

F.No. 279/Misc./M-61/2023-ITJ
Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Direct Taxes
ITJ Section

Dated: 14th August, 2023

OFFICE ORDER NO. 1 OF 2023

Subject: Constitution of Dispute Resolution Committee in consequence to the notification of e-Dispute Resolution Scheme, 2022 under section 245MA of the Income Tax Act-reg.

With the approval of Competent Authority, the constitution of Dispute Resolution Committee and terms & conditions relating thereto are hereby ordered as under:-

2. Section 245MA (1) and (2) of the Income-tax Act empowers the Central Government to constitute one or more Dispute Resolution Committees (DRCs) for dispute resolution. As per Rule 44DAA of the Income Tax Rules introduced vide Notification No.26/2022 dated 05.04.2022, the Central Government has been empowered to constitute a DRC for every region of Principal Chief Commissioner of Income-tax for dispute resolution.

1) Eligibility: As per Rule 44DAA of the Income Tax Rules, each DRC shall consist of three Members appointed by the Central Government as under:

a) Two Members shall be retired officers from the Indian Revenue Service (Income Tax), who have held the post of Commissioner of Income-tax or any equivalent or higher post for five years or more; and

b) One serving officer not below the rank of Principal Commissioner of Income-tax or Commissioner of Income-tax as specified by the Board. The eligibility of the Member has already been laid down in the aforesaid rule.

2) Procedure for selection of retired Members of the DRC through the Selection Panel:

2.1 The Selection Panel (hereinafter referred to as the Panel) shall consist of 3 Members headed by Pr. DGIT (HRD) and having two officers at CCIT level as Member(s) as approved by Chairman, CBDT.

2.2 The process of appointment of the retired Member of the DRC shall be through an open advertisement. The Panel shall shortlist the applications on the basis of the criteria decided.

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2.3 There will be a centralized advertisement by the office of Pr.DGIT, HRD calling for applications by way of advertisement in 'Employment News' and on the Department's official website. The Pr. CCsIT (CCA) may also post the advertisement on the local official website. The Panel shall finalize two names for each CCA region and an additional common reserve list of candidates which may extend to 18 candidates in order of merit which will be valid for a period of one year.

2.4 The names of the shortlisted candidates shall be sent to all the Pr. CCsIT (CCA). The respective Pr. CCIT(CCA) shall issue orders constituting DRC in their region. The Pr.CCIT (CCA) office will sign a contract with the selected Member and the non-disclosure and confidentiality undertaking is to be obtained from the selected Member.

2.5 The candidates in the reserve list will not be entitled to any compensation or remuneration or fees etc. The names in the reserve list would be considered in cases of resignation, termination, death, exceeding the maximum age limit of 65 years or vacancy arising for any other reason etc. Having this reserve list ready would ensure that time is not lost in re-doing the whole process of advertising for filling up vacancies in the DRC.

3) Period of engagement /Tenure:

3.1 The tenure of Member of the DRC shall be for a period of three years. However, the tenure of any member may be terminated at any time as per Rule 44DAA.

3.2 There shall be no bar on reappointments however the age of the retired member should not exceed 61 years as on the date of advertisement. Further, the tenure will expire on completion of three years or attainment of 65 years whichever is earlier.

3.3 The selection panel shall initiate the process of appointment of new Member/ reappointment at least six months before the expiry of the term of the existing committee Member or as and when the necessity arises.

4) Definitions:

4.1 'Sitting' means each day of the meeting of the DRC physically or otherwise in which all the Member are present based on record of proceedings.

4.2 'Case' means any application filed in Form No. 34BC as specified in clause (ii) of para 4 of the CBDT notification no. 27/2022/file no.370142/5/2022-Part 1(Part 1).

5) Remuneration/Fee and allowances:

5.1 The retired Member of the DRC shall be paid a sitting fee of Rs.5,000/- each per day of sitting and a case-wise fee of Rs 5000/- each per case with the condition that the total monthly remuneration shall be limited to the ceiling of Rs.1.10 lakh per month (for example, if DRC has any number of meetings in a day, the sitting fee will be paid on per day basis only i.e only Rs 5000 per day per member will be paid irrespective of the number of meetings in a day.). However, these fees shall be subject to revision with the approval of the CBDT at any time without any prior notice.

5.2 The fees per case shall be paid to the retired Member for the month in which cases are decided as rejected or accepted as per para 4 of the Scheme.

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5.3 The fees for the month to the retired Member shall be paid, within reasonable timelines after the submission of bills by the retired Member.

5.4. The retired Member shall be paid TA and DA as applicable and as per the entitlement of the officer at the time of retirement as per applicable rules.

6) Designation of serving Member:

6.1 The Pr. CCIT (CCA) shall assign the charge of the third member of the DRC as an additional charge to Pr. CIT AU -1/VU-1.

6.2 In addition to the manpower already provided for the post of Pr. CIT AU-1/VU-1, one official of the rank of OS, one stenographer, and two MTS should be appointed to assist the DRC during the sittings.

7) Expenses related to Dispute Resolution Committee meetings:

7.1 The payment of all expenses in setting up the DRC including the provision of office space and other infrastructural requirements, shall be met by the Pr. CCIT concerned under the head OE (General) of the budgetary grant of the Pr. CCIT. The sitting fees and case-wise fees shall be met out of the grants of the Pr. CCIT charge under the head 'payment of professional and other special services'.

8) The decision of the DRC shall be by the majority and the DRC would follow the procedure as defined in notification dt. 05.04.2022

9) Interpretation- If any question arises relating to the interpretation of these rules, the decision of the CBDT thereon shall be final.

10) Residuary provisions- Matters relating to the conditions of service of the Member with respect to which no express provision has been made in this Scheme shall be referred in each case to the CBDT for its decision.

11) Power to relax- The CBDT shall have the power to relax the provisions of this Scheme with respect to any class or category of persons.

3. This issues with the approval of competent authority.



(Tanay Sharma)
Jt. CIT(OSD), ITJ, CBDT

Copy to:-

1. The Chairman, Members and all officers in CBDT of the rank of Under Secretary and above.
2. All Principal Chief Commissioners of Income Tax, Cadre Controlling Authority.
3. All Principal Chief Commissioners/ Principal Director Generals of Income Tax.
4. All Principal Chief Controller of Account, New Delhi.
5. Principal DGIT(HRD) w.r.t. their F.No. CB/192/2023-DDIT(APAR-2)-HRD (FTS No. 300589808) dated 11.07.2023, for information.

6. Zonal Accounts Officer, CBDT, C/o Principal CCIT concerned.
7. PSs to FM/MOS(Finance)
8. PPS to Secretary Revenue/Chairman, CBDT/Members, CBDT/ Addl. Secy.(Revenue)/JS(Admn.)
CBDT/ JS (Revenue)
9. Hindi Section for Hindi version.
10. Secretary General, ITGOA/IRS Association/ Income Tax Employees Federation (ITEF)/ All
India Income Tax SC&ST Employees Welfare Association
11. Commissioner of Income Tax (Media & TP) and Official Spokesperson, CBDT, North Block,
New Delhi.
12. Database Cell, CBDT, Jhandewalan Extension, New Delhi.



(Tanay Sharma)
Jt. CIT(OSD), ITJ, CBDT