Scale (In Rs.)</th>
<th>Revised Pay Scale</th>
<th>Grade Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCIT/DGIT (Higher Administrative Grade)</td>
<td>22400 – 525 – 24500</td>
<td>39200 – 67000</td>
<td>11000</td>
</tr>
<tr>
<td>CIT/DIT (Senior Administrative Grade)</td>
<td>18400 – 500 – 22400</td>
<td>39200 – 67000</td>
<td>9000</td>
</tr>
<tr>
<td>Addl. CIT/Addl. DIT (Non-functional selection Grade)</td>
<td>14300 – 400 – 18300</td>
<td>15600 – 39100</td>
<td>7600</td>
</tr>
<tr>
<td>Jt. CIT/Jt. DIT (Junior Administrative Grade)</td>
<td>12000 – 375 – 16500</td>
<td>15600 – 39100</td>
<td>6600</td>
</tr>
<tr>
<td>Dy. CIT/Dy. DIT (Senior Time Scale)</td>
<td>10000 – 325 – 15200</td>
<td>15600 – 39100</td>
<td>6100</td>
</tr>
<tr>
<td>Asstt. CIT/Asstt. DIT (Junior Time Scale)</td>
<td>8000 – 275 – 13500</td>
<td>15600 – 39100</td>
<td>5400</td>
</tr>
</tbody>
</table>

Source: 6th Pay Commission Report

The service matters like recruitment, probation, promotion, seniority etc. of the members of the service are governed by the Indian Revenue Services Rules.

The posts in the grade of ACIT (group ‘A’) are filled 50% by direct recruitment through the annual civil services examination conducted by the UPSC and the balance of 50% posts in the grade are filled by promotion (selection mode) of ITOs in Group ‘B’. All the posts in the higher grades (other than that of ACIT) in-
group ‘A’ are filled by way of promotion only either through an internal DPC (Senior Time Scale and Non – functional selection grade) or through a DPC (Junior Administrative Grade, Senior Administrative Grade and Higher Administrative Grade) held in the UPSC. The constitutions of the DPCs mentioned above are prescribed in the IRS Rules.

There is, as such, no lateral entry in the service at higher levels by way of direct recruitment, deputation etc. Thus, the Indian Revenue Service has all the attributes of an organized Group ‘A’ service.

Promotion or indirect recruitment is the most suitable method adopted by the department. But it should be clear that which criteria is to be adopted by the department to promote the employees.

The Income Tax Department conducts Departmental Examination to know the efficiency of the employees. The departmental examination are taken Upto the level of Income Tax Officer. The promotion for group ‘A’ is done on the basis of Annual Confidential Reports.

**Departmental Examination**

Departmental Examinations are important means for testing employee’s competence both for the purpose of validating him for his current post as well as evaluating him for higher job responsibility within the organization.

The nodal agencies to look after the examination process in the department are the Directorate of Income Tax (Income Tax) the controlling office and the National Academy of Direct Taxes that looks after all matters relating to the training of IRS probationers. For the sake of brevity, the general aspects of the process of conducting of examinations are discussed separately under the head common examination procedures, as these would be applicable to all categories.


**Directorate of Income Tax (Division of Inspection and Examination)**

The Directorate of Income Tax (Inspection and Examinitation) has a functional unit known as Examination Division. This is responsible for conducting the following examinations in the Income Tax department:-

i. Assistant Commissioners of Income Tax (Group-A) (Probationers)

ii. Income Tax Officers

iii. Income Tax Inspectors

iv. Ministerial Staff

Even after the restructuring of the department, the Examination Division continues to discharge the function of conducting departmental examinations. The main functions of the Examination Division include the following:-

i. Formulation, review, amendment and interpretation of the examination rules.

ii. Preparation and review of the syllabi for various examinations.

iii. Preparation and dispatch of question papers.

iv. Preparation of model answers.

v. Evaluation of answer books.

vi. Compilation of results of examinations.

vii. Sanction of honorarium to paper setters and values.

viii. Matters concerning grant of exemption.

ix. Matter relating to representations from candidates on results of the examinations.

x. Creation of examination centers.

xi. Relaxation of standards for candidates belonging to certain groups.

xii. Other residuary matters including rules for advance increments, crossing of efficiency bar, promotion, etc., which may be linked to the results of departmental examination and may have been referred to the Directorate by the CBDT or the cadre controlling authority from the field.
Promotion from Clerical Staff to Inspectors

For the promotion from clerical staff to the Inspectors 66.6% of the posts are filled by promotion and 33.3% posts are filled through direct recruitment through Staff Selection Commission. The method of promotion adopted by the department is merit cum seniority. The Income Tax Department conducts departmental examination to make the merit list.

