

PROPOSAL ON CADRE RESTRUCTURING

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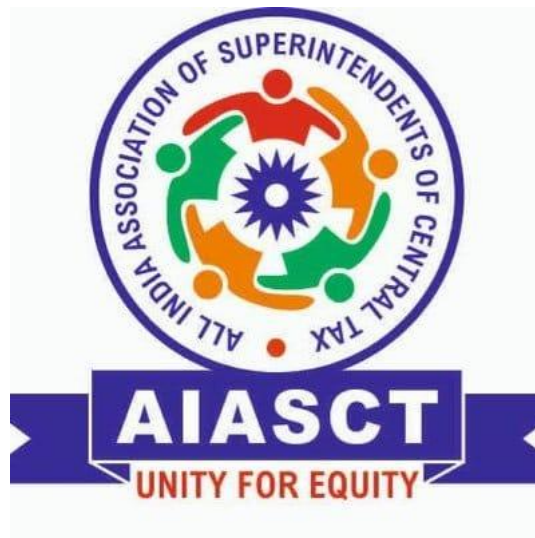
THE CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS

By the

**ALL INDIA ASSOCIATION OF SUPERINTENDENTS
OF CENTRAL TAX**

(Formerly known as AIACEGEO)

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Address for Correspondence and Communications:
Rabish Chandra, Secretary General, AIASCT,
6/7, A.T.D. STREET, RACE COURSE, COIMBATORE- 641018
Email id: aisacbitc@gmail.com [Mob. No: 9245600799]

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INDEX

Chapter No.	Chapter	Page
	Introduction	2
1	Vision, Objectives and Executive Summary	3-4
2	The Functional Frontier – Evolution and Realities of the Post-GST Era	5-8
3	Principles Governing Cadre Restructuring and Human Resource Planning	9-11
4	Evolving Challenges & Functional Needs as India Grows	12-17
5	Cadre Imbalances, Stagnation, and Proposed Structural Remedies	18-22
6	Human Resource Management, Career Progression and Organisational Sustainability	23-31
7	Proposed Organisational Framework for a Modern Central GST Administration	32-43
8	The Central Tax & Customs Executive Service (Central Tax Service) Framework – A Structured Solution for Career Progression and Institutional Continuity	44-54
9	Financial Implications, Data Analysis, and Cadre Strength Optimization	55-63
10	Unified Cadre Streamlining, Specialized Formations, and Final Conclusion	64-66
11	Customs Formations: Expanding Manpower And Strengthening The Ac/Dc Level Structure	67-76
	Annexure - Draft “Central Tax Service Rules, 2026”	77-83

INTRODUCTION

The introduction of the Goods and Services Tax (GST) on 1 July 2017 marked a structural shift in the indirect tax administration of India. The historical reliance on physical commodity tracking, factory-gate verification, and localized assessments under the legacy Central Excise Act, 1944 and Finance Act, 1994 has been replaced by an integrated, data-driven compliance ecosystem.

While the technological infrastructure of the Central Board of Indirect Taxes and Customs (CBIC) has evolved rapidly to handle real-time data matching, electronic invoicing, and digital return reconciliations, the underlying human organizational architecture has not kept pace. The administrative boundaries, staffing patterns, and promotional hierarchies currently deployed in our field formations are still tethered to blueprints optimized for the pre-GST era.

Nearly a decade into the GST regime, this structural mismatch places an unsustainable operational strain on the field executive cadre. As the taxpayer base expands and risk-based compliance verifications become increasingly complex, the organizational gap between field capabilities and statutory mandates hinders efficient revenue administration. There is an urgent, functional requirement to re-orient the field formations to match the current legislative reality and optimize the utilization of human capital.

To address these systemic bottlenecks, provide parity with corresponding State GST frameworks, and resolve the severe career stagnation within the cutting-edge cadres, the **All India Association of Superintendents of Central Tax (AIASCT)** presents this evidence-based framework for the ongoing Cadre Restructuring exercise.

CHAPTER 1

Vision, Objectives and Executive Summary

1.1 Vision: To transition the Central GST administration from a legacy, hierarchy-centric model inherited from the Central Excise era into a lean, field-focused, and functionally specialized tax authority where administrative ranks directly mirror statutory responsibilities and operational needs.

1.2 Core Objectives:

Functional Alignment: Redesign the organizational hierarchy around contemporary statutory duties specially scrutiny, anti-evasion, and audit; rather than geographical legacy.

Decentralized Empowerment: Position primary executive decision-making closer to the taxpayer interface to reduce administrative latency and ensure faster dispute resolution.

Structural De-stagnation: Eliminate acute career stagnation within the executive cadres to sustain morale and unlock the value of highly experienced field officers.

Resource Optimization: Inject robust ministerial and digital support at the ground level, ensuring specialized executive officers focus on revenue assurance rather than routine clerical overhead.

1.3 Executive Summary:

A diagnostic review of the current CGST formation reveals critical institutional friction points: an administrative imbalance between supervisory layers and ground-level field operations, prolonged career stagnation where executive officers remain in a single grade for decades, and an acute deficit in ministerial support that forces highly trained superintendents into routine data entry.

To fix these systemic gaps, this representation proposes an objective blueprint for structural renewal:

The Primary Executive Circle Concept: Replace the legacy, under-empowered "Range" with an empowered "Circle" as the primary executive unit. Each Circle will be headed by an Assistant Commissioner (IRS / CTS) vested with full statutory and quasi-judicial powers, supported by 2 Superintendents, 4 Inspectors and other supporting staffs, handling a scientifically allocated cluster of taxpayers with dedicated clerical backing.

Establishment of the Central Tax Service (CTS): Form a dedicated Central Tax Service (CTS) within CBIC to create a predictable, time-bound career progression pathway, effectively resolving long-term stagnation while anchoring institutional knowledge.

Unified Entry Cadre: Streamline the entry-level executive layer by unifying the historical separate streams (CGST, Preventive, and Examiner) into a singular, versatile executive cadre to maximize operational deployment.

State-Level Specialization: Establish specialized state-level directorates focusing on advanced data analytics, corporate audit coordination, and litigation management to serve as strategic force multipliers for field units.

CHAPTER 2

The Functional Frontier – Evolution and Realities of the Post-GST Era

"The measure of an institution is not merely its ability to preserve the past, but its capacity to adapt to the future."

2.1 The Paradigm Shift: From Physical Control to Digital Oversight

The implementation of the Goods and Services Tax (GST) on 1 July 2017 fundamentally altered the mechanics of indirect tax administration in India. Under the legacy Central Excise and Service Tax regimes, tax administration was predominantly commodity-oriented, transactional, and geographically localized. Field formations focused on physical checks, factory-gate verifications, and manual record inspections tailored to a manufacturing-based economy.

The GST framework dismantled this localized approach, replacing it with an integrated, destination-based, value-added tax system operating on a unified national digital network. Routine manual processing has been automated, while the volume of systemic transaction data has grown exponentially. Consequently, the role of the field tax officer has transitioned from a process manager to a data-driven compliance strategist required to execute advanced digital risk analysis and network evaluations.

2.2 Comparative Functional Evolution

To design an efficient organizational structure, it is essential to map how ground-level executive duties have transformed. The table below outlines the structural shift from the legacy setups under the Central Excise Act, 1944 and Finance Act, 1994 to the multidisciplinary requirements of the contemporary GST ecosystem:

Functional Core	Erstwhile Regime (Excise & Service Tax)	Modern GST Ecosystem
Primary Focus	Commodity-centric, factory-based physical verification of self-assessment.	Entity-centric, transaction-matching digital lifecycle management.
Verification Basis	Physical invoice checks, register auditing, and territorial inspections.	Automated risk analysis, electronic return reconciliation, and digital data mapping.
Enforcement Trigger	Periodic manual inspections, physical border checks, and local informants.	E-way bill monitoring, AI-driven mismatch alerts, and cross-jurisdictional network tracing.
Taxpayer Interface	Transaction-specific physical submissions and regular departmental interaction.	Electronic portal interface, remote systemic queries, and digital taxpayer facilitation.
Dispute Resolution	Localized classifications and commodity-specific valuation adjudication.	Multi-layered electronic adjudication involving complex cross-state and input tax credit (ITC) mechanics.

2.3 Core Functional Mapping of Modern CGST Operations

The contemporary Central GST administration executes an interconnected matrix of regulatory, executive, investigative, and quasi-judicial duties. Growth in the taxpayer base has been accompanied by increased qualitative complexity, requiring specialized execution across eight core operational pillars:

A. Taxpayer Registration & Lifecycle Management: Managing the complete taxpayer life cycle, including real-time credential monitoring, cancellations, revocations, and risk-based physical verifications of business premises to identify non-existent or paper-only entities.

B. Return Scrutiny & Compliance Verification: Cross-verifying massive data streams, isolating transactional anomalies, and systematically flagging compliance risks generated across digital networks.

C. Audit and Assurance: Conducting comprehensive examinations of electronic corporate ERP accounting systems, financial statements, and multi-period input tax credit streams to ensure voluntary compliance.

D. Intelligence and Anti-Evasion: Deploying predictive data analytics and digital forensics to uncover organized fake invoicing syndicates operating across multiple state jurisdictions.

E. Search, Inspection, and Investigation: Translating electronic risk triggers into actionable, legally sustainable investigations on the ground under strict statutory safeguards.

F. Quasi-Judicial Adjudication: Evaluating digital evidence, interpreting evolving statutory provisions, and delivering legally resilient, reasoned speaking orders to protect revenue and lower litigation overhead.

G. Revenue Recovery: Securing government dues. Officers actively track arrears, execute statutory recovery frameworks, and coordinate asset attachments when necessary to maintain fiscal discipline.

H. Taxpayer Services & Facilitation: Clarifying legal notifications, assisting with systemic procedures, and addressing taxpayer grievances at the ground level to foster compliance.

2.4 Functional Interdependence: The Compliance Chain

An effective tax authority cannot operate as a collection of isolated silos. Ground realities under GST demonstrate that every statutory function is systematically linked to the next in a continuous compliance chain:

[Registration] → [Scrutiny] → [Audit] → [Intelligence] → [Adjudication] → [Recovery]

An operational bottleneck at any stage disrupts the entire chain. If a lack of support staff forces field units to absorb routine clerical work, return scrutiny slows down, audit timelines expand, and fraudulent entities find gaps to exploit.

2.5 The Organizational Mismatch

While the tax administration has adapted operationally to this digital transition, its underlying human architecture remains tied to legacy frameworks. Digital systems serve as powerful force multipliers, but they do not replace human administrative judgment. Systems identify data anomalies; field formations turn that information into recoverable revenue.

The workload has shifted from routine manual processing to highly skilled data analysis, financial auditing, and quasi-judicial enforcement. Manpower planning must therefore move away from staffing patterns inherited from earlier regimes. The subsequent chapters outline the structural adjustments required to align our human assets with these operational realities.

CHAPTER 3

Principles Governing Cadre Restructuring and Human Resource Planning

"The effectiveness of a public institution depends not merely upon the number of its employees, but upon the manner in which its human resources are organised, empowered and deployed."

3.1 The Strategic Alignment of Human Capital

Human resources are the core engine of public administration. While digital platforms and modern algorithms function as powerful administrative tools, the ultimate integrity of a tax system depends on the competence, motivation, and strategic deployment of its workforce.

