

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:5839  
ANSWERED ON:30.04.2010  
PENDENCY OF TAX CASES  
Yadav Shri M. Anjan Kumar

**Will the Minister of FINANCE be pleased to state:**

- (a) the details of tax related cases pending in courts and various tribunals alongwith the amount held up;
- (b) the manner in which such cases are pursued by the Government;
- (c) whether such cases tend to get delayed due to the negligence of concerned Government officials;
- (d) if so, the reaction of the Government thereto;
- (e) if not, the reasons for pendency of such cases; and
- (f) the measures taken in this regard?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): The details of tax related cases pertaining to direct and indirect taxes pending in courts and various tribunals alongwith the amount held up are as under:

Direct Taxes (as 30.09.2009)

(Rs. in crore)

No. of cases    Amount Held Up

Income Tax Appellate Tribunals    29,505    11781.73

High Courts    34,467    6526.31

Supreme Court    4410    599.24

indirect Taxes as (31.12.2009)

(Rs. in crore)

No. of cases    Amount Held Up

Customs, Excise & Service    46930    31136.91  
Tax Appellate Tribunals

(b): Departmental officers generally represent the Department before the Appellate Tribunals while Standing Counsels, as approved by the Ministry of Law & Justice, generally represent the Department before High Courts. The Solicitor General and Additional Solicitors General generally represent the Department before the Supreme Court. Special Counsels are also engaged in certain cases, depending upon the complexity of the issues and the revenue involved. The Commissioners provide necessary support to the Departmental representatives/counsels, as the case may be. Besides, there are separate Directorates to monitor and supervise the cases pending before the Courts.

The cases pending in the Appellate Tribunal are pursued by the Commissionerates alongwith the Departmental representatives posted in Tribunals.

(c) & (d): Instructions have been issued to the field formations to ensure timely and proper handling of the cases before Tribunals and Courts. Provisions already exist to take action against the officials who are found guilty of dereliction of duty.

(e) & (f): The main reasons responsible for pendency are (i) large number of cases,(ii) excessive burden on existing Tribunals and courts and (iii) resource constraints including human resources constraint with the Departments. In order to reduce the pendency and streamline the litigation pertaining to direct taxes, the Central Board of Direct Taxes has issued instructions, interalia, prescribing monetary thresholds below which appeals shall not be filed in the Income Tax Appellate Tribunal, High Court and Supreme Court. For pursuing the matters before the Supreme Court, two posts of Additional Solicitors General (Taxation) have been created. Further, a panel of Standing Counsels has been constituted for handling litigation of indirect taxes before various High Courts. The Registry of the Customs, Excise & Service Tax Appellate Tribunal has taken steps for speedy disposal of pending cases by subject-wise grouping of pending appeals, hearing of Larger Bench case on priority, introduction of Monthly Roster, starting of new procedure for listing of short matters/regular matters and preparation of subject-wise Cause List of final hearing matters.