The following persons eligible to appear in the departmental examination for Income Tax Inspectors: -

i. Directly recruited Inspectors

ii. Any person holding the post of Officer Superintendent, Sr. TA, TA, Stenographers Grade I, II and III, provided that he/she has passed the departmental examination for ministerial staff.

Chances permissible

Candidates avail of a maximum of 10 chances.

Subjects

The examination held in the following subjects: -

<table>
<thead>
<tr>
<th>Paper No.</th>
<th>Subject</th>
<th>Maximum Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Income Tax Law and Allied Taxes (Theory)</td>
<td>100</td>
</tr>
<tr>
<td>2.</td>
<td>Income Tax Law (Practical – With Books)</td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Book Keeping</td>
<td>100</td>
</tr>
<tr>
<td>4.</td>
<td>Office Procedure (IT)</td>
<td>100</td>
</tr>
<tr>
<td>5.</td>
<td>Hindi</td>
<td>50</td>
</tr>
</tbody>
</table>
Pass Percentage

i. A candidate declared to have passed the examination if he/she secures 45 per cent marks in each of the papers 1 to 5.

ii. A candidate who secures the minimum pass marks in one subject in a particular examination exempted from appearing in that paper in the subsequent examinations.

Those who have qualified in Hindi paper in the matriculation examination, its equivalent or any higher examination or any the departmental examination for ministerial Staff, will be exempted from passing the Hindi paper in this examination.

Promotion from Inspectors to Income Tax Officers: For the promotion from Inspectors to Income Tax Officers 100% posts are filled through promotion.

Examination for Income Tax Officers: The Directorate of Income Tax (IT) conducts the departmental examination for Income Tax Officers once a year in the first quarter of the financial year. The periodicity of this examination is, however, subject to change at the discretion of the Directorate. The Director of Income Tax (IT) notifies the exact date of the examination and fixes the timetable well in advance of the date of examination.

Eligibility Criterion

The following persons eligible to appear in the departmental examination for Income Tax Officer:

i. Income Tax Inspectors who have passed the departmental examination for Income Tax Inspectors;

ii. Office Superintendent; Senior TA; Stenographers Grade I & II who have passed the departmental examination for Income Tax Inspectors regardless of whether they have been promoted as Income Tax Inspector or not.
Chances Permissible

Candidates avail of a maximum of 10 chances

Subjects

The examination held in the following subjects:-

<table>
<thead>
<tr>
<th>Paper No.</th>
<th>Subject</th>
<th>Maximum Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Income Tax Law and Allied Taxes (Theory)</td>
<td>100</td>
</tr>
<tr>
<td>2.</td>
<td>Income Tax Law Practical (With Books)</td>
<td>100</td>
</tr>
<tr>
<td>3.</td>
<td>Advanced Accountancy</td>
<td>100</td>
</tr>
</tbody>
</table>

Pass percentage, carry over and aggregation

i. A candidate declared to have passed the examination if he / she secure 50% marks in each of the papers 1 to 3.

ii. A candidate who secures the minimum pass marks in one subject in a particular examination exempted from appearing in that paper in the subsequent examinations.

Promotion from Income Tax Officers to Assistant Commissioner

For the promotion from Income Tax Officers to Assistant Commissioners, 50% posts are filled through direct recruitment by union public service commission and 50% posts are filled through promotion within the department. The method for the promotion adopted by the department is annual confidential reports.

The other promotions like assistant commissioner to deputy commissioner, deputy commissioner to Joint commissioner, joint commissioner to Additional Commissioner, Additional Commissioner to Commissioner, and Commissioner to Chief Commissioner are done through Annual Confidential Reports and well designed system of promotion.
Confidential Reports

Purpose of writing confidential Report—performance evaluation

The performance of every Government servant is assessed annually through his confidential reports. Hence, confidential reports are of immense importance in his career, as the work, conduct, character and capabilities of the officer reported upon can be accurately judged from the recorded opinion. Moreover, these reports, in the process, aim at ensuring efficiency in services.