Recognizing this operational necessity, the Government of India institutionalized periodic Cadre Reviews through the Department of Personnel and Training (DoPT). As pointed out by the DoPT in various guidelines, these reviews are not routine exercises to adjust numerical headcount or expand promotional avenues arbitrarily. Instead, they serve to periodically re-assess the functional requirements of each department, ensure staffing pattern allocations are commensurate with the duties executed by each cadre, and reduce structural stagnation to maintain organizational morale.

3.2 Core Pillars of Cadre Restructuring

An effective cadre review balances institutional efficiency with sustainable human resource management, operating across five core pillars:

- i. **Functional Mapping:** Organizational design must evolve out of functions, not vice versa. Statutory obligations dictate responsibilities; responsibilities generate workload; workload dictates manpower needs; and manpower determines the structural architecture.
- ii. **Scientific Manpower Optimization:** Headcount metrics must be tied directly to measurable administrative parameters; such as taxpayer

density, revenue density, compliance complexities, and transaction volumes; rather than historical precedents or revenue statistics alone.

- iii. **Rationalized Supervisory Layers:** Every layer in the hierarchy must provide clear administrative or statutory value. Redundant supervisory tiers inflate administrative latency and dilute accountability.
- iv. **Sustained Workforce Morale:** Institutional productivity directly reflects the career health of its officers. Prolonged structural stagnation and inequitable career tracks degrade motivation, leading to severe demoralization and the loss of experienced manpower through premature voluntary retirement (VRS).
- v. **Future-Ready Adaptability:** The personnel architecture established today must remain resilient against upcoming developments in digital governance, predictive analytics, and evolving compliance risks over the next block period.

3.3 The Input-Output Flow of Scientific Manpower Planning

To maximize the value of public resources, manpower planning must move away from arbitrary numerical allocations. The organization must balance structural inputs against target governance outputs to ensure that every post serves a distinct, measurable objective:

Structural Dimensions (Inputs)	Targeted Governance Realities (Outputs)
Clear Functional Justification	Every sanctioned post must be anchored to explicit statutory powers, clear duty statements, and measurable operational targets.
Ground-Level Field Strength	Shifting human capital from heavy administrative headquarters to ground-level field operations where primary taxpayer interactions occur.
Targeted Executive Support	Insulating specialized executive officers from routine clerical work by deploying dedicated administrative and technical support.

Domain Specialization	Moving away from generalized rotations to foster long-term expertise in digital forensics, corporate accounting, and quasi-judicial analysis.
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3.4 Technology as a Force Multiplier, Not a Substitute

A key principle of modern human resource planning is the distinction between automation and administration. Digital systems—such as automated risk management modules, electronic invoicing tracking, and centralized databases—are excellent force multipliers, but they do not eliminate the need for human intervention.

Systems process data and flag anomalies; however, it requires skilled executive officers to translate those flags into sustainable investigations, perform physical verifications, interpret complex tax laws, and issue legally resilient quasi-judicial orders. Cadre restructuring must therefore design an organizational framework where technology handles routine data collation, allowing human capital to focus on strategic analysis and enforcement.

3.5 Framing the Reform Framework

The recommendations detailed throughout this representation are built entirely upon these objective principles of public administration. By restructuring the Central GST architecture around functional necessity, prioritizing ground-level field capabilities, and establishing a predictable, motivating career framework for our executive officers, this proposal aims to build a lean, responsive, and accountable tax administration.

CHAPTER 4

Evolving Challenges & Functional Needs as India Grows

"An organisation designed for yesterday's challenges cannot efficiently meet the demands of tomorrow."

4.1 Introduction: The Need for Structural Realignment:

India's economic growth trajectory, expanding international trade footprint, digital transformation, and emerging national priorities have significantly enlarged the responsibilities of the Central Board of Indirect Taxes and Customs (CBIC). The challenge before the organisation is therefore not merely one of manpower augmentation, but of comprehensive structural realignment.

4.2 Emerging National Economic Imperatives:

India is entering a phase of unprecedented economic expansion, necessitating a corresponding strengthening of tax administration and trade facilitation mechanisms.

(i) Transition towards a USD 5 Trillion Economy:

India is projected to become a USD 5 Trillion economy by 2026-27 and emerge as the third-largest economy globally. Such rapid economic expansion will inevitably lead to exponential growth in taxpayer base, transaction volumes, cross-border trade, and regulatory complexities.

(ii) Manufacturing Expansion:

The manufacturing sector is expected to grow to nearly USD 2 Trillion by 2030, driven by flagship initiatives such as:

- i. Make in India
- ii. Production Linked Incentive (PLI) Schemes
- iii. National Semiconductor Mission (SEMICON)
- iv. Defence and Electronics Manufacturing initiatives

This expansion will substantially increase the demand for registration management, audit, export facilitation, valuation expertise, and anti-evasion capabilities.

(iii) Export-Led Growth:

India has set an ambitious target of achieving USD 2 Trillion in exports by 2030. Policy initiatives such as:

- i. New Foreign Trade Policy
- ii. One District One Product (ODOP)

- iii. Expansion of Zero-Rated Supply mechanisms
- iv. Increasing complexities in IGST Refund administration

have significantly expanded the responsibilities of Customs and GST formations.

(iv) Digital Economy and E-Commerce:

The domestic e-commerce market is expected to reach nearly USD 350 Billion by 2030, compared to approximately USD 55 Billion in 2021.

This has fundamentally altered the compliance landscape, creating challenges relating to:

- i. Multi-jurisdictional taxation,
- ii. Platform-based transactions,
- iii. Real-time analytics,
- iv. Fake invoicing networks,
- v. Cross-border digital services.

(v) Startup Ecosystem:

India presently hosts more than 99,000 startups, making it the third-largest startup ecosystem globally. The increasing complexity of business models involving digital assets, fintech, SaaS, and platform economies requires a more agile and specialised tax administration framework.

4.3 Infrastructure Expansion and Geographical Redistribution of Work:

Massive infrastructure investments are substantially increasing the geographical spread of trade and taxation activities.

(i) PM Gati Shakti and National Infrastructure Pipeline:

Integrated multi-modal logistics systems are creating new trade corridors, necessitating corresponding expansion of customs and GST administrative capacities.

(ii) Port and Air Cargo Expansion:

Major projects such as:

- i. Sagarmala Programme,
- ii. Great Nicobar Trans-shipment Hub,
- iii. Development of new International Airports,

are expected to significantly increase India's cargo handling capacities and international trade volumes.

(iii) Hinterland Expansion:

Rapid growth in:

- i. Inland Container Depots (ICDs),
- ii. Container Freight Stations (CFSs),
- iii. Air Freight Stations (AFSSs),
- iv. Cruise and Passenger Terminals,

has expanded customs responsibilities far beyond traditional port locations. This changing geography of trade demands a parallel reconfiguration of field formations and manpower deployment.

4.4 Structural and Legal Evolutions:

(i) GST Appellate Tribunals (GSTAT):

The establishment of 31 State Benches of GSTAT, with demands for further expansion to nearly 54 Benches, will substantially increase litigation management requirements and necessitate additional legal and quasi-judicial capacities.

(ii) Expanded Audit Responsibilities:

The designation of DG Audit as an apex regulator, to ensure that audits across GST, customs, and central excise are conducted efficiently, consistently, and in line with best practices, has significantly enhanced the importance of:

- i. Joint Audits,
- ii. Thematic Audits,
- iii. Financial intelligence analysis,
- iv. Inter-agency coordination.

(iii) International Commitments:

Increasing global trade integration has expanded responsibilities relating to:

- CAROTAR Rules,
- Mutual Recognition Agreements (MRAs),
- Free Trade Agreements,
- Bilateral and Regional Trade Agreements.

(iv) Expansion of Authorised Economic Operator (AEO) Programme:

The AEO ecosystem is expected to increase manifold over the coming years, requiring enhanced trade facilitation capacities and specialised officers.

4.5 Technological Transformation and Emerging Competencies:

A common misconception is that digitisation reduces manpower requirements. In reality, technology merely transforms the nature of work.

The GST ecosystem/m has shifted operational requirements from manual processing towards advanced analytical, investigative, and legal functions.

CBIC is increasingly required to deal with:

- i. Artificial Intelligence-based risk management,
- ii. Big Data Analytics,

- iii. Cyber Forensics,
- iv. Financial Intelligence,
- v. High-technology fraud detection,
- vi. Dark-web enabled smuggling networks,
- vii. Cross-border digital transactions.

Simultaneously, institutions such as NACIN and its regional centres are being re-oriented to develop specialised competencies in these emerging fields.

The qualitative burden on field officers has therefore increased substantially.

4.6 Core Structural Friction Points:

A diagnostic assessment of the current organisational framework reveals several systemic imbalances:

(i) Divergence from Contemporary Realities:

Operational structures designed for physical factory inspections are no longer fully suited for administering a destination-based, technology-driven value-added tax system.

(ii) Imbalance Between Supervision and Execution:

While field workloads have increased exponentially, significant human resources continue to remain concentrated in supervisory and administrative layers, creating execution deficits at the cutting edge.

(iii) Clerical Burden on Executive Cadres:

Executive officers are increasingly required to perform substantial clerical and administrative functions due to inadequate ministerial support, resulting in sub-optimal utilisation of specialised human capital.

(iv) Absence of Modern Functional Mapping:

Lack of clearly defined functional mapping has resulted in overlapping responsibilities, diluted accountability, and inefficient deployment of specialised expertise.

(v) Severe Career Stagnation:

Extended promotional delays within executive cadres have created significant human resource bottlenecks, adversely affecting morale, leadership development, and institutional continuity.

4.7 Workload Transformation under GST:

The nature of departmental work has fundamentally changed-

Functional Domain	Legacy Operational Baseline	Modern GST Operational Reality	Impact on Field Formations
Compliance & Verification	Periodic physical checks of registers and manufacturing units.	Continuous digital scrutiny, multi-source data cross-matching, and risk-indicator tracking.	High cognitive load; requires advanced accounting and analytical skills.
Registration Oversight	Local territorial tracking of fixed physical factories.	Real-time monitoring of expanding taxpayer bases, complex entity lifecycles, and cross-state networks.	Unprecedented growth in volume; continuous risk-based physical verifications required to halt fake networks.
Enforcement & Fraud	Local informants and physical boundary checkpoints.	AI-driven mismatch alerts, automated e-way bill analysis, and multi-jurisdictional syndicate tracing.	Requires highly specialized digital forensic and financial investigative capabilities.
Quasi-Judicial Tasks	Commodity-specific classification and valuation adjudication.	Multi-layered input tax credit (ITC) disputes, complex state-jurisdiction issues, and digital evidence analysis.	Requires extensive legal proficiency to issue resilient, reasoned orders and prevent litigation backlogs.

4.8 The Rationale for Structural Realignment:

These systemic constraints confirm that the primary challenges facing the Central GST administration are structural rather than operational. The current organization functions through ad-hoc administrative workarounds rather than an optimized design.

Relying on a personnel architecture designed for legacy functions limits the capabilities of digital tax tools and restricts the growth of field operations. To address these challenges, the following chapters present a comparative framework and a modern organizational model to realign human capital directly with contemporary statutory responsibilities.

