

**ADDRESS BY THE PRESIDENT OF INDIA,
SHRI RAM NATH KOVIND
ON THE OCCASION OF CALL ON BY THE OFFICER TRAINEES OF
71ST BATCH OF THE INDIAN REVENUE SERVICE**

Rashtrapati Bhavan, March 23, 2018

1. Good afternoon to all of you and welcome to Rashtrapati Bhavan. Let me begin by congratulating you on your success in the Civil Services examination, which is one of the most competitive examinations in the world, and for choosing to join the Indian Revenue Service. The 159 officer-trainees before me represent the best of young India. In two cases, they represent the best of young Bhutan, our neighbour and closest friend. A special welcome to the officers from Bhutan!
2. Reviewing the profile of your batch, I am struck by the diversity. You come from 22 different states and Union territories and, between you, speak at least 21 languages. You come from diverse backgrounds – with over 100 being either engineers or doctors. I note that two of you are qualified chartered accountants and so have seen the Tax Office from the other side.
3. A third of the officer-trainees are women. This is creditable, but only a work-in-progress. I look forward to the day when half the strength will be made up of women officers.
4. Your Service plays a pivotal role in collection of direct taxes – such as income tax, corporate taxes and wealth tax. Tax revenue is a reflection of the health of the economy. It also pays for developmental and infrastructure projects – and for nation building. From 2000-01, the first year of the millennium, to 2016-17, the share of direct taxes in overall tax collection of the Union government has gone up from 36 per cent to just short of 50 per cent.

5. Given this, expectations from you are high. 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.
6. The IRS has been a front-runner 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 to grow. India's tax to GDP ratio needs to improve, and the tax net needs to be widened. That is not negotiable. But it has to be done by persuasion, not intrusion.
7. The simpler the tax system, the easier it is to ensure compliance. Do remember that the tax payer is your partner, not your adversary. 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.
8. I would also caution you against limiting yourself to a silo or to the experience of only your Service. As our country changes, as business and society change, you must keep up with this change. Over the course of your careers, do seek deputations and learn from working in other Departments. Such an experience is invaluable for self-growth, both personal and professional.
9. IRS officers are frontline soldiers in the battle against black money. The government has put in place various steps to eradicate or at least minimise the curse of black money – demonetisation, the Income Declaration Scheme, the Pradhan Mantri Garib Kalyan Yojana and the Benami Transactions Prohibition Act among others.

10. Each of these measures requires cooperation and follow-up on the part of officers of your Service. These actions, along with the push towards digitisation and formalisation, have the potential of cleaning up our financial system. They represent a once-in-a-generation opportunity. Your batch has that opportunity. This is your responsibility and this is your chance.

11. As I conclude, I don't believe I need to urge upon you the importance of honesty. For a Service so critical to our economic and national life, honesty is a given. It should be written into the DNA of the Revenue Service. Despite aberrations – and we have to admit there have been aberrations – common people still have great expectations from our public servants and particularly from the IRS.

12. There is a film that has been released recently – I am sure you know the name– that tells the story of an honest, dedicated and upright Revenue Service officer. He does his duty and overcomes threats, inducements and all sorts of pressures. I am told people are flocking to this film and cheering the lead character. This shows the admiration for an honest and professional IRS officer in the eyes of our fellow citizens. May this sacred trust always inspire you. And may your career be so illustrious that a future generation would want to make a film on you.

Thank you
Jai Hind!