It is in the interest of every Government servant that he should know how well or otherwise, he is performing the job assigned to him. In fact, he would be more interested to know particularly his defects and shortcomings, which would affect his career advancement in the long run. Unless he comes to know of them in time and overcomes them by taking remedial measures, he cannot plan his career development in a systematic manner.

Thus the system of confidential reports has three principal objectives. First and foremost is to improve the performance of the subordinate in his present job. The second one is to assess his potentialities and provide him appropriate feedback and guidance for correcting his deficiencies and improve his performance. Third, confidential report provides the basic and vital inputs for assessing the performance of an officer and his comparative merit for purposes of advancement in his career, confirmation, promotion/selection, continuance in service beyond certain age on completion of certain years' service, etc. Government has accepted the principal decisions on these matters should be based solely on the assessment of the confidential dossiers.

Writing of the Confidential Reports

As per Home Ministry's instructions the form in which confidential reports are to be recorded can vary from department to department and as between different level of responsibility within a departmental hierarchy, depending upon the nature of work and duties attached to various posts. It is, however, prescribed that a confidential character roll should contain the assessment of certain qualities of
general importance such as integrity, intelligence, keenness, industry, tact, attitude to superiors and subordinates, relations with fellow employees, etc. In addition to the prescribed attributes, every confidential report should carry a general appreciation of the character, conduct and aptitudes of the officer reported upon. For the income tax department, the confidential reports written in various forms prescribed for different levels of officers and staff.

In the Income Tax Department, inspection reports may help reporting as well as reviewing officers to write confidential reports in an objective manner. The extent of fulfillment of various action plan targets would also be helpful in writing specifically such reports. Reporting and reviewing officers would well advised to focus specifically on the officers achievement under the plan and comment on the extent of the short fall, if any, and the reasons therefore.

Supervisory officers should maintain confidential diaries in which instances which create suspicions about the integrity of a subordinate should be noted from time to time and action to verify the truth of such suspicion should be taken expeditiously by making confidential enquiries departmentally of by refereeing the matter to the special police establishment. At the time of recording the annual confidential report this diary should be consulted and the material in it utilized for filling up the column about integrity.

**Existing promotional avenues in the department**

The promotional avenues in the department are not fulfilling the desires of the employees. It is discussed with income tax authorities and the responses are given below:
The responses are taken from different authorities and it is observed that 13% class one officers are saying yes, 78% are saying no, and 9% don’t want to give their opinion. While asking from class-II officers 45% says yes, 45% says no and 10% don’t have any opinion. When it is asked from Inspectors they also not satisfied with it as figures indicates, 25% are saying yes, 61% are saying no and 14% don’t say anything. So it is clear that very few officers as well as officials are satisfied with the existing promotional avenues. It is felt by authorities that due to
non promotions or promotions after long gap will create a lack of enthusiasm to do their work efficiently. Promotion should be given after a gap of five to six years. It will boost the morale of laborious persons.

Response of Income Tax Authorities

<table>
<thead>
<tr>
<th>Level</th>
<th>% Yes</th>
<th>% No</th>
<th>% Can't Say</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class – I Officers (67)</td>
<td>72%</td>
<td>18%</td>
<td>10%</td>
<td>100%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>21%</td>
<td>65%</td>
<td>14%</td>
<td>100%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>49%</td>
<td>45%</td>
<td>6%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Graph 3.5: Fixed promotion quota for all categories of jobs

It is asked with the authorities that there should be any fixed quota for promotion for all categories of jobs. The above mentioned responses shows that 72% class one, 21% class-II officers and 49% Inspectors are saying yes. While 18% class-I
officers, 65% class-II officers and 45% Inspectors are not agreed with it. Further 10% class-I officers, 14% class-II officers and 6% Inspectors cannot say anything. So it is clear that only class-I officers favor it. Others feel that there should not be fixed promotion quota.