CHAPTER 5

Cadre Imbalances, Stagnation, and Proposed Structural Remedies

"The strength of a tax administration lies not in the number of its supervisory offices, but in the effectiveness of its field presence."

The implementation of the Goods and Services Tax (GST) aimed to create a unified national market, but it also established a dual administrative framework divided between Central and State authorities. A critical structural disparity has emerged since inception: while State GST (SGST) departments designed streamlined, highly localized field formations tailored for efficient tax administration, Central GST (CGST) formations inherited a legacy Central Excise and Service Tax structure that is ill-equipped for the massive volume of transactional taxpayers. This chapter provides a comparative analysis of these two frameworks to justify the necessary structural overhaul of CGST field units.

5.2 Field Formation & Structural Hierarchy:

The administrative agility of SGST stems from its flat organizational structure, which minimizes vertical file routing and places decision-making authority closer to the taxpayer. In contrast, CGST maintains a multi-tiered, top-heavy hierarchy that slows down operational efficiency.

State GST Structure:

Commissioner ---> Joint Commissioner (Zone) ---> Deputy/Assistant Commissioner (Circle Head) ---> State Tax Officer (STO).

SGST Model: Operating units are structured around the "Circle," typically headed by an Assistant/Deputy Commissioner or a State Tax Officer (STO) possessing full statutory and quasi-judicial powers. These circles function independently and are directly supported by clerical and data cadres.

Central GST Structure:

Principal Chief Commissioner/Chief Commissioner ---> Principal Commissioner/ Commissioner ---> Addl./Joint Commissioner ---> Deputy/Assistant Commissioner ---> Superintendent ---> Inspector.

CGST Model: The primary field unit remains the "Range" (headed by a Superintendent), which feeds into a "Division" (headed by a Deputy/Assistant Commissioner). This creates an unnecessary 5-tier layer

of file movement (Inspector → Superintendent → AC/DC → JC/ADC → Commissioner) for standard administrative actions.

5.3.1 Workload & Taxpayer Distribution: Data:

The operational strain on CGST field formations is best illustrated by the severe imbalance in taxpayer-to-staff ratios compared to State counterparts. Official data from CBIC and state presentations highlights a significant dilution of field capacity on the Central side.

Comparison of Taxpayer-to-Staff Ratios

The following table reflects the operational imbalance across key jurisdictions, highlighting the disproportionate volume managed by CGST officers:

State Jurisdiction	SGST Taxpayers per Staff Member	CGST Taxpayers per Staff Member	Workload Variance/Operational Imbalance
Andhra Pradesh	25.83	112.76	CGST workload is over 400% higher per officer.
Karnataka	76.1	104.87	Severe field dilution and resource strain on the Central side.
Telangana	80.69	89.09	Substantial Central deficit requiring immediate structural adjustment

5.3.2 Analysis of Control Spans

SGST Formations: State governments deliberately structure their execution around smaller, well-supported units managing an average of 400 to 600 taxpayers per Circle. Furthermore, each Circle is backed by 3 to 5 permanently stationed clerical and secretarial staff members, isolating the tax officer from administrative overhead.

CGST Formations: Due to structural stagnation, a single CGST Range routinely manages anywhere from 2,000 to 5,000 taxpayers with zero dedicated clerical support. The Superintendent is forced to handle data compilation, system entry, and secretarial tasks alongside statutory scrutiny and anti-evasion duties.

5.4 Functional Delegation & Statutory Powers

A core deficiency within the CGST setup is the mismatch between an officer's pay level and their statutory authority.

The SGST Advantage: State administrations empower their Circle heads with autonomous quasi-judicial powers. Assessment, adjudication, and recovery functions are executed swiftly at the ground level, with clear accountability.

The CGST Bottleneck: Under the current CGST framework, up to **40% of the active field workforce** draws Pay Level 10 or 11 through the Modified Assured Career Progression (MACP) scheme but remains legally restricted to the limited statutory authority of a lower grade (Superintendent). This creates an administrative paradox: highly paid, experienced officers are legally blocked from adjudicating higher-value cases, forcing those cases up the chain and causing massive backlogs at the divisional and headquarters levels.

To objectively understand why the Central GST field formation experiences severe administrative friction, we must evaluate the structural realities. The table below provides a representative profile contrasting the personnel allocation, taxpayer volume, and ministerial support ratios of a standard CGST Range against an SGST Circle:

Structural & Operational Parameter	Central GST (CGST) Range Formation	State GST (SGST) Circle Formation	Operational Imbalance / Administrative Impact
Primary Field Heading	Range Office - Headed by a Superintendent (Group 'B' Gazetted).	Circle Office Headed by an Assistant Commissioner / State Tax Officer (Group 'A' / Senior Group 'B').	Deficit in Statutory Weight: The CGST field unit lacks immediate higher-level administrative weight on the ground, requiring frequent upward file routing.

Average Taxpayer Base per Unit	2000 to 5,000+ active taxpayers per Range (highly unscientific geographical allocation).	400 to 600 targeted taxpayers per Circle (scientifically clustered by revenue density).	Overextended Supervision: CGST field officers are stretched too thin to conduct deep, transaction-level data analytics or continuous return verification.
Sanctioned Executive Strength	1 Superintendent, 1 to 2 Inspectors.	1 Head of Circle, 2 to 4 State Tax Officers / Deputy STOs.	Execution Parity: Numerical executive strength is comparable, but the functional utilization diverges completely due to support staff.
Sanctioned Ministerial / Clerical Staff	0 to 1 (Frequently vacant; Tax Assistants/LDCs are routinely pooled at Headquarters).	3 to 5 dedicated clerks, typists, and data-entry operators permanently stationed inside the Circle.	The Clerical Trap: The complete absence of ground-level clerical support forces CGST executive officers to dedicate vital hours to routine administrative entry.
Executive-to-Clerical Staff Ratio	3 : 1 or 3 : 0 (Severe deficit in clerical infrastructure).	1 : 1 or 1 : 1.5 (Balanced support matrix).	Resource Misallocation: Highly compensated investigative assets (Superintendents) are systematically misallocated to execute basic office registry and data tabulation.
File Trajectory & Hierarchical Layers	4 to 5 Tiers: Range → Division → Commissionerate Hqrs → Zonal Hqrs.	2 to 3 Tiers: Circle → Joint Commissioner (Zone) → Head Office.	Administrative Latency: Excessive supervisory tiers increase vertical file routing loops and slow down dispute resolution.

5.5 Conclusion & Recommendation for Structural Convergence

The data demonstrates that the legacy Central Excise structure is unsustainable for the execution of GST. To achieve operational parity with SGST and protect central revenue, CGST must adopt a modernized, flat organizational model.

The Bounded Field Proposal

1. Shrink the Control Span: Reorganize CGST field units to an optimal,

scientifically managed 1,200 taxpayers per Primary Executive Circle (PEC).

2. Statutory Empowerment: Elevate the head of this new formation to the grade of Assistant Commissioner (CTS) at Pay Level 10. This structural change converts a substantial portion of existing MACP-related financial expenditure into legally empowered Group 'A' executive capacity, with a substantially moderated incremental fiscal impact on the exchequer.

Chapter 6

Human Resource Management, Career Progression and Organisational Sustainability

“Every institution ultimately performs only as well as the people who serve within it.”

6.1. Introduction

Any structural reform of tax administration must evaluate the efficiency of its human resource architecture. Currently, Central GST (CGST) formations are experiencing a profound human capital crisis characterized by unprecedented career stagnation, systemic promotion delays, and an administrative mismatch between financial remuneration and statutory empowerment.

The career trajectory of an officer within the CGST cadre stands in stark contrast to both State GST (SGST) counterparts and parallel Central Civil Services.

The existing human resource structure, therefore, requires examination not merely from the perspective of the number of posts available, but also from the perspective of career progression, utilisation of experienced officers, inter-zonal equity, inter-cadre parity, statutory authority and the overall organisational efficiency of the CGST administration.

6.2. Severe Career Stagnation

Inspectors in the CGST/Central Excise stream face prolonged and exceptionally severe career stagnation, with many officers spending the overwhelming majority of their entire service in the feeder grades. An officer may enter the department as an Inspector and, even after completing approximately 30–35 years of service, retire with only one regular promotion, i.e. to the post of Superintendent, while a second promotion to Assistant Commissioner remains unattainable for most and is available only to a relatively small number of officers. In several cases, even the first promotion itself comes only after decades or more of service, leaving the officer with little or no meaningful opportunity to progress further before retirement.

Thus, for a substantial section of the cadre, the career progression effectively comes to a standstill after the first promotion, despite the officer acquiring decades of experience, assuming increasingly complex responsibilities and, in many cases, drawing higher pay through MACP and annual increments. The situation is particularly stark when an officer

completes nearly the entire length of his or her Government service without reaching the Group 'A' level, while officers in comparable feeder cadres may have substantially longer periods of service in higher grades.

Such prolonged stagnation is not merely a question of delayed promotion; it represents a loss of career progression over an individual's entire working life. It adversely affects morale, motivation and professional growth, results in under-utilisation of accumulated experience and institutional knowledge, and ultimately impacts organisational efficiency. The cadre restructuring exercise therefore needs to address not merely the availability of posts but the career trajectory of an individual officer from entry into the cadre until retirement, ensuring reasonable, predictable and time-bound opportunities for advancement.

6.3. Inter-Zonal Disparity

This stagnation is further worsened by severe imbalances in promotional timelines across different zones of CBIC, driven by historical recruitment patterns and inconsistent cadre management practices. This structural variation disrupts the perception of organizational equity among officers of the same service.

One of the main reasons is that the ratio of the sanctioned strength of Superintendents to Inspectors varies from zone to zone, along with the maintenance of zonal seniority by every zone even after officers are selected through the common CGLE Exam. It is totally incomprehensible how the ratio between Superintendents to Inspectors was fixed at 0.57 for a particular zone and the same ratio was fixed at 1.00 for another zone, which are themselves contradictory and one of the moot reasons to create regional disparity among the zones.

A detailed table in this regard has been prepared and is mentioned below for a better understanding of the issues at hand:

Sl. No.	Name of the CCA	Sanctioned Strength of Superintendent (CE)	Sanctioned Strength of Inspector (CE)	Superintendent per Inspector	CGLE Batch Promoted to the Grade of Superintendent
1	Lucknow	936	1286	0.73	2012
2	Ranchi	490	604	0.81	2014
3	Mumbai	2470	2901	0.85	2015
4	Bengaluru	1118	1380	0.81	2016
5	Cochin	439	687	0.64	2013
6	Delhi	1815	2235	0.81	2014
7	Chandigarh	565	689	0.82	2014
8	Chennai	1474	2066	0.71	2015
9	Jaipur	417	552	0.76	2014
10	Bhopal	718	968	0.74	2014
11	Hyderabad	1023	1352	0.76	2015
12	Kolkata	1221	2124	0.57	2012
13	Shillong	372	658	0.57	2012
14	Bhubaneshwar	338	337	1.00	2019
15	Vadodara	1722	2160	0.80	2014
Total		15118	19999	0.76	

Inspectors are recruited through an all-India merit-based process conducted by the Staff Selection Commission (SSC). However, despite such centralized recruitment, seniority continues to be maintained on a zone-wise basis, which itself is a HR mismanagement and reason of conflict. This has resulted in gross disparities in service progression, with certain zones being unduly disadvantaged due to administrative lapses and HR mismanagement—thereby violating the constitutional mandate of equal opportunity in public employment.

