

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:205  
ANSWERED ON:03.07.2009  
INCOME TAX REFUND  
Ray Shri Rudramadhab

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

(a) whether complaints relating to delay or non-crediting of Income Tax refund to assessee's account have been received by the Government during the last three years; and

(b) if so, the details thereof and the action taken by the Government thereon?

**Answer**

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

(a) Yes, Sir. There have been some complaints relating to either delay in receipt of refund order or delay in crediting of refund amount in the bank account.

(b) (1) Presently, the Income Tax Department issues refunds in the following ways:

(i) Through Refund Banker in selected charges of Delhi, Mumbai, Chennai, Kolkata, Bangalore and Patna. The State Bank of India (SBI) has been officially authorized to function as Refund Banker.

(ii) Issue of Paper refund vouchers by the concerned Assessing Officers.

(iii) Through Electronic Clearing Scheme (ECS) of RBI/SBI in cities (Ahmedabad, Hyderabad, Bhubaneswar, Mumbai, Chennai, Kanpur, Trivandrum & Allahabad).

(2) The information pertaining to delays or non-credit of Income-tax refund to the assessee's account for the refund sent through Refund Banker as captured in the system and available with the Directorate of Income-tax (Systems) is given below. Prior to 01.04.2008, the information was not captured in the system. For refunds being issued vide

(ii) &

(iii) above, such details are not being captured in the system at present.

Period	No. of delayed refunds / Non-credit of refunds	Banks involved
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01.04.08-31.03.09	93	Canara Bank, Punjab & Sind Bank,
01.04.09-15.06.09	24	Punjab National Bank, Federal bank, Indian Overseas Bank, Bank of Maharashtra, Allahabad Bank, Syndicate Bank, Standard Chartered Bank, Oriental Bank of Commerce, Citi Bank

(3) The delays in refunds and non-credit thereof happen because the concerned banks at times do not follow the ECS discipline for credit or for return of the electronic refunds. Such instances are followed up by the Directorate and SBI on a case to case basis for effective resolution.

(4) In all other cases of Refund Banker, the refunds have been delivered within a time frame of one month of quantification period and that is also being improved upon except in cases of wrong address / premises being locked, etc.