Training

Training has been defined by William G. Torpey as “the process of developing skills, habits, knowledge, and aptitudes in employees for the purpose of increasing the effectiveness of employees in their present government positions as well as preparing employees for future government positions.” Every organization needs to have well trained and experience people to perform the activities that help the organisation to achieve its objectives. In a rapidly changing society, training is not only an activity that is desirable but also activity that an organisation must commit resources to, if it is to maintain its successful existence. It is necessary to raise the skill levels and increase the versatility and adaptability of employees. As job has become more complex, the importance of employee training has increased.

Training refers to imparting of specific skills, abilities and knowledge to any employee. It is to improve current or future employee performance by increasing an employee’s ability to perform through learning, usually by changing the employee’s attitudes or increasing his or her skills and knowledge. 

Training is thus, the continues learning process which can contribute to higher production, fewer mistake, possible great job satisfaction, lower turnover and the ability to cope with organization’s social and technological changes. Effective training, therefore, is an investment in the human resources of an organisation

with immediate and long range returns. Training is not something that is done once to new employees but it is used continuously in every well run establishment. Every time you get someone to do work the way you want it to be done, you are training. Every time you give directions or discuss a procedure, you are training. As such, training is the fastest growing segment of personnel activities. Training is the process increasing the knowledge and skills of a person for doing the assigned job. It is an organized activity to create a change in the thinking process, attitude, and behavioral pattern and to upgrade skills of the serving personnel. Therefore, it is essential to conduct training so that the officers and officials can perform their jobs efficiently.

One of the important prerequisites for an efficient and effective tax administration is undeniably the existence of adequate and well-trained staff. It is also important for the tax administration to possess the requisite management skills. In order to foster international cooperation and provide an appropriate forum for the exchange of ideas and experiences among such countries, special consideration should be given to the establishment of regional training institutions, priority being accorded to the establishment of an Indian training center as soon as feasible.

The competence required for the various levels in the hierarchy of Income Tax Department have been defined in ways but there is always a need to review the same and upgrade them. The organization has to be open to change. The leadership has to create the climate of training of all officers as per their standard of competence.

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The above mention table shows the responses given by different authorities that there should be regular training to all the employees. 100% class-I officers, 97% class-II officers, 95% Inspectors are saying yes. Only 3% Inspectors are saying no, 3% class-II officers and 2% Inspectors have no opinion. So it is very much clear with the responses that regular training is must for all employees to increase the efficiency. Without giving training, it is impossible to the authorities to understand the new concepts and policies which are adopted by the department.
The ministry of personnel, public grievances and pensions has formulated a national training policy. This lays down guidelines for the training needs of the employees of various ministries / departments. The later issue the necessary orders for implementing the training policy, after taking into account their specific requirements, in respect of the employees falling within their jurisdiction.

The national training policy has recognized training as one of the effective and tested tools for performance enhancement, as well as for up gradation of knowledge and skills of personnel. Hence training is to be imparted to all rungs of the civil services starting from the lowest and cutting edge level to the highest policy making level. For this purpose the civil services are divided into the three levels. Group ‘D’ services and lower stage of Group ‘C’ services, supervisory level and the junior management / administrative levels (higher stages of Group ‘C’, Group ‘B’ and lower stages of Group ‘A’, Group ‘A’ services comprising the middle and higher management administrative levels.

Accordingly, all civil servants should receive induction training at the time of entry into services as well as in-service training at suitable intervals in their career. The National Academy of Direct Taxes is the apex institution for training the officers and staff of the Income Tax Department in India and engaged in training for more than 50 years. The major function of the Academy is to impart induction training to the officers of the Indian Revenue Service. The other important function of the Academy is to conduct in-service courses for middle and senior level officers of the department. In its work, the Academy is assisted by seven regional training institutes located at Ahmedabad, Bangalore, Chandigarh, Chennai, Kolkata, Lucknow and Mumbai as well as 22 Ministerial Staff Training Units (MSTUs) located all over India.