The above disparity in zonal ratio of Inspector & Superintendent further creates disparity in promotion to the next grade of Assistant Commissioner.

A detailed table is placed below for a better understanding of Inter Zonal Disparity in promotion to the grade of Assistant Commissioner:

ZONE	NAME OF LAST UR CANDIDATE PROMOTED	SL NO. IN AISL ISSUED BY DGHDRD ON 29.09.2023	SL NO IN ANNEX-I OF PROMOTION ORDER NO.157/2025 DT. 30.09.2025	YEAR OF JOINING AS INSPECTOR
BENGALURU	Shri V.G Prabhakar	836	813	1995
BHOPAL	Shri Ravindra Pandey	847	822	1992

BHUBANESWAR	Shri Ratana Kumar Roul	816	808	1998
CHANDIGARH	Shri Ramesh Chander	456	604	1992
CHENNAI	Shri Rajsekar F	598	654	1994
DELHI	Shri Ramesh Chander	716	693	2002
HYDERABAD	Shri G.Venkata Raghavan	802	803	1993
JAIPUR	Smt Shalini Srivastava	584	651	1991
KOLKATA	Shri Satpati Pal	856	823	1993
LUCKNOW	Shri Ashish Kumar Srivastava	837	814	1993
MUMBAI	Shri Ganesh Anantharaman	747	700	1992
RANCHI	Shri Pradeep Kumar	792	799	1993
COCHIN + THIRUVANANTHAPURAM	Shri Ashok C	631	621	1995
VADODARA	Shri Fani Bhushan	711	692	1997
CBN	Shri S.K.Verma	825	809	1997

A significant disparity has emerged among various zones with respect to promotional avenues, career progression, and seniority placement, primarily due to the continuation of an outdated zone-wise seniority policy. This policy is arbitrary, legally unsustainable, and administratively inequitable.

6.4. Inter Feeder Cadre Disparity

This stagnation is further aggravated by the unequal promotional trajectories available to officers belonging to different feeder cadres. While Central Excise/CGST Inspectors, Customs Preventive Officers (POs), and Customs Examiners (EOs) ultimately converge into the common Group 'A' hierarchy at the Assistant Commissioner (AC) level, their entry points into this grade are fundamentally unequal.

6.4.1 Promotional timeline for each feeder cadre

CGST Stream: Officers face a single, highly congested promotional route (**Inspector → Superintendent → AC**). They typically spend **18 to 20+ years** as Inspectors before reaching the Superintendent grade, **entering the AC cadre between 55 and 59 years of age**. Consequently, most CGST officers retire after just a few months to 1–2 years of Group 'A' service.

Customs PO Stream: Officers benefit from dual promotional avenues (PO → Superintendent (P) → AC, or PO → Appraiser → AC), allowing them to reach Group 'A' much earlier in their careers.

Customs Examiner (EO) Stream: Officers access the Appraiser stream rapidly—often within **3 to 6 years of feeder service—entering the AC grade in their early 40s.** This provides them with nearly two decades of Group 'A' runway and clear paths to Senior Administrative Grade (SAG) levels.

A comparative table of Officers (UnReserved -UR) who got promotion to the grade of Assistant Commissioner recently between the above three cadres is furnished below:

CATEGORY OF FEEDER CADRE	NAME OF LAST UR CANDIDATE PROMOTED	SL NO IN PROMOTION ORDER	YEAR OF JOINING AS INSPECTOR EQUIVALENT
PREVENTIVE OFFICER – CUSTOMS	V C Sawant	161 of Annex-II (Order No.157/2025 dt.30.09.2025)	11.11.2004
EXAMINER-CUSTOMS	SATYENDER KUMAR	78 (Order No.25/2026 dt.25.02.2026)	25.01.2010
INSPECTR GST	SATPATI PAL	823 of Annex-I (Order No.157/2025 dt.30.09.2025)	02.11.1993

From the above analysis and tables, it is apparent that there is a wide gap of at least 17 years between the last General category officer promoted in the Customs (joined as Examiner in 2010), whereas the Central Excise/GST Inspector (joined as Inspector in 1991) is yet to be promoted. The cadre of Assistant Commissioner is an All-India Cadre. When the juniors get early promotions, as mentioned above and posted in other zones where they become supervisory authority to their natural seniors who had been recruited through the same SSC exam, it adds insult to injury and totally demoralises the work force.

6.5 Structural Ratio Imbalance

The existing 13:2:1 promotional ratio among CGST/Central Excise Superintendents, Customs Preventive Superintendents and Customs Appraisers does not adequately reflect the actual strength and functional

requirements of the respective feeder cadres. The CGST/Central Excise stream constitutes the largest feeder cadre, yet its officers face the most constrained promotional pathway, resulting in prolonged stagnation.

The present ratio also fails to address the substantial disparity in the time taken by officers from different feeder cadres to reach the Assistant Commissioner grade. Officers from Customs streams have historically benefited from alternative promotional avenues, while CGST Superintendents generally remain in the feeder grade for several decades.

The cadre structure therefore requires a comprehensive review of the existing ratio, based on actual cadre strength, workload, functional requirements and reasonable career progression. Promotional posts should also be appropriately protected for the respective feeder cadres to prevent further structural imbalance.

The objective should be to establish a rational and sustainable cadre structure that balances organisational requirements with fair and meaningful career progression.

This Association proposes that the three feeder cadres be merged into a single common cadre to establish a uniform and equitable career structure. However, until such merger is implemented, the existing promotional ratio should be comprehensively reviewed and suitably revised to ensure a sustainable and balanced cadre structure and equitable promotional opportunities among the three feeder cadres.

The revised structure should be based on actual cadre strength, workload, functional requirements and reasonable career progression, with appropriate protection of promotional posts for each feeder cadre.

6.6 Pay Scale vis-à-vis Statutory Authority as Proper Officer

A significant mismatch exists between the pay level attained by many Superintendents through MACP and annual increments and the statutory authority attached to their designation as “Proper Officer.” A substantial number of Superintendents have reached Pay Levels 9, 10 and even 11 after prolonged service, with many drawing basic pay comparable to, or in some cases higher than, the entry-level pay of officers in higher Group ‘A’ grades.

However, despite such financial progression and extensive experience, their

statutory powers and functions continue to remain restricted by the limits prescribed for the Superintendent/Proper Officer. Thus, the Department is already incurring expenditure commensurate with higher levels of service, while the corresponding experience and financial investment are not being fully utilised through appropriate statutory authority and responsibilities.

This creates a pay-authority mismatch, whereby an officer may draw a higher pay level but continue to exercise comparatively limited statutory powers merely because of the designation held. The situation is particularly significant in functions such as scrutiny, audit and adjudication, where the experience and competence of senior Superintendents could be utilised more effectively if their designation and statutory authority were aligned with the level of responsibility commensurate with their pay and experience.

The cadre restructuring should therefore seek to align pay, designation, statutory authority and functional responsibility, enabling experienced officers to discharge responsibilities commensurate with their level of pay and service experience. Such alignment would also facilitate better utilisation of existing human resources without necessarily involving a proportionate increase in financial expenditure.

6.7 Proposals

i. Creation of a common executive cadre:

This Association proposes that the three existing feeder cadres—CGST/Central Excise, Customs Preventive and Customs Examiner/Appraiser—be merged into a single common executive cadre, with a uniform career structure and equitable promotional opportunities. This would eliminate the fundamental disparity arising from different feeder-cadre structures and ensure that an officer's career progression is not permanently determined by the cadre of initial appointment. Until such merger is implemented, the existing promotional ratio should be suitably revised to ensure a balanced cadre structure and equitable promotional opportunities among the three feeder cadres.

ii. Separate Central Tax Service (CTS) – Branch B:

A separate organised Central Tax Service (CTS), broadly on the Branch-B model, may be created to provide a structured Group 'A' promotional career path for the existing departmental executive cadre. The service should

provide a defined progression from the feeder grades to Assistant Commissioner and successive higher grades, with its own cadre, seniority and promotion mechanism.

iii. Revision of the existing 13:2:1 ratio pending merger: Until the three feeder cadres are merged, the existing 13:2:1 promotional ratio should be comprehensively reviewed and suitably revised on the basis of actual cadre strength, workload, functional requirements and reasonable career progression. Promotional posts should be appropriately protected for the respective feeder cadres to maintain a sustainable and balanced structure. A one-time relaxation may be considered to establish parity among all members of the Central Excise (GST)/EO/PO streams by bringing them onto a common platform and thereby mitigating the historical injustice faced by Central Excise/GST Inspectors arising from the 13:2:1 promotion formula and inter-zonal disparities. This one-time measure would help address the accumulated imbalance and provide a fair and equitable basis for future career progression across the cadre.

iv. Address inter-zonal disparity:

The existing system of zone-wise differences in cadre strength and promotional opportunities should be reviewed to ensure uniformity and equity in career progression. The seniority and promotion mechanism should not result in officers recruited through the same All-India merit-based process having substantially different career prospects merely because of their zone of allocation.

v. Ensure time-bound career progression:

The restructured cadre should provide reasonable, predictable and time-bound promotional opportunities throughout an officer's career, so that an employee does not spend the overwhelming majority of his or her service in the same grade and retire without meaningful career advancement.

vi. Align pay, designation and statutory authority:

The designation and statutory powers of officers should be aligned with their pay level, experience and functional responsibilities. Experienced Superintendents drawing higher pay through MACP and annual increments should be appropriately promoted to posts commensurate with their pay level and entrusted with the corresponding statutory powers and responsibilities of the Proper Officer, as prescribed and mandated under the law.

vii. Protect promotional opportunities and institutional continuity:

The restructured framework should ensure that promotional posts earmarked for the respective feeder cadres are protected and that the cadre structure is periodically reviewed in accordance with actual workload, cadre strength and functional requirements.

6.8 Conclusion

The foregoing analysis establishes that the present human-resource structure of the CGST executive cadre suffers from severe individual career stagnation, inter-zonal disparity, unequal promotional trajectories among feeder cadres, structural ratio imbalance and a mismatch between pay and statutory authority. An Inspector may complete nearly 30–35 years of Government service with only one regular promotion and, in most cases, little or no opportunity to enter Group 'A' before retirement. At the same time, officers from other feeder cadres may reach the same grade substantially earlier, resulting in unequal career journeys within the same organisational hierarchy.

The disparity is further aggravated by zone-wise differences in sanctioned strength and promotional opportunities, despite recruitment of Inspectors through a common all-India examination. The existing 13:2:1 ratio also does not adequately correspond to the actual strength and functional requirements of the three feeder cadres.

At the same time, many experienced Superintendents have progressed to higher pay levels through MACP and annual increments, while their statutory authority remains restricted by the designation of Superintendent/Proper Officer. This results in under-utilisation of experienced human resources and creates a clear pay–authority mismatch.

CHAPTER 7

Proposed Organisational Framework for a Modern Central GST Administration

"A well-designed organisation is one in which authority, responsibility, accountability and resources are aligned to achieve clearly defined public objectives."

