Investment in selected sectors; (viii) reduction in excise duty on specified food processing and packaging machinery, etc. alongwith proposed rationalization of duties relating to different types of coal, scrap and diamond items; (ix) scheme for development of new airports in tier I and tier II cities; (x) boost to savings *via* raising of investment limit under Section 80 C of Income Tax Act and the income tax exemption limit to ₹ 2.5 lakh from ₹ 2 lakh; and, (xi) emphasis on development of smart cities. Also, several steps being undertaken to contain inflation would help in raising growth.

IT refund cases

1435. SHRI SALIM ANSARI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of income tax payers in Delhi have not received their income tax refunds for the fiscal 2012-13;

(b) if so, the details thereof and reasons for delay;

(c) whether Income Tax (IT) Department is loosing revenue by way of interest on account of non-payment of refunds for fiscal 2012-13;

(d) if so, the estimated loss to IT Department on account of interest for delayed payments; and

(e) the steps being taken to ensure speedy payment of refunds below ₹ 3 lakh to Income Tax payees from NCT of Delhi?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) Income Tax Returns (ITRs) for the fiscal 2012-13 pertaining to Assessment Year 2013-14 are filed in F.Y. 2013-14 and can be filed belatedly upto 31.3.2015. As per Income Tax Act 1961, the ITR can be processed up to one year from the end of the financial year in which it is received. Therefore, ITRs for the fiscal 2012-13 (if filed during F.Y. 2013-14) can be processed upto 31.03.2015. The refunds so generated in processing are being issued in due course.

(c) The Income Tax Act 1961, stipulates that refund to a taxpayer shall include interest on excess collection of taxes, as under:

(i) In case of processing of the return of income: From 1st April of the Assessment Year to the date of processing of return, provided that the refund is 10% or more of the tax determined, and

(ii) In case of giving effect to appellate orders etc: From the dates/s of payment of excess tax to the date of giving effect to the appellate order.

Hence payment of interest on refund is not on account of delay in issuance of refunds but is a statutory obligation arising on account of provisions inbuilt in the law itself.

(d) Does not arise in view of replies to query (a), (b) and (c) above.

(e) Steps being taken to ensure speedy payment of income tax refunds are enumerated below:

(i) E-filed Returns are bulk processed in CPC Bangalore, thereby reducing the processing time substantially.

(ii) Issuance of refunds through Refund Banker.

(iii) TDS deductors are required to compulsorily e-file their TDS returns on quarterly basis. CPC (TDS) has been set up at Ghaziabad to expedite processing of the same.

(iv) Through Citizens' Charter and other press releases/advertisements issued by the Department tax payers are requested to carefully mention the relevant particulars return of income.

(v) Facility of viewing individual Tax Credit Statement in Form 26 AS is made available to tax payers so that they can verify the TDS details before filing their return of income and take proper steps with the deductor(s) to rectify mistakes, if any.

(vi) Online viewing of status of taxpayers refund is available for better information dissemination.

(vii) Income Tax Ombudsman has been created to ensure prompt disposal of tax payer grievances.

(viii) Aayakar Seva Kendras (ASK) have been set up at various location in NCT of Delhi which promptly deal with the refund grievance of the assesses.

Increase in number of loan defaulters

1436. SHRI C.M. RAMESH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that number of loan defaulters is increasing every year;

(b) if so, the details of the defaulters during last three years;

(c) whether it is also a fact that Government is not sensitive towards the issue of NPA in the country because of which there is lack of stringent and punitive action against the loan defaulters/fraudulent borrowers; and