**Methods of Training**

Every organisation adopts certain methods to identify the training needs before deputing their employees to different training courses. When it is asked with Income Tax Authorities that which method of identification needs adopted by the department the given response are as below:
Response of Income Tax Authorities

Table 3.7

<table>
<thead>
<tr>
<th>Level</th>
<th>Observations by Seniors</th>
<th>Interviews</th>
<th>Self Assessment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class – I Officers (67)</td>
<td>93%</td>
<td>4%</td>
<td>3%</td>
<td>100%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>82%</td>
<td>12%</td>
<td>6%</td>
<td>100%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>95%</td>
<td>3%</td>
<td>2%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Graph 3.7: Suitable method for identification of training needs

The above table shows when it is asked with the Income Tax Authorities that which method is to be adopt by department to identify training need, 93% class-I officers, 82% class-II officers and 95% Inspectors are saying that it should be through observations by seniors. 4% class-I officers, 12% class-II officers and 3% Inspectors are saying it should be identify through interviews. 3% class-I officers, 6% class-II officers and 2% Inspectors are saying that it should be
identify through self assessment method. So the numbers of authorities are in favor of observation by seniors. The seniors are aware of the routine work and if any changes take place they know how to tackle with that, so, they knows better which person should attend the training.

**Types of the training:**

- Informal training
- Formal training

**Informal training**

It is also called on the job training. This has been a traditional method of training in public administration. Informal training means that learning the work by actually doing the work under the guidance of senior officers. This training occurs in the day to day relationship of employee and superior. The trainer learns more through their day to day meetings, conferences, etc. In income tax department each employee gets on the job training from their superiors. A practical reason for this approach is that trainees earn as they learn. William Tracy calls it as “the most commonly, the most widely accepted and the most necessary method of training employees in the skills essential for acceptable job performance.” Thus, it is training by experience or learning by trial and error method. The trainee acquires administrative skills in the course of actually doing the work, that is, through practice. This training occurs in the day to day relationships of employee and superior; in conferences and staff meeting of employee, news papers and organizations publications; at meetings of professional associations, and in the reading and study that the employee undertakes at his own violation or at his superior’s suggestion. Because such training is connected with the regular task of the employee, he can best integrate with his down experience and thereby profit from it. Since there is no compulsion, connected with it, his motivation is positive. Its influence, whether good or bad, is profound. The effectiveness of the on the job training depends primarily upon the qualified trainers; without them, Pigors and Mayers rightly says, “It is simply the old hands, who may have

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neither the inclination nor the ability to teach the new comer properly.\textsuperscript{35}

Therefore, on the job training required as much care and planning as any other training.\textsuperscript{36}

Response of Income Tax Authorities

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|c|}
\hline
Level & \% Yes & \% No & \% Can’t Say & Total \\
\hline
Class – I Officers (67) & 9\% & 88\% & 3\% & 100\% \\
Class – II Officers (78) & 26\% & 65\% & 9\% & 100\% \\
Inspectors (160) & 44\% & 48\% & 8\% & 100\% \\
\hline
\end{tabular}
\caption{Training needs are identified before deputing employees for various training courses}
\end{table}

\begin{figure}[h]
\centering
\includegraphics{Graph_3.8.png}
\caption{Training needs are identified before deputing employees for various training courses}
\end{figure}


The above table shows Does department identifies training needs before deputing employees for various training courses. It is asked by different authorities and the responses are taken out. 9% class-I officers, 26% class-II officers and 44% Inspectors are saying yes, while 88% class-I officers, 65% class-II officers and 48% Inspectors are saying no. 3% class-I officer, 9% class-II officer and 8% Inspectors don't give their opinions.

Response of Income Tax Authorities

<table>
<thead>
<tr>
<th>The trainees are selected</th>
<th>N – 305</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level</td>
<td>% Relevance of Course</td>
</tr>
<tr>
<td>Class – I Officers (67)</td>
<td>91%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>81%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>64%</td>
</tr>
</tbody>
</table>
The above mention table shows that 91% class-I officers, 81% class-II officers, 64% Inspectors are saying that the trainees are selected on the basis of relevance of courses. While 9% class-I officers, 19% class-II officers and 36% Inspectors are saying that the trainees are selected on the basis of discretion of authorities. So it is clear that the trainees are selected on the basis of relevance of course.

**Formal Training**

Formal training is imparted in an orderly manner through prearranged and well defined courses under expert guidance and supervision.