7.1 The Core Thesis of Structural Renewal

The preceding chapters have established that the current challenges facing the Central GST administration are structural, not operational. The legacy architecture—inherited from the commodity-centric, factory-gate supervision **models of the 1944 Excise era—remains top-heavy**, multi-layered, and severely deficient in ground-level ministerial support. This structural mismatch traps highly trained executive officers in routine clerical tasks, slows down vertical file routing, and limits the capabilities of modern digital tax tools.

This chapter introduces the core proposal of this representation: a comprehensive, evidence-based structural blueprint to transition the Central GST field formation into an agile, field-focused, and functionally specialized tax authority. The primary objective is to replace the legacy "Range" with an empowered "**Circle**" model, decentralizing decision-making and realigning human capital directly with contemporary statutory responsibilities.

7.2 The Primary Executive Circle Model

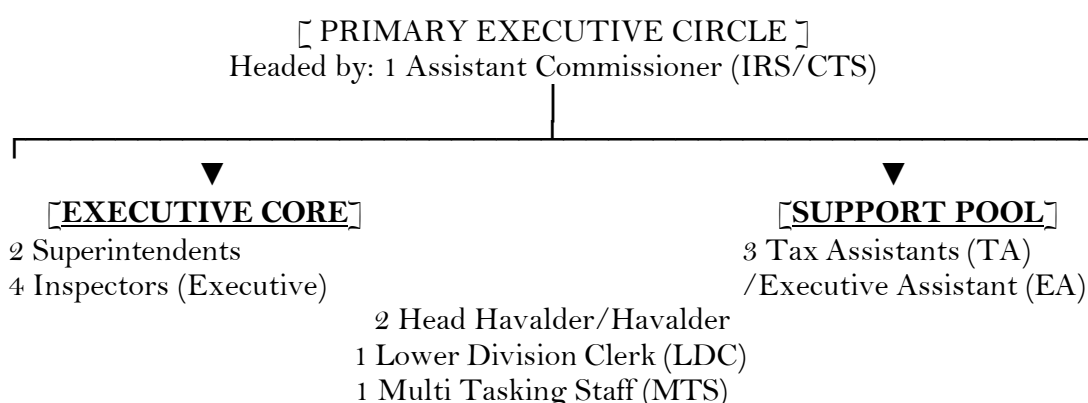
To eliminate administrative latency and optimize taxpayer oversight, the All India Association of Superintendents of Central Tax (AIASCT) proposes a structural migration. The legacy Range Office must be replaced by the **Primary Executive Circle** as the foundational node of field execution.

Under the current system, a single Range is headed by a Superintendent who is overwhelmed by administrative, clerical, and local report-compiling duties. By transitioning to **Primary Executive Circles** headed by an **Assistant Commissioner (AC)** and supported by a dedicated ministerial pool, the department can shift from passive, volume-heavy processing to

active, high-yield compliance management. In any executive formation, majority of the tax payers falls under the category of less than 2 Crore category and the proposed PEC will administer them effectively under the leadership of AC.

By virtue of creation of PEC, a decentralized and localized tax administration will oversee the tax payer in more efficient manner. Moreover the proposed model can achieve higher level of taxpayer facilitation by providing the one stop solution for their adjudication, scrutiny and other day to day interaction with the department.

Under this model, the foundational field unit is elevated to a Group 'A' node, placing statutory weight directly at the taxpayer interface. The diagram below outlines the structural composition and support matrix of the proposed Primary Executive Circle:



A. Personnel Composition and Support Ratios:

- I. **The Command Node:** Each Circle will be headed by an **Assistant Commissioner** (Group 'A' regular or via the proposed Central Tax Service (CTS), vesting full statutory and quasi-judicial powers directly in the field unit.
- II. **The Executive Core:** The Head of Circle will be supported by **2 Superintendents** and **4 Inspectors**, who function as specialized investigative, audit, and scrutiny assets.

- III. **The Support Pool:** To permanently resolve the clerical trap, every Circle will be backed by a dedicated, non-vacant pool of **5 ministerial and data support staff** (3 TA/EAs, 1 LDC, and 1 MTS) and **2 Havalder/Head Havalder** to assist in ground level supervision.

B. Scientific Jurisdiction Allocation

Rather than relying on arbitrary geographical boundaries inherited from legacy regimes, Circle jurisdictions should be mapped using active data analytics.

- I. Each Circle would handle a scientifically allocated cluster of **1000 to 1200 active taxpayers**.
- II. Taxpayer allocation per Circle would scale dynamically based on total revenue density, transaction volumes, and localized systemic compliance risk profiles, ensuring an equitable distribution of workload.

7.3 Taxpayer Distribution and Field Circle Projections:

To present a realistic, mathematically sound blueprint to the Cadre Review Committee, the number of proposed Field Circles must align directly with the actual taxpayer base.

7.3.1. Current Taxpayer Base

As per the latest administrative reports, the active taxpayer base under Central GST (CGST) administration stands at approximately **69 Lakh (6.9 million) taxpayers**.

7.3.2. Anticipated Growth Projection

With the ongoing formalization of the Indian economy and the rollout of Next-Generation GST compliance frameworks, the CGST taxpayer base is projected to grow at an estimated annual rate of **3.5% to 4 %**. Over the upcoming 5-year block period, the active taxpayer base is realistically expected to reach approximately **80 Lakh (8 million) taxpayers**.

7.3.3. Defining the Optimal Taxpayer-to-Circle Ratio

For an Assistant Commissioner (AC) to effectively oversee compliance, conduct deep data-driven risk scrutiny, and manage tax administration without resorting to intrusive ground-level policing, the span of control must be kept manageable.

- I. **Optimal Ratio: 1,200 taxpayers per Primary Executive Circle.**
- II. This ratio ensures that the AC, supported by their executive and ministerial team, can dedicate adequate attention to high-value taxpayers while automating routine monitoring for low-risk MSMEs.

7.3.4. Field Circle staffing ration:

Based on this operational ratio, the required number of Primary Executive Circles (and corresponding AC posts in field formations) is calculated below:

Required Field Circles (Current) = 69,00,000\1000 Taxpayers per Circle = approx 6900 Circles

Required Field Circles (Projected 5-Year Block) = 80,00,000 Taxpayers\1,200 Taxpayers per Circle = 6666 Circles

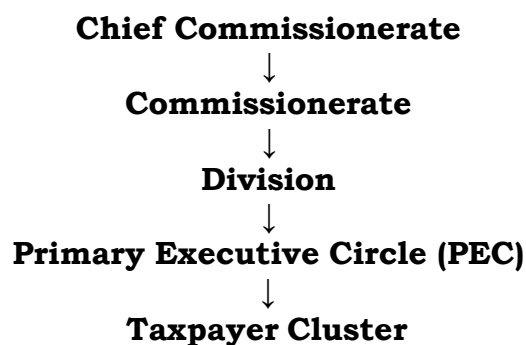
Based on the present taxpayer base of approximately 69 lakh registrations under Central jurisdiction and adopting a planning norm of 1,000–1,200 taxpayers per PEC, the requirement of PECs would broadly fall in the range of 5,750 to 6,900 units. Considering future growth and the need for manageable taxpayer clusters, a planning range of approximately 6,000–7,000 PECs may be considered for long-term organisational restructuring.

7.4 Relationship of PEC with Divisional and Commissionerate Structure:

The proposed Primary Executive Circle (PEC) is envisaged as the foundational executive unit of the Central GST administration. However, the effectiveness of the PEC model depends upon an appropriate supervisory and administrative framework above it. Accordingly, the Divisional and Commissionerate structures also require rational redesign to ensure

adequate supervision, specialised functional management and administrative support.

The proposed organisational hierarchy may therefore be represented as follows:



A. Primary Executive Circle (PEC):

The PEC shall function as the principal taxpayer interface and field execution unit responsible for:

- i. Registration and taxpayer lifecycle management;
- ii. Return scrutiny and compliance verification;
- iii. Refund processing;
- iv. Intelligence generation and anti-evasion inputs;
- v. Recovery proceedings;
- vi. Taxpayer services and facilitation;
- vii. Legacy Central Excise and Service Tax functions.

Each PEC shall ordinarily administer a scientifically determined taxpayer cluster based upon revenue density, transaction complexity and risk parameters.

B. The Divisional Tier:

For purposes of supervision and coordination, every **five Primary Executive Circles shall constitute one Division**, headed by a **Joint Commissioner**.

The role of the Division shall gradually transition from routine executive functions towards supervision, coordination and specialised management.

To ensure functional specialisation, the Joint Commissioner shall be assisted by three dedicated Assistant Commissioners:

(i) Assistant Commissioner (GST Compliance)

This formation shall exclusively deal with:

- i. Scrutiny of certain large taxpayers;
- ii. Adjudication and legal coordination;
- iii. Adjudication and legal coordination
- iv. Refund supervision;
- v. Monitoring of compliance initiatives;
- vi. Coordination of taxpayer services.

(ii) Assistant Commissioner (Arrears Recovery)

This formation shall exclusively deal with:

- i. Recovery proceedings;
- ii. Arrear realisation;
- iii. Call Book management;
- iv. Monitoring of recovery registers;

(iii) Assistant Commissioner (Administration)

This formation shall be responsible for:

- i. Establishment matters;
- ii. Infrastructure management;
- iii. Record room supervision;
- iv. Staff deployment;
- v. Budget and logistics;
- vi. Pay and accounts functions;
- vii. General administration of all PECs within the Division.

Such segregation of functions shall allow the Joint Commissioner to focus on strategic supervision and performance monitoring rather than routine administrative matters.

C. The Commissionerate Headquarters Tier:

Every **five Divisions shall constitute one Commissionerate**, headed by a **Commissioner**.

The Commissionerate Headquarters shall function as the strategic management, intelligence and policy coordination centre for the jurisdiction.

To provide adequate organisational support, the Commissioner shall be structurally assisted by:

(i) One Additional Commissioner (Review)

Responsible for:

- i. Statutory review functions;

- ii. Monitoring adjudication quality and review adjudication order;
- iii. Litigation coordination;
- iv. Legal policy matters;
- v. Ensuring uniformity in interpretation and implementation.

(ii) One Joint Commissioner (Preventive and Intelligence)

Responsible for:

- i. Preventive formations;
- ii. Intelligence coordination;
- iii. E-Way Bill verification systems;
- iv. Inter-Commissionerate intelligence sharing;
- v. Anti-evasion initiatives and risk management.
- vi. Scrutiny of certain Largest Taxpayers

(iii) One Joint Commissioner (Administration and Vigilance)

Responsible for:

- i. Establishment matters;
- ii. Personnel management;
- iii. Vigilance administration;
- iv. Financial management and pay bills;
- v. Infrastructure and procurement matters.

To ensure effective functioning, each senior officer shall be assisted by an Assistant Commissioner in charge of dedicated functional sections staffed on uniform norms.

