

REWARD SCHEME FOR GOVERNMENT SERVANTS

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI DEPARTMENT OF TRADE AND TAXES VYAPAR BHAWAN: I.P.ESTATE: NEW DELHI-02 No. — ORDER Dated: 08.03.2018 This scheme has been formulated to incentivize officers of Trade and Taxes Department in their task of realization of due tax. The scheme includes different types of rewards. All the officers/ officials from the lowest to the highest rank are eligible for the reward. A. Rewards For Achieving & Exceeding Targets: I. Reward At Department Level: If the revenue target of the Department is achieved or exceeded as a whole, then each officer/ official of the Department shall be entitled to a reward. The total amount of reward would be 0.025% of the target and 0.05% of the additional amount collected. The total reward amount for the department will be distributed amongst all the employees in proportion to his/her basic salary (Basic Pay + Grade Pay). If there are such zones, where the revenue collection remains short of the target, the amount of reward as calculated in para above for officers/ officials in those zones will be reduced by the same percentage by which the zones are short of their respective targets

2. Reward At Zonal Level If the revenue target of the zone is achieved or exceeded as a whole, then each officer/ official of the zone shall be entitled to a reward. The total amount of reward would be 0.025% of the target and 0.05% of additional amount collected by the zone. The total reward amount for the zone will be distributed amongst all the employees in proportion to his/her basic salary (Basic Pay + Grade Pay). If within such a zone where target is achieved or exceeded as a whole, there are wards where the revenue collection is short of the target, the amount of reward as calculated in para above for officers/ officials in those wards will be reduced by the same percentage by which the wards are short of the target.

3. Reward At Ward Level If the revenue target of the ward is achieved or exceeded as a whole, then each officer/official of the ward shall be entitled to a reward. The total amount of reward would be 0.025% of the target and 0.05% of the additional amount collected by the ward. The total reward amount for the ward will be distributed amongst all the employees in proportion to his/her basic salary (Basic Pay + Grade Pay)

4. General Conditions for the awards above • Out of the rewards in categories 1, 2 & 3 above, an officer/official shall be eligible to receive the reward in only one category - whichever results in the highest amount. If an officer/ official is holding additional charge, he/she will be eligible to receive award for only one of the charges, whichever results in the highest amount. • If an officer/ official has worked for less than the full financial year, he will be eligible to receive the reward amount in proportion to the fraction of the year that he has spent in that position. • The maximum amount of reward shall be capped at Rs. five lakhs on this account. A. Reward In Case of Inspection/ Assessment/ Audit The following Officers/ Officials shall be eligible for the reward for the inspection/ assessment carried out as a result of surveys/ searches: (a) the teams participating in the survey/ search ; and (b) the assessment/ audit unit undertaking the assessment subsequent to the survey/ search. The reward would be subject to the following conditions: i) The minimum additional tax demand created and realized as a result of inspection followed by assessment should be Rs.10 lakh. ii) The quantum of reward will be up to 7.5% of the additional tax demand created and realized or Rs. Ten lacs, whichever is lower. The ratio of distribution of reward would be as under:- (a) Survey/ Search team- 50% (b) Assessment / Audit unit- 50% iii) The amount of additional tax demand raised shall have to be realized and deposited with the department and should have attained finality in the appellate/ revisionary proceedings and court proceedings. iv) The additional tax demand is based on original enquiry / investigation carried out by the Inspecting/ Assessing / Audit Officer and is not based merely on the additions made on similar issues in other assessment years. (v) The additional tax demand created is not made on the basis of information / report / order received from any other authority, including Tax Evasion Petitions received from various sources. To qualify for reward, the additions should have been made after further enquiry / investigation by Assessing/ Audit Officers, and not merely on the basis of the information/ report/order so received. (vi) The additional tax demand created and realized referred to in clauses (i) and (ii) should have been sustained, whether totally or partially, in the revisionary, appellate and court proceedings. The amount of reward will however be linked to actual demand realised finally. (vii) Amount of additional tax demanded has actually been collected. (viii) The additional tax demand made is not in consequence of or to give effect to an order of the Supreme Court, High Court or

VAT Tribunal in any other case or to give effect to any retrospective amendment of law. (ix) The additional tax demand created should not be in a case where assessment is framed in respect of cases under scrutiny related to declaration of Central Statutory Forms, sale/ purchase mismatch assessment, default assessment for late return filing/ tax payment, default assessment in respect of AGCR paras. (x) The reward shall be released as under: (a) Advance reward: an advance amount upto a maximum limit of Rs. 25,000 shall be released to the Government Servant upon successful search and seizures where preliminary estimates reveal that the additional tax demand is likely to be Rs. 10 lac or more. (b) Interim reward : an amount proportionate to the deposit of additional admitted tax as a result of assessment proceedings and which is not the subject of an objection/ appeal, etc. shall be released after expiry of 3 months of such assessment order. (c) Final reward: the full and final amount after adjustment of interim reward already granted shall be paid when the assessed amount has been deposited by the dealer and the same is not contested in any departmental or legal proceedings or if contested, till the proceedings are decided in the department's favour and amount of tax due is deposited with interest and penalty. C. REWARD IN CASE OF ENFORCEMENT-II BRANCH 1. 2

3. The officers / officials of Enforcement-II Branch perform arduous duty in stopping and checking the goods in trucks which are being transported within Delhi. The reward in such cases should be given according to the following parameters:-