The most commonly method of formal training is used in Income Tax Department is orientation training. The object of orientation training is to introduce an appointee to the basic concepts of his job, new work environment, organization and its goal. The importance of orientation is highlighted by Marx in the following words: "it is clear that significant advance in the functional efficiency of the administrative state cannot be expected without corresponding changes in the working style of the administrative system. In this respect, perhaps, the most important thing is the acceptance within the higher civil services of a reorientation towards its role. It is for the civil servants to realize that much of what can be done must be his doing."\(^{37}\)

**Induction Training**

The induction training has specific job centred focus and includes formal instruction to accelerate the learning process about the basics of work, its content, drafting, procedures, rules and regulations, and so on. According to Mamuty, "structured and well coordinated induction program is must, as it familiarizes the new incumbents with their environment and prevalent norms and history of the organization".\(^{38}\) The income tax department introduced induction training program to its newly appointed IRS probationers.


\(^{38}\) Mamuty, C., *New Rules for Old Games*. Times of India, New Delhi, 1996.
The organizational Setup of the Training in the Income Tax department

National Academy of Direct Taxes, Nagpur (NADT)

The Academy is headed by a Director General (Training) who is assisted by two Additional Director Generals posted at the Academy and seven Commissioners of Income Tax, each heading a Regional Training Institute.

The National Academy of Direct Taxes is the apex institution for training officers and staff of the Income Tax department in India. Income tax department has total sanctioned strength of 59,682 employees out of which 3,904 are officers of the Indian Revenue Service. NADT is responsible for imparting training to the officer trainees of the Indian Revenue Service whereas its Regional Training Institutes cater mainly to the needs of officers and officials of Gr.B and Gr.C. The training needs of the ministerial staff are met by Ministerial Staff Training Units located all over India.

The Academy runs 16 month long Induction Training programme for two batches simultaneously. In addition the NADT also conducts training programmes for in-service officers, officers of other departments and organisations. It also runs training courses for tax administrators of foreign countries.

The training sector of Income Tax department has earned respectability because the department has given highest productivity of man power at the lowest cost.

As per vision 2010 of Income Tax Department, Govt. of India expects NADT to enlarge the scope of training activities so that each employee is trained for at least one week every year / 5 weeks every 5 years.

Induction courses for the IRS Probationers along with other senior level and specialized courses are conducted at this academy.

i. Direct taxes regional training institute at Bangalore, Hazaribagh, Kolkata, Lucknow and Mumbai (DTRTIs) - courses for participants at the level of inspector upwards.

ii. Ministerial staff training units (MSTUs) Functioning under the various DTRTIs – Courses for the Ministerial staff and Group ‘D’ levels.

Training to the departmental personnel is also imparted in the following fields: -
Computer Training

The DIT (Systems) organizes training on computers and the use of departmental software. The job of imparting this training is undertaken by DIT (System) directly and is outsourced to other agencies. They conduct the training sessions for the departmental personnel at various cities. In addition to this, NADT and RTIs also impart training on computers to departmental personnel.

Response of Income Tax Authorities

<table>
<thead>
<tr>
<th>Level</th>
<th>% Yes</th>
<th>% No</th>
<th>% Can’t Say</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class – I Officers (67)</td>
<td>100%</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Class – II Officers (78)</td>
<td>96%</td>
<td>0%</td>
<td>4%</td>
<td>100%</td>
</tr>
<tr>
<td>Inspectors (160)</td>
<td>99%</td>
<td>1%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Graph 3.10: Everyone has knowledge of computers

□ Class – I Officers (67) □ Class – II Officers (78) □ Inspectors (160)
The above table shows, when it is asked with the Income Tax Authorities that should everyone has knowledge of computers, 100% class-I officers, 96% class-II officers and 99% Inspectors are saying yes. While only 1% Inspectors are saying no and only 4% class-II officers have no opinion. So it is clear with the given figures that the knowledge of computers should be must for all officials and officers. Computer training should be given to all the employees. As the department is going to adopt fully computerization, the every employee should have a knowledge of computers.

**Official Language**

Training courses on the use of Hindi in official work are conducted regularly by the Chief Commissioners in their respective regions. In addition, the official language implementation cell of the ministry of Home Affairs also conducts long term / part time training programs on Hindi typing and short hand for the stenographers of Central Government departments including the Income Tax Department.