D. Proposed Structural Relationship

The proposed organisational architecture may therefore be represented as follows:

1 Division = 5 Primary Executive Circles

1 Commissionerate = 5 Divisions

Therefore,

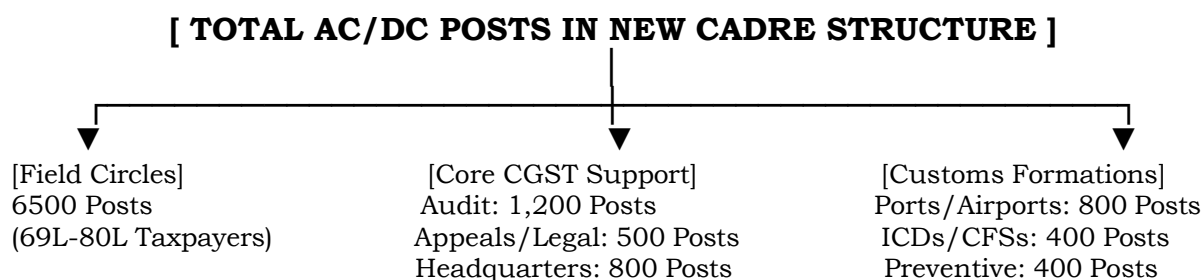
1 Commissionerate = 25 Primary Executive Circles

The exact number may vary depending upon:

- i. taxpayer density;
- ii. geographical spread;
- iii. trade concentration;
- iv. sectoral risk profile;
- v. availability of infrastructure.

7.5 Beyond Executive Commissionerate:

To build a comprehensive and structurally balanced organization, the Cadre Review must look beyond GST field Circles. Significant scope exists to scale the number of Assistant Commissioner (AC) posts in non-field, specialized, and administrative formations. This expansion is critical to support the field formations and clear the severe career stagnation in the feeder cadres.



7.5.1. Audit Commissionerates (Specialized Audit)

As tax evasion methods become more sophisticated, deep corporate financial auditing must be decoupled from routine circle administration.

- ❖ **Proposed Structure:** Establish **1,200 AC (Audit) posts** nationwide.
- ❖ Each AC (Audit) will lead a specialized Audit Circle, focusing on multi-state corporate entities, complex input tax credit (ITC) structures, and high-turnover sectors (e.g., e-commerce, banking, insurance).

7.5.2. Appeals and Legal Formations

Litigation management and high-quality departmental adjudication are vital to protect government revenue and reduce judicial backlogs.

- ❖ **Proposed Structure:** Allocate **500 AC (Appeals & Litigation) posts**.
- ❖ These officers will handle preliminary appellate reviews, assist Commissioner (Appeals) in drafting robust orders, manage the GSTAT (GST Appellate Tribunal) litigation cell, and represent the department in High Courts and the Supreme Court.

7.5.3. Executive Headquarters (Hqrs) Formations

Modern tax administration requires a highly technical central support structure at the Commissionerate and Chief Commissionerate levels.

- ❖ **Proposed Structure:** Allocate **800 AC (Hqrs) posts** nationwide.
- ❖ These officers will be deployed across essential administrative and technical divisions, including Advanced Systems & IT, Data Analytics & Intelligence (anti-evasion coordination), Taxpayer Services, Vigilance, and Administration & Personnel.

7.5.4. Customs Formations

The CBIC's Customs wing requires equal structural strengthening to handle rising trade volumes, electronic cargo tracking, and port-based risk management.

- ❖ **Proposed Structure:** Allocate **1,900 AC (Customs) posts** across maritime ports, international airports, Inland Container Depots (ICDs), Container Freight Stations (CFS), and land customs borders:
 - **Sea Ports & Air Cargo Complexes: 800** posts (for faster cargo clearance and risk-based scanning).
 - **ICDs, CFSs, and Land Customs Stations (LCS): 400** posts (to facilitate inland customs clearance and cross-border trade).
 - **Customs Preventive & Marine Units: 400** posts (for active intelligence gathering and anti-smuggling operations along borders and coastlines).
 - **International Airport: 300** Posts (to strengthen passenger and air-cargo clearance, risk management, examination and enforcement).

7.5.6 Summary of Proposed Assistant Commissioner (AC) Posts

By combining field GST requirements with specialized and customs formations, the CBIC can justify a highly realistic and operationally sound cadre strength. This structure provides a clear path to resolve promotional delays while significantly improving revenue administration.

Formation Type	Operational Unit / Focus Area	Proposed AC/DC Posts	Justification / Metric Base
CGST Circles Field	Primary Executive Circles (Direct Compliance)	6,500	1:1,200 taxpayer-to-officer ratio (69L–80L base)
CGST Audit	Corporate Audit Circles & Financial Scrutiny	1,200	Structured oversight of top 5% revenue-generating accounts
Appeals & Legal	Adjudication, Appellate Support, and GSTAT Cells	500	Reducing litigation lag and standardizing judicial orders
CGST Headquarters	Systems, Analytics, Anti-Evasion, and HRD	800	Managing data systems and coordinating field intelligence
Customs Wings	Ports, Airports, ICDs, and Preventive Formations	1,900	Speeding up trade facilitation and improving border security
Total Proposed Strength	Unified Group 'A' / Central Tax Executive Service Entry Level	10,900	Comprehensive, defensible cadre strength

7.6 Comparative Workflow Matrix: Legacy vs. Proposed

To illustrate how this structural reorganization eliminates institutional bottlenecks, the matrix below contrasts the operational flows of the current framework against the proposed Circle architecture:

Operational Dimension	Current Legacy Range Structure	Proposed Primary Executive Circle Model
Primary Unit Heading	Headed by a Superintendent (Group 'B' Gazetted).	Headed by an Assistant Commissioner (IRS/CTS).

Statutory Authority	Restricted; frequent upward routing required for standard authorizations.	Comprehensive; full statutory, investigative, and quasi-judicial powers reside inside the unit.
Clerical Burden	Absorbed heavily by executive officers due to acute ministerial deficits.	Insulated; a dedicated 5-member support pool manages all typing, registry, and data entry.
File Trajectory	4 to 5 Layers: Range → Division → Comm'te Hqrs → Zonal Hqrs.	2 to 3 Layers: Circle → Joint Commissioner (Zone) → Head Office.
Operational Focus	Fragmented; executive hours consumed by routine office administration.	Specialized; 100% of executive hours dedicated to data scrutiny, audit, and revenue assurance.

7.7 Strategic Advantages of the Circle Blueprint

The implementation of the Primary Executive Circle model delivers four critical institutional dividends, resolving long-standing human resource and fiscal challenges simultaneously:

1. Fiscal-Efficient Cadre De-stagnation

As mentioned in Chapter 6, a large number of the existing Superintendent cadre has advanced to Pay Levels 9, 10, and 11 through the Modified Assured Career Progression (MACP) scheme due to prolonged career stagnation. Financially, the public exchequer is already compensating these stagnant officers at senior management rates.

By populating the newly created Assistant Commissioner slots heading these Circles with these long-stagnant Superintendents—either via regular promotion or integration into a time-bound Central Tax Service (CTS)—the organization achieves **immediate structural de-stagnation**. It simply aligns official rank and statutory authority with the expenditures already being incurred.

2. Unlocking Executive Productivity

By insulating the executive core (Superintendents and Inspectors) with a dedicated 5-member ministerial support pool, the department eliminates the clerical trap. Executive officers will no longer waste critical billing hours manually updating physical registers, drafting routine letters, or compiling repetitive Excel proformas. Freeing specialized officers from routine tasks functions as an immediate revenue multiplier, directly accelerating return scrutiny, audit completions, and fraud detection.

3. Flatter Hierarchy and Reduced Latency

Elevating the foundational field unit to a Group 'A' node removes an entire layer of redundant supervisory review. Files and statutory authorizations no longer need to travel through an elongated, vertical chain from Range to Division and onto Commissionerate Headquarters. This flatter structure dramatically reduces administrative latency, speeds up dispute resolution, and increases individual accountability on the ground.

4. Future-Ready Compliance Capability

With a manageable taxpayer density of approximately 1,000–1,200 accounts per Circle, Circle officers can fully utilize the capabilities of modern digital tax tools. It allows field units to transition from reactive, ad-hoc administrative workarounds to continuous, proactive data-driven oversight, effectively protecting the tax base against organized evasion and fake-invoicing syndicates.

The Primary Executive Circle model represents a scientifically sound, fiscally responsible blueprint for structural renewal. It resolves the structural divergence between legacy human resource frameworks and modern digital workflows by moving the primary point of executive decision-making closer to the taxpayer interface. By optimizing ground-level execution, reinforcing field units with administrative support staff, and unlocking the underutilized capabilities of its highly experienced senior executive workforce, this blueprint establishes a lean, responsive, and accountable architecture for the Central GST administration.

CHAPTER 8

The Central Tax Service (CTS) Framework – A Structured Solution for Career Progression and Institutional Continuity

"The true strength of a public institution lies not merely in its organizational structure but in its ability to develop, utilise and retain professional talent."

8.1 The Rationale for a Dedicated Service Stream:

The structural reforms outlined in this representation, specifically the transition from legacy Range Offices to Primary Executive Circles, require a modernized, reliable Human Resource framework to sustain them. As demonstrated in Chapter 6, the Central GST administration faces a severe career bottleneck. Superintendents routinely wait decades for promotion to Assistant Commissioner despite already drawing senior-level pay scales via the MACP scheme.

To permanently resolve this systemic stagnation, bridge the gap between historical cadres and create a predictable career progression pathway, the All India Association of Superintendents of Central Tax (AIASCT) proposes the formal establishment of a dedicated **Central Tax Service (CTS)** governed by separate Service Rules in place of Recruitment Rules within the Central Board of Indirect Taxes and Customs (CBIC). This service stream will serve as the primary vehicle for populating the newly designed Group 'A' field nodes while anchoring deep institutional knowledge directly at the executive interface.

PART I — PROPOSAL FOR CONSTITUTION OF THE “CENTRAL TAX SERVICE” (CTS) TOGETHER WITH A DRAFT “CENTRAL TAX SERVICE RULES, 2026”

1. Background:

The Central Board of Indirect Taxes and Customs (CBIC) presently staffs its field formations - Commissionerates of Central Tax, Audit and Appeals - through a mix of the Indian Revenue Service (Customs and Indirect Taxes) [IRS(C&IT)] at the Group A level, and departmentally recruited/promoted

officers of the erstwhile Central Excise/Central Tax cadre at the Inspector and Superintendent levels. The Group B (non-gazetted) grade of Inspector of Central Tax and the Group B (gazetted) grade of Superintendent of Central Tax together constitute the largest segment of the Department's executive strength.

Superintendents of Central Tax presently reach the grade of Assistant Commissioner only through ad hoc, year-wise promotions against vacancies earmarked for promotee quota in the IRS(C&IT) cadre, subject to, cadre review outcomes, and prolonged stagnation — officers often superannuating as Superintendent or reaching Assistant Commissioner very late in service. There is, at present, no dedicated, self-contained “service” with its own Recruitment Rules, cadre structure, seniority list, and promotion channel up to Group A — analogous to what exists for the secretariat cadres.

