



DIRECT TAXES PROFESSIONALS' ASSOCIATION

(Registered under Societies Registration Act, 1961. Registration No. S/60583 of 1988-89)

Ref. No. DTPA/Rep/21-22/01

Date: 13th April, 2021

The Ld. Revenue Secretary,
Ministry of Finance,
Government of India,
North Block,
New Delhi-110001.

Respected Sir,

Sub: Representation with regard to disposal of appeals before the Commissioner of Income tax (Appeals), continuation of physical hearings in ITAT and other Issues.

1. **Faceless appeals need to be expedited:** As your honour is aware that the system of faceless appeals has been introduced for appeals before **Commissioner of Income tax (Appeals)** since September, 2020. However Faceless appeals need to be expedited further. In fact, the appeals filed as back as in the year 2015 and onwards have not been disposed of though many of these involve huge demand.

2. **Passing of Orders in Faceless appeals, where appellant has made representation:** Some faceless appeals were fixed for hearing from the month of December 2020, and the appellants duly submitted their papers and representation, but the appeals are not being disposed of.

3. **Physical appeals in matters where Survey, Search or transfer pricing issues are involved:** It is also brought to your kind notice that as per Instruction of the CBDT, the appeals from the orders of the Assessing Officers in case of search assessments and transfer pricing matters are heard in physical mode. Most of the appeals before the said appellate authorities are pending for more than 5-6 years. The pendency is piling up and added with new appeals being filed because of the time barring assessment now being completed by the faceless assessing officers. Huge demand is locked in such appeals since questions both of fact as well as law are involved in most of these appeals. It may not be humanly possible for the appellate authority to dispose of such huge pendency. This requires appointment of more appellate authorities to dispose of appeals which are being filed from the orders involving Search and Survey or transfer pricing cases. It is advisable that the Government should expedite the disposal so that the issues are settled in a judicious manner and the tax is finally determined.

4. **Vivad Se Vishwas:** Our Association members played an active role in filing declaration under VSV Scheme by their clients. The tax has been [paid as per Form No. 3 issued by the CIT and Form 4 filed. Now the issuance of Form 5 needs to be expedited.

5. **Appeal before ITAT and Posting of adequate Members in ITAT:** We humbly suggest that the practice of physical hearing by Income Tax Appellate Tribunal should be allowed to continue for another 3 years in the interest of justice and for allowing proper opportunity of hearing before the Bench of ITAT and proper adjudication. It may be reviewed on experience with regard to functioning of faceless appeals by CIT (A). We also urge for Posting of adequate Members in ITAT as there is considerable vacancies.

6. Matters related to Assessing Officers:

a) **Rectification, giving appeal effects or issuing refund by A.O.:** We would like to bring to your notice that the other work assigned to the Assessing Officers being rectification, giving appeal effects or issuing refund is held up for one reason or the other. It needs to be expedited.

b) **Notices for outstanding demand:** On the other hand, notices for outstanding demand are being issued by the Assessing Officers. It is happening even in some cases where the assessee has deposited 20 per cent of tax as per CBDT Instruction dated 31st July, 2017. The CBDT should issue necessary instruction to stop such issue of notices particularly if 20 per cent of demand has been paid as per Instruction of the Board.

We hope your honour will kindly look into the above serious issues, so that the appeals are disposed of as quickly as possible.

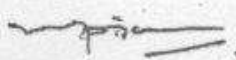
Yours Faithfully,

Thanking you,

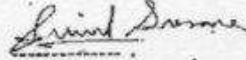
Yours faithfully,



CA N K Goyal
President



Adv Narayan Jain
Chairman- Representation Committee



CA Sunil Surana
Chairman, ITAT Representation

CC to:

- 1 Sri Anurag Singh Thakur
The Hon'ble Minister of State for Finance

- 2 Shri P.C. Mody,
Chairman, Central Board of Direct Taxes
With request for appropriate action to mitigate the difficulties.