**Specialized Courses**

The departmental personnel are also deputed to undergo training in specialized courses conducted by various other training organizations. These courses would cover fields as divers as taxation and fiscal studies, management, administration, investigations and forensic science. In addition to the training conducted by the department of personnel and training at various institutes situated all over the country, courses are also conducted under the CIDA and OECD programs.

Foreign Training – the Government runs various schemes under which eligible officers are deputed for training abroad. Such training could be in the field of fiscal studies and / or allied discipline, management, public administration etc. It could be conducted under the aegis of the International Monetary Fund, World Bank etc.
Training Needs of Different Cadres: As the duties and responsibilities differ from cadre to cadre, based on task analysis of different cadres, the training institutes give necessary inputs. The courses are also designed in such a way that proper training could be imparted at different levels. For this purpose, the courses are divided in the following manner:

1) Basic Courses: These courses are conducted for the benefit of the persons who are directly recruited to a particular post, and include sessions on the functioning of the department, taxation laws and other allied acts as well as administrative matters. The basic courses are:

   a. Induction courses for the IRS Probationers – NADT.
   b. Induction course for direct recruit Inspectors – RTI.
   c. Induction course for direct recruit ministerial staff and group D staff – MSTU.
   d. Induction course in Income Tax for data entry operators – MSTU.

2) Orientation Courses: These courses are for participants who are promoted from one cadre to another, wherein the participants are sensitized to their new role and are given inputs for securing improved performance in the new job. The details of these courses are given below:

<table>
<thead>
<tr>
<th>Officers Promoted from</th>
<th>Venue</th>
</tr>
</thead>
<tbody>
<tr>
<td>A ITOs to ACs</td>
<td>NADT</td>
</tr>
<tr>
<td>B Inspectors to ITOs</td>
<td>RTI</td>
</tr>
<tr>
<td>C Other Cadre to Inspectors</td>
<td>RTI</td>
</tr>
<tr>
<td>D OS to AO</td>
<td>RTI</td>
</tr>
<tr>
<td>E STA to OS</td>
<td>MSTU</td>
</tr>
<tr>
<td>F TA to STA</td>
<td>MSTU</td>
</tr>
<tr>
<td>G LDC to TA</td>
<td>MSTU</td>
</tr>
<tr>
<td>H Group D – Notice Server</td>
<td>MSTU</td>
</tr>
<tr>
<td>I Group D to LDC</td>
<td>MSTU</td>
</tr>
</tbody>
</table>
3) **Refresher Courses:** After having put in Three to five years in a particular cadre, officials are called for a refresher course in which their knowledge of law and procedure is updated. New techniques being adopted both by the department and assesses are also discussed.

4) **Specialized Courses:** These courses will deal with specific subjects depending upon the requirements of the field. They could be on fields as diverse as management studies or advance aspects of direct tax laws relating to TDS, Tax Holidays, and Transfer Pricing etc.

5) **Information Technology Courses:** The NADTs as well as the DTRTIs are equipped with computer labs for conducting courses on Information Technology. These courses include basic training on computers as well as departmental software packages.

An annual conference of the trainers is held at the NADT in the beginning of the year where matters related to training are discussed. This is prepared based on the suggestions given by the field, feedback of earlier courses and the current action plan. The training calendar prepared by the NADT is circulated to all the regions, while the calendar of the DTRTIs and MSTUs is circulated to the region / regions from which the participants are to be nominated.

The training calendar contains inter alia the following details:

i) Courses to be held during the year.

ii) Period and duration of the courses.

iii) Eligibility criteria for the courses.

**Nomination:** On the receipt of the training calendar, the cadre controlling Chief Commissioners makes the necessary nominations of the participants who are to attend the different courses. Normally, the nominations are made at least a month in advance of the commencement of the course so that necessary arrangements are made to ensure that the work does not suffer and the nominees relieved of his regular duties. It also helps the participants to make
arrangements for their travel if the training is to be imparted at a place outside
their headquarters.

Care should be taken at the stage of nominating the participants to ensure that
only eligible persons get training. For Example, in an orientation course, only
newly promoted persons should be nominated. For a specialized course, the
person who is either working in the area or likely to be appointed to a post where
the training inputs could be made use of should be nominated. As regards basic
courses (for persons who are directly recruited to the cadre), and orientation
course (for persons promoted from one cadre to another), it should be ensure
that such training is imparted to the persons concerned within a year of their
recruitment / promotion.