The Central Secretariat Service (CSS) offers a working model of exactly such a structure: a single organised Group B/Group A service with defined grades Lower Division Clerk/Assistant Section Officer — Section Officer — Under Secretary — Deputy Secretary — Director — Joint Secretary — each governed by common Service Rules (the CSS Rules, 1962, since replaced by successive editions, most recently referenced as CSS Rules, 2009), with its own cadre authority (DoPT), seniority and promotion regulations, and a defined feeder–promotee relationship between grades, functioning parallel to (and distinct from) the Group A entry via UPSC (Civil Services Examination). Similarly, in the Ministry of External Affairs (MEA) Separate Branch B Service exists that provides a regular avenue from Group B to Group A, while remaining distinct from the regular Indian Foreign Service (IFS) recruited through the UPSC Civil Services Examination. The service is called the Indian Foreign Service, Branch 'B' (IFS-B). Its structure is broadly as follows:

Assistants/Assistant Section Officers (Group B) -- Section Officers/Attaches (Group B Gazetted) – Under Secretary (Group A Gazetted) at Headquarters or First/Second Secretary in Indian Missions abroad (Group A Gazetted).

Thus, an officer who enters IFS (Branch B) in a Group B post can, through promotion, become a Group A Under Secretary, and later serve abroad as a First Secretary or Second Secretary.

This is a significant precedent in the Government of India because it demonstrates that a Branch B service can legitimately have both Group B and Group A grades within the same service.

2. Objective of the Proposal

The structural reforms outlined in this representation, specifically the transition from legacy Range Offices to Primary Executive Circles, require a modernised, reliable Human Resource framework to sustain them. As demonstrated in Chapter 6, the Central GST administration faces a severe career bottleneck. Superintendents routinely wait decades for promotion to Assistant Commissioner despite already drawing senior-level pay scales via the MACP scheme.

To permanently resolve this systemic stagnation, bridge the gap between historical cadres, and create a predictable career progression pathway, the All India Association of Superintendents of Central Tax (AIASCT) proposes the formal establishment/constitution of a new, distinct, organised service to be called the “Central Tax Service” (CTS), comprising the existing Group B non-gazetted grade of Inspector of Central Tax, the Group B gazetted grade of Superintendent of Central Tax, and, as its own dedicated Group A promotional avenue distinct from the IRS(C&IT) direct-recruitment stream, the grades of Assistant Commissioner, Deputy Commissioner, Joint Commissioner and Additional Commissioner/Commissioner of Central Tax, filled exclusively by promotion from within the Service. This would:

(i) Give CGST (Central Tax) executive officers a defined, rule-based career progression from Inspector to Additional Commissioner/Commissioner, in the same way that CSS gives secretariat staff a defined progression from Assistant to Joint Secretary.

(ii) Create a self-contained cadre with its own Recruitment Rules, seniority list, cadre authority and promotion timelines, rather than promotions being contingent, year to year, on vacancies notionally carved out of the IRS(C&IT) cadre strength.

(iii) Establish a parallel — not competing — stream into Group A, running alongside the existing UPSC-recruited IRS(C&IT) stream, on the same logic by which CSS Section Officers reach Joint Secretary-equivalent levels without ever being examined by, or merged into, the Indian Administrative Service.

(iv) Establish a clear functional demarcation between policy formulation and policy implementation:

- **Indian Revenue Services (C&IT) — Policy Formulation Role:** Recruited through the UPSC Civil Services Examination and trained in broad-based administrative, legal, and economic policy-making, IRS(C&IT) officers are best positioned to anchor functions at the Board (CBIC) and Ministry level — drafting legislation, framing tax policy, negotiating trade and treaty matters, and providing the apex-level strategic direction that requires an all-India, generalist administrative perspective. Their periodic rotation across postings, states, and even ministries is well-suited to this policy-formulation role, which benefits from fresh, cross-sectoral perspective rather than long tenure in one geography or function.

- **Central Tax Service (CTS) — Executive Implementation Role:** CTS officers, having spent their entire careers within the tax administration — starting as Inspector, rising through Superintendent, and onward through the Group A promotional grades — are the executive arm responsible for translating policy into ground-level action, including field-level implementation of GST/Central Excise law, audit and enforcement, day-to-day taxpayer interface, assessment, adjudication and dispute resolution, and ensuring that legislative and policy intent is faithfully and uniformly carried out across Commissionerates. Their sustained, hands-on field experience also makes them a natural conduit for feeding ground-level realities back into the policy process, even though final policy decisions remain with IRS(C&IT)/the Board.

(v) Complementary, not competing, roles: This is not a hierarchy of importance but a division of function — the IRS(C&IT) formulates the ‘what’ and ‘why’ of tax policy at the apex level, while the CTS delivers the ‘how’, ensuring that policy is executed consistently, competently, and with institutional memory at the field level. A dedicated executive cadre with assured career progression, rather than transient postings, is essential to this implementation function, since officers who know they will spend their careers in field execution are incentivized to build deep operational expertise, unlike a rotational cadre where the same continuity cannot be guaranteed.

This mirrors established administrative logic: just as the IAS focuses on policy and district administration while cadres such as the state civil/executive services and CSS Section Officers/Under Secretaries handle sustained implementation and secretariat functions respectively, a similar policy–execution split between IRS(C&IT) and CTS would bring rationality, accountability and efficiency to India’s indirect tax administration.

(vi) Improve taxpayer facilitation and service delivery:

- A dedicated, stable field cadre with assured career progression reduces frequent turnover at the executive interface, allowing officers to build sustained familiarity with trade, industry, and taxpayer profiles.
- Continuity of personnel in field roles directly supports faster grievance redressal, more consistent audit and assessment practices, and better institutional memory in taxpayer interactions — strengthening the ease of doing business and voluntary compliance.
- By anchoring experienced officers, the CTS structure aims to improve the quality and consistency of taxpayer-facing decisions.

(vii) Create a unified executive cadre spanning Group B to Group A.

3. Proposed Cadre Structure

The following seven-grade structure is proposed for the Central Tax Service, mirroring the CSS grade architecture:

Grade No.	Designation	Group / Status	Nature of Post	Indicative CSS Analogue
I	Inspector of Central Tax	Group B, Non-Gazetted	Entry grade — direct recruitment (SSC-CGL) and limited departmental promotion from Group C, where applicable	Assistant Section Officer
II	Superintendent of Central Tax	Group B, Gazetted	Promotion grade from Inspector (guided/selection grade)	Section Officer
III	Assistant Commissioner of Central Tax	Group A (entry grade of CTS-Group A)	Promotion grade from Superintendent, exclusively within CTS	
IV	Deputy Commissioner of Central Tax	Group A	Promotion from Assistant Commissioner (CTS stream)	Under Secretary
V	Joint Commissioner of Central Tax	Group A (Senior)	Promotion from Deputy Commissioner (CTS stream)	Deputy Secretary

VI	Additional Commissioner of Central Tax	Group A (Senior)	Promotion from Joint Commissioner (CTS stream)	Director
VII	Commissioner of Central Tax	Group A (Senior)	Apex promotion grade of CTS	Joint Secretary

Note: Grades III to VII are proposed to be filled wholly by promotion from within the Central Tax Service and are not intended to alter, dilute, or merge with the cadre strength, seniority, or Recruitment Rules of the IRS (Customs and Indirect Taxes), which will continue to be recruited through the Civil Services Examination and remain the primary all-India Group A service of the Department. The CTS Group A grades are proposed as posts distinctly earmarked and created for this purpose, on the pattern in which CSS officers occupy Under Secretary/Deputy Secretary/Director/Joint Secretary-level posts in the Central Secretariat without being IAS officers.

4. Key Design Principles Proposed

(i) Distinct cadre authority: A Central Tax Service Cadre Controlling Authority (proposed to be a nominated Member, CBIC, assisted by a Directorate of Central Tax Service/ CBIC – Human Resource Management, analogous to DoPT's role for CSS) to maintain the all-India seniority list, conduct DPCs, and manage postings/transfers of Grades I to VII.

(ii) Defined feeder-promotee ratios and eligibility (qualifying service, vigilance clearance, APAR benchmarks) prescribed for each grade, removing dependence on residual IRS(C&IT) vacancies.

(iii) A fixed, cadre-review-linked authorized strength for each Group A grade (III to VII) of the Service, created afresh and notified through the Ministry of Finance in consultation with the Department of Expenditure, so that promotion does not compete with, or draw down, IRS(C&IT) Group A strength, and the proposal has minimal fiscal implications as approximately 40% of the active executive workforce in the field are currently drawing the Basic Pay which is higher than the starting Basic Pay of a Joint Commissioner in Pay Level-12 (Rs. 78,000) via increments or MACPs.

(iv) A Central Tax Service Board (on the lines of the CSS Board) for periodic review of cadre strength, promotion policy and training needs.

(v) Mandatory foundational and mid-career training modules (at NACIN - National Academy of Customs, Indirect Taxes and Narcotics) attached to promotion into each Group A grade, ensuring parity of training standards with IRS(C&IT) officers occupying comparable posts.

5. Anticipated Benefits

(i) Provides Superintendents/Inspectors a assured, rule-bound promotional avenue to Group A, addressing decades of cadre stagnation flagged repeatedly by service associations.

(ii) Removes the present ad hoc, litigation-prone character of promotions carved out of IRS(C&IT) vacancies (a recurring source of tribunal and court litigation), by creating dedicated posts and rules.

(iii) Improves institutional memory and field-level domain expertise at senior levels, since CTS officers would have risen entirely through field/audit postings.

(iv) Is administratively and fiscally analogous to the CSS model already accepted and functioning across the Government of India, and does not require creation of a new all-India examination or disturb the IRS(C&IT) intake through UPSC.

6. Matters Requiring Further Inter-Ministerial Examination

The following issues will need to be resolved in consultation with DoPT, Department of Expenditure, UPSC (where consultation is mandated under Article 320) and the Department of Legal Affairs before the Rules can be notified:

(i) Creation of dedicated Group A posts (Grades III–VII) requires Department of Expenditure concurrence and a fresh cadre review, since these cannot be carved out of existing IRS(C&IT) sanctioned strength.

(ii) UPSC consultation under Article 320(3) of the Constitution is ordinarily required for recruitment/promotion rules to Group A posts; the

extent of consultation (or exemption, as available to CSS-type promotion-only Group A grades) must be examined.

(iii) Inter-se seniority and equivalence between CTS Group A officers and IRS(C&IT) officers holding co-located posts (e.g., a CTS Additional Commissioner and an IRS(C&IT) Additional Commissioner in the same Commissionerate) will need to be clearly delineated to avoid disputes, on the model by which CSS officers and IAS officers coexist in the Secretariat without seniority conflation.

(iv) Financial implications (pay, allowances, pension liability of additional Group A posts) require Ministry of Finance (Department of Expenditure) appraisal.

(v) Legal vetting to ensure the proposal does not conflict with the All India Services Act, 1951, or with extant IRS(C&IT) Recruitment Rules.

PART II — DRAFT “CENTRAL TAX SERVICE RULES, 2026”

(Drafted on the pattern of the Central Secretariat Service Rules, 2009, as adapted to the functions and cadre structure of the Central Board of Indirect Taxes and Customs)

[Please Refer Annexure to this Document for Draft “Central Tax Service Rules, 2026”]

8.2 Structural Composition and Functional Designations:

To ensure the proposed framework is legally robust and logical before the Cadre Review Committee, the designations must accurately reflect the level of responsibility, statutory authority, and quasi-judicial accountability being assigned. The framework rejects intermediate nomenclatures that obscure an officer's actual role. If an officer is executing the duties of a higher Group 'A' post, they must be granted the corresponding status and title.

