

**Government of India
Ministry of Finance
Department of Revenue**

RAJYA SABHA
UNSTARRED QUESTION NO. 2313
TO BE ANSWERED ON TUESDAY, DECEMBER 06, 2016
AGRAHAYANA 15, 1938 (SAKA)

CASES INVOLVING GOVERNMENT AGENCIES AS LITIGANT

2313: DR. K.V.P. RAMACHANDRA RAO:

- (a) whether it is a fact that official agencies like Income Tax, Excise and Customs departments are the biggest litigants before the Courts;
- (b) whether Government will direct its agencies to desist from appealing against the verdicts of Tribunals and High Courts as a matter of routine; and
- (c) if so, whether the appeals from such verdicts be limited to rarest of rare cases?

ANSWER
MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SANTOSH KUMAR GANGWAR)

(a): Sir, no such information is available in the Ministry.

(b) & (c): Department of Revenue has already directed its field units to file appeals on merits and not in a routine manner merely on the basis of high revenue effect. Circular No. 21/2015 dated 10.12.2015 issued in this regard has also prescribed very high monetary thresholds for filing appeals before ITAT, High Courts and Supreme Court. Moreover, the revised thresholds have been applied retrospectively resulting in withdrawal of appeals already filed. Till November, 2016, more than 15,800 appeals have been withdrawn by the Income Tax Department from Tribunals and High Courts. Moreover, more than 400 appeals have been withdrawn from High Courts on issues which have been settled in favour of the taxpayers. Further filing of appeal has also been restricted only to cases which have the required merits and which have tax effect exceeding the revised monetary thresholds.

In terms of National Litigation Policy, necessary directions have been issued to the filed formations to desist from filing appeals in routine manner.