To facilitate nominations, a register should be maintained in the office of CCIT
giving cadre wise detail of the departmental personnel to be trained as also
names of persons who should be nominated for specialized training depending
upon suitability and requirements. This would ensure that required training is
imparted at the proper time.

As each batch of trainees consists of a limited number of persons, requests for
cancellations should not be acceded to. If for any unavoidable reasons, the
nomination of the person is cancelled, a substitute should be nominated
immediately, so that the batch is full. Any failure in this regard deprives a
person the benefit of training and is also a drain on governmental resources.
For this reason, if after being nominated, a person abstains unauthorized from
the training program; strict action under the relevant rules should be taken
against him.

The NADT has come out with a novel scheme of self-nomination. Based on the
training calendar circulated by the NADT, self nominations can be made for the
various in service courses by willing officers depending on their felt needs. The
officers are required to get their felt needs vetted by the controlling officers before
forwarding the self nomination from the joint director (P & R), NADT.
For training outside the department, nominations are to be routed through the CCIT / CBDT based on the criteria indicated in the letters of the various training institutes calling for nominations. The information on the different training programmes conducted by these institutes is available in the CBDT newsletter. Nominations for foreign training either under CIDA or any other scheme are made by the CBDT.

**Conduct of Courses:** One of the faculty member functions as a course coordinator. The functions of the course coordinator, inter alia include:

i) Drawing up the schedule of sessions.

ii) Fixing up the faculty including guest faculty.

iii) Sending letters to the participants to inform them the details of the courses. The expectations of the participants from the course could also be obtained so that the necessary modifications can be made to the schedule, if required.

iv) Liaisoning with the participants to ensure smooth functioning of the course.

v) Obtaining feedback from participants at the end of the course.

The feedback reports are processed and suggestions for the improvement of the courses are taken note of. In case certain issues are raised which require clarifications, they are brought to the notice of the CBDT.

**Other Relevant Rules and Benefits:** In the course of discharge of the duties an income tax authority has to perform a number of administrative functions. There are certain rules and regulations made by the Central Government, which are followed by income tax authorities.

**Central Civil Services (Leave) Rules, 1972:** All officials of the Income Tax Department are covered by the Central Civil Services (Leave) Rules, 1972. These rules came into force with effect from 01.12.72. Subsequently these rules were modified and liberalised basing on the recommendation of the 3rd, 4th and 5th pay commissions.
Authorities to grant leave to various officers in the Income Tax Department.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Designation</th>
<th>Office of Work</th>
<th>Leave Sanctioning Authority</th>
<th>Period of Sanction</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CCIT</td>
<td>CBDT</td>
<td>Any amount of leave</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>CIT</td>
<td>CCIT</td>
<td>Upto 2 Months</td>
<td>EOL &amp; Study</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>leave by CBDT</td>
<td></td>
</tr>
<tr>
<td>3</td>
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<td>Addl. CIT/JCIT/ DCIT (Hqrs.) (Admn.) &amp; CIT</td>
<td>Upto 1 month by Addl. CIT/JCIT/ DCIT/ACIT (Hqrs.) (Admn.). Beyond 1 month by Addl. CIT/JCIT Beyond 1 Month By CIT</td>
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Findings and Suggestions

The income tax department plays an important role in collection of revenue. It is responsible to render the services to its taxpayers. If the personnel are inadequate, it is very difficult to collect the large amount of tax. But through above discussions it is found that in matter of recruitment, promotion and training there is no single coordinating agency capable of taking a total view of the personnel problems. The recruitment and selection procedure is also not good. The employees are also not satisfied with the criteria of promotion adopted by the department. The shortage of well trained staff causes deficit in the functioning of the Income Tax Department. Most of the officers from different streams get into problems in tackling with taxation matters. Right from the recruitment to retirement, the personnel policies and programs need to be changed. There is also need to bring about changes in training policies.

Orientation courses for the officials of all levels should be organized by training institutes. This method will give them self confidence and initiative to inculcate in them the spirit to help and serve the people.