If a team of officers detains any vehicle or convoy of vehicles of a transporter carrying goods without valid documents/invoice as required under the Act in one hold up and the amount of tax demand of at least Rs.5 lac created and recovered, then reward upto 5% of the tax demand thus created and deposited or Rs.10 lacs, whichever is lesser, shall be given to the team. Provided the additional tax demand created and realized referred to above is sustained, whether totally or partially, in the revisionary, appellate and court proceedings. The reward shall be released as under : (a) Advance reward: an advance amount upto a maximum limit of Rs. 25,000 shall be released to the Government Servant upon successful search and seizures where preliminary estimates reveal that the additional tax demand is likely to be Rs. 10 lac or more. (b) Interim reward : an amount proportionate to the deposit of additional admitted tax as a result of assessment proceedings and which is not the subject of an objection/ appeal, etc. shall be released after expiry of 3 months of such assessment order. (c) Final reward : the full and final amount after adjustment of interim reward already granted shall be paid when the assessed amount has been deposited by the dealer and the same is not contested in any departmental or legal proceedings or if contested, till the proceedings are decided in the department's favour and amount of tax due is deposited with interest and penalty. D. REWARD FOR FILING OF FIR / CHARGESHEET / PROSECUTION

In case of offences under DVAT Act or related offences under IPC, if an FIR/ chargesheet is filed and results in conviction, the officer concerned who filed the complaint with the police shall be eligible for grant of a reward of a minimum amount of Rs. 25000 per case. The reward can be suitably enhanced depending upon the scale of tax evasion at the discretion of the Reward Evaluation Committee. E. PROHIBITION OF REWARDING GOVERNMENT SERVANTS IN CERTAIN CASES.

NO reward shall be granted under these guidelines to a government servant who is facing disciplinary proceedings or criminal proceedings and to whom a charge sheet has been issued on the grounds of moral turpitude. F. REWARD SHALL NOT BE GRANTED AS A MATTER OF ROUTINE

Reward is purely an ex-gratia payment which, subject to guidelines, may be granted on the absolute discretion of the authority competent to grant reward and cannot be claimed as a matter of right. In determining the reward which may be granted, the authority competent to grant reward shall take into consideration the following factors:-

- Risk and trouble undertaken by the officers/officials in collecting information or incriminating material.
- Initiative shown and special efforts made during the course of inspection / search and seizure operation and detaining goods-in-transit.
- Usefulness of the documents seized by the officers/ officials.
- Ability shown in organizing the inspection and ensuring the success of the operation.
- Special efforts made in scrutinizing the impounded material and the quality of assessment framed.
- Performance of the officers/ officials in routine duties.

G. BUDGETARY ALLOCATION The Trade & Taxes Department shall be allocated additional budgetary allocation to meet out the expenditure on this account. H. PAYMENT OF REWARD- TIME LIMIT Final Reward shall be sanctioned and disbursed only after the amount of additional tax demand has been created and realized and attained finality in the revisionary, appellate and court proceedings, if any, subject to release of some advance amount upto a maximum limit of Rs.25,000

1. QUANTUM AND CEILING OF REWARDS Govt.servants as members of inspection teams / audit teams / enforcement teams / assessment units, etc. will be eligible for sanction/ payment of total reward on all counts mentioned in this scheme to a maximum of Rs.20 lakhs, in one financial year. Entry regarding each and every reward shall be made in the Service Book of the officer concerned.

J. ELIGIBILITY FOR REWARD This scheme is applicable to only the regular employees.

K. REWARD EVALUATION COMMITTEE (REC) Before reward is released on any of the above counts, the cases will be screened by a Reward Evaluation Committee comprising of the following.

a. The Reward Evaluation Committee (REC) would comprise of the following:

1. Commissioner (VAT), Govt. of the NCT of Delhi Or his nominee not below the rank of SpLCommissioner
2. Addl. Commissioner of concerned Zone
3. Nominee of Principal Secretary (Finance Deptt.)
4. Sr. AO/Dy. Controller

Chairman Member Member Member

b. The REC shall follow the guidelines as enumerated in this scheme for deciding the quantum of the reward in each case and also the share of each government servant(s) and the informer(s) as per the guidelines.

c. To ensure that the said scheme is not misused and to keep a check over the unscrupulous informers and overzealous officers/ officials, the REC should keep a check with respect to the following:-

- i) If at any time* it is found that the reward or part thereof has been obtained by any official by misrepresenting or concealing certain material facts or by striking a deal with the assessing authorities or any other concerned officer(s) of the Department with the sole purpose of getting the reward to which he otherwise would not have been entitled, the REC may order the cancellation of the reward and the person who obtained the reward will be liable to refund the same.
- ii) Disciplinary proceedings would be initiated against any officer who knowingly passes any illegal order or knowingly does any illegal act with the sole purpose of obtaining reward or helping another person to obtain reward.

6 (AB SH K DEV) ADDL. COMMISSIONER (POLICY) No. Copy forwarded for information and necessary action to: Dated: 6 20 JS 1. 2. 3. 4. 5. 6

7. All Spl./Addl./Joint Commissioners, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi. Deputy Director (Policy), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi. Joint Director (IT), Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi for uploading the order on the website of the Department. The President/ Secretary, Sales Tax Bar Association (Regd.). Vyapar Bhawan, I.P.Estate, New Delhi All Assistant Commissioners/ AVATOs, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi PS to the Commissioner, VAT, Department of Trade and Taxes, GNCT of Delhi, Vyapar Bhawan, I.P.Estate, New Delhi. Guard File. (ABHISHEK DEV) ADDL. COMMISSIONER (POLICY)