ADDRESS BY THE PRESIDENT OF INDIA, SHRI RAM NATH KOVIND ON THE OCCASION OF CALL ON BY THE OFFICER TRAINEES OF 72^{ND} BATCH OF THE INDIAN REVENUE SERVICE

Rashtrapati Bhavan, March 8, 2019

- 1. Good Morning to all of you and welcome to Rashtrapati Bhavan. Let me begin by congratulating you on your success in the Civil Services examination, and for choosing to join the Indian Revenue Service. The officer-trainees before me represent the best of young India. I am confident that all of you shall serve the nation and the people of India to the best of your ability and set high professional standards rooted in values of dedication, service and integrity.
- 2. Your batch is indeed a very diverse one. You come from different parts of the country. I am told that one out of every four among you has a rural background and also one out of every four of you is a lady officer. These are important markers of diversity and societal progress. Your educational backgrounds too are diverse with over 100 being either engineers or doctors. I note that some among you are chartered accountants and so have seen the Tax Office from the other side.
- 3. Your Service plays a pivotal role in collection of direct taxes such as income tax, corporate taxes and wealth tax. The motto of the Income Tax Department is 'Kosh Moolo Dandah' which means 'Treasury or revenue is the backbone of administration'. These words from Chanakya emphasise the importance of tax revenue for nation building and good governance. Indeed, taxes finance developmental and infrastructure projects and ensure national security. Given this, expectations from you are high.
- 4. India is the world's fastest growing major economy. Over the coming decade, its GDP is expected to more than double. This will

create more opportunities all-round. It will increase tax revenues and enhance challenges for you. You will need to address the challenges while facilitating the economic engine of our country. Your success will determine both your individual future – as well as the trajectory of the Indian economy.

- 5. The IRS has been a frontrunner in adoption of technology. Filing tax returns online; minimising interaction between honest tax payers and tax officers; and timely tax refunds by direct debit all these have seen progress in recent years. This process has to continue and grow. India's tax to GDP ratio needs to improve, and the tax net needs to be widened. But it has to be done by persuasion, not by coercion.
- 6. The simpler the tax system, the easier it is to ensure compliance. Do remember that the tax payer is your partner, not your adversary. Again the words of Chanakya are pertinent. He said that governments should collect taxes like a honeybee, which takes just the right amount of honey from the flower and ensures that both survive. You have a policy and regulatory role, but you are principally a service provider. Please be sensitive to the demands and the dignity of the person the honest tax payer who is coming to you for a service. Politeness, courtesy, humility and possessing a non-adversarial outlook would go a long way in creating mutual trust and co-operation between tax payers and tax collectors.
- 7. In recent years the Government has taken several initiatives to clean our financial system and defeat the menace of black money. IRS officers are frontline soldiers in the battle against black money. Steps such as demonetisation, the Income Declaration Scheme, and amendment to the Benami Transactions Prohibition Act among others have demonstrated the will of the government and people to make our economy more transparent.
- 8. India is a nation of the young. As per World Bank, more than half of our citizens in the year 2021 will be under 30. Our youth are enterprising, hardworking, creative and persevering. They are

invested in ensuring that our financial behaviour, business and tax systems are modern, clean, just and robust. As IRS officers, you have to collaborate with this young India. This is a necessary condition to accelerate our economic growth and to ensure that this growth is equitable. Together, you can clean up our financial system. You as young tax officers have that opportunity. This is your responsibility and this is your chance.

- 9. As I conclude, I don't believe I need to urge upon you the importance of honesty and exemplary integrity. For a Service so critical to our economic and national life, honesty is a given. Common people have great expectations from our public servants and particularly from the revenue officers. You are one of the most important interfaces between the government and citizens. Based on your conduct and your responsiveness, people form opinion about the government. You should never forget that it is from "We the People" that you derive your power and authority to serve the very same people the people of India.
- 10. I wish each of you the very best for your professional career and personal life. May you achieve great success and contribute your very best for the betterment of society and of India.

Thank you Jai Hind!