Modeled after established structures like the Central Secretariat Service (CSS), the Central Tax Service (CTS) operates across three distinct operational layers:

[CENTRAL TAX SERVICE (CTS) ARCHITECTURE]

[Senior Executive Layer] → Additional/Joint Commissioner (CTS)



**[Core Executive Layer] → Deputy/Assistant Commissioner (CTS) /
Circle Head**



[Entry Executive Layer] → Superintendent / Range Node

- i. **Entry Executive Layer (Superintendent Grade):** The foundational tier of the Central Tax Service (CTS). Recruitment into this layer is fed directly by the promotion of experienced Inspectors, ensuring that field-tested operational capabilities form the bedrock of the cadre.
- ii. **Core Executive Layer (Assistant/ Deputy Commissioner / Functional Circle Head):** A newly established intermediate tier designed to anchor the Primary Executive Circles. Officers at this layer possess full statutory, investigative, and quasi-judicial authority, stepping directly into the operational executive roles.
- iii. **Senior Executive Layer (Selection Grade / Promotional Pool):** Provides a streamlined, predictable gateway into regular senior administrative cadres (equivalent to Additional/Joint Commissioner ranks), ensuring that outstanding institutional talent is not structurally blocked from contributing to policy-level decisions.

8.3 Strategic Advantages of the Central Tax Service (CTS) Model:

- (i). **Integration of Historical Cadres:** Historically, the executive cadre under CBIC has been fractured by separate recruitment streams (CGST,

Preventive, and Examiner streams). The Central Tax Service (CTS) acts as a unifying structural umbrella. By establishing a single, standardized framework for career advancement, it removes internal friction, standardizes administrative training, and creates a highly versatile, multi-disciplinary executive workforce.

(ii). Institutional Continuity and Revenue Protection: CBIC is fundamentally a field-oriented organization. Officers promoted from the executive cadre typically acquire two decades of practical experience in tax administration. Such officers possess valuable expertise in GST administration and compliance; Audit and anti-evasion operations; Investigation and intelligence gathering; Adjudication and litigation management; Taxpayer behaviour and business practices.

(iii). Greater Representation of Experienced Group 'B' Officers in Group 'A' Positions: Direct-recruit Group 'A' (IRS) officers are frequently rotated across diverse formations—including Customs, GST, Narcotics, and central policy secretariats. While this rotation builds broad administrative capabilities, it can limit the accumulation of deep, localized field experience. The Department stands to gain substantially by increasing the representation of experienced officers from the Executive Group 'B' cadre in Group 'A' supervisory and managerial positions. Their extensive field exposure and practical understanding of tax administration can significantly contribute towards better decision-making, improved implementation of policies, enhanced taxpayer services and more effective revenue administration. The Central Tax Service (CTS) retains highly experienced, technical tax specialists within core GST enforcement positions for extended periods. This continuity is essential for tracking complex, multi-year fake-invoicing syndicates and delivering legally resilient quasi-judicial orders.

(iv). Administrative Feasibility and Ease of Implementation: A core strength of this proposal is its alignment with the current fiscal realities of the department. Rather than introducing unbacked structural expansions, this model translates existing financial outlays into an organized, legally defined service structure. Because a massive segment of stagnant Superintendents are already drawing salaries equivalent to Pay Levels 10, 11

and 12 via the annual increments and MACP scheme (starting salary in Joint Commissioner Grade being Rs. 78,000/- in Level 12), mapping them directly into the corresponding tiers of the Central Tax Service (CTS) requires no fundamental restructuring of the national budget. The public exchequer is already paying these salaries. This framework upgrades the state's executive capabilities by aligning official rank and statutory authority with expenditures already being incurred. The overall projected additional expenditure under the Association's Model B is Rs.20,52,18,66,000, compared with Rs.21,01,10,56,800 under the alternative model, representing an estimated saving of approximately Rs.48.92 crore (discussed in details at Chapter 9).

8.4 Conclusion:

The establishment of the Central Tax Service (CTS) is not an administrative concession; it is a structural necessity to sustain a modern tax administration. By replacing unpredictable promotional pathways with a clear, time-bound, and functionally aligned career framework, this model restores workforce morale, protects institutional expertise, and ensures that the Primary Executive Circles are led by highly capable, empowered tax professionals.

CHAPTER 9

Financial Implications, Data Analysis, and Cadre Strength Optimization

9.1 Executive Framework and Methodology:

The restructuring of human capital within the Central Board of Indirect Taxes and Customs (CBIC) requires a comprehensive alignment of personnel

expenditure with operational tax yields. Historically, cadre reviews within the department were executed primarily on a revenue-to-expenditure baseline. However, under the contemporary destination-based, digitally driven Goods and Services Tax (GST) ecosystem, manpower requirements must be calculated based on **functional density, data-scrutiny volumes, and field enforcement metrics**.

This chapter presents the data sets, cost-efficiency rationalizations, and post-restructuring financial implications of the current proposal. The financial computations detailed herein are anchored to the following strict methodology:

- (i) Minimum Basic Pay Allocation:** All additional expenditure computations are strictly based on the minimum basic pay level of the respective Pay Matrix Level under the 7th Central Pay Commission (CPC). This provides a highly conservative, fiscally disciplined baseline that excludes variable allowances (such as HRA, DA, and TA), ensuring transparency before the Department of Expenditure.
- (ii) Parity and Cost Neutrality Rationalization:** The proposal capitalizes on a unique human resource factor within the department: a massive cohort of entry-year 1993-batch Inspectors (currently serving as senior Superintendents) have accrued long-term financial upgrades and are already drawing basic pay comparable to, or higher than, Group 'A' officers up to the level of Joint Commissioners (JC) and Additional Commissioners (ADC). Upgrading these posts under the restructured framework provides long-overdue promotional avenues while keeping structural net expenditure highly cost-efficient.
- (iii) Direct Recruitment Cap Protection:** To safeguard the career progression of direct recruit IRS (C&IT) officers who entered the service prior to the execution of this restructuring, a strict structural

cap of **300 Direct Recruit (DR) Assistant Commissioner and Deputy Commissioner posts** are maintained. Any transient shortfalls in qualifying service within the promotional streams are managed via managed post-diversion mechanisms to maintain systemic balance.

9.2 Entry-Grade Rationalization and Feeder Cadre Re-engineering:

In the line of the Board's initial proposal and to eliminate historical cadre anomalies and match the structural efficiency of advanced State GST models, this proposal introduces a major structural reform at the entry-level executive layer:

1. Objects the proposal of Direct Recruitment at Inspector Grade-II Level:

The proposal for Direct recruitment at the level of Inspector Grade-II (formerly Executive Assistant) shall be discontinued. This prevents the qualitative dilution of the cutting-edge executive cadre and ensures that the Staff Selection Commission's Combined Graduate Level Examination (SSC CGLE) filters high-merit candidates directly into a unified entry point. As a result, officers belonging to the same recruitment period frequently experience substantially better career progression prospects in State GST administrations than in CBIC.

In several State GST organizations and other cadres like CSS, APPs etc, officers recruited at levels equivalent to Inspector are able to progress to Assistant Commissioner, Deputy Commissioner and Joint Commissioner grades through comparatively balanced cadre structures. If this disparity continues, highly capable candidates may increasingly perceive State GST services as offering superior long-term career prospects. Over time, this may adversely affect CBIC's ability to attract and retain the best available talent. Cadre restructuring should therefore ensure that CBIC remains an attractive and competitive career option by providing reasonable promotional opportunities, a balanced supervisory hierarchy and career progression commensurate with the responsibilities entrusted to its officers.

More over all central government analogues departments recruits the entry level at level 7 viz. Income Tax, India Post, CSS, IFS Branch B

etc, hence any alteration in entry level in CBIC will adversely impact the talent pool entering the department at crucial level of tax collection. It will impact the tax administration in long term.

2. **Unified Entry Cadre:** Inspector Grade-I is established as the absolute entry grade for the field executive force. The historical entry-grade streams—comprising Central GST Inspectors, Preventive Officers (PO), and Customs Examiners are merged into a single, versatile executive cadre to allow for flexible deployment across border control, audit, and anti-evasion formations.

3. **Need for Cadre-wise Protection of by freezing /earmarking of posts of Assistant Commissioner to regulate existing officers entering in to three diversified streams viz., CGST/Customs (preventive) & Appraisers through Statutory Service Rules:** Presently, the feeder cadres of Superintendents of Central Excise/CGST, Superintendents of Customs (Preventive), and Appraisers have been integrated for promotion to the grade of Assistant Commissioner, promotions are presently regulated through the prescribed cadre-wise ratio of 13:2:1. The unification of existing officers of these three streams can be protected through earmarking of number of posts of Assistant Commissioners to these three streams in to 13:2:1 so that the post earmarked for officer of one stream should be protected and restricted to not be filled by officer from other stream.

However, the intended objective of this ratio has not been achieved in practice. Officers of the Central Excise/CGST stream, which constitutes the overwhelmingly largest feeder cadre, generally receive promotion as Assistant Commissioner only at the age of 55–59 years, with many retiring after serving only a few months or one to two years in the promotional post. Consequently, they have little or no opportunity for further promotion to higher grades.

In contrast, officers of the comparatively smaller Customs (Preventive) and Appraiser cadres are generally promoted in their “early forties”, enabling them to serve for nearly two decades as Assistant Commissioners and thereafter earn further promotions to Deputy Commissioner and higher grades. Thus, officers holding the same rank of Superintendent experience vastly different career progression solely because of the cadre through which they entered service.

The anomaly is further aggravated because, when an Assistant Commissioner belonging to the Central Excise/CGST stream retires, is promoted, resigns, or otherwise vacates the post, the vacancy is not restored to that cadre. Instead, it is filled afresh through the common 13:2:1 promotional roster. As a result, the cadre-wise identity of the post is lost, leading to gradual erosion of the promotional share of the much larger Central Excise/CGST cadre. Consequently, the prescribed 13:2:1 ratio operates only at the stage of initial promotion and not in the permanent distribution of Assistant Commissioner posts, thereby defeating its very purpose.

The forthcoming Cadre Restructuring should, therefore, not merely increase the number of posts but also amend the Recruitment Rules/Service Rules to provide permanent cadre-wise protection of Assistant Commissioner posts. The Rules should specifically provide that every vacancy arising due to retirement, promotion, resignation, death, or any other reason shall revert to and be filled only from the same feeder cadre to which the post originally belonged, thereby not only preserving the 13:2:1 cadre-wise allocation on a continuing basis but **proposing a Ratio of 22.5:2:1 on modified basis (on the basis of acute stagnation in Superintendent GST cadre and its proposed working strength of ratio 9000:800:400).**

Without such statutory protection, the benefits of Cadre Restructuring would remain temporary, and the existing promotional imbalance would continue. Sustainable, equitable, and meaningful career progression can be achieved only by preserving the cadre-wise share of Assistant Commissioner posts through explicit provisions in the Service Rules.

4. **Optimization of the Executive Assistant (EA) Ratio:** The restructuring rejects legacy board ratios that generated deep promotional bottlenecks. Against the existing Board proposal, this framework increases the promotional post ratio for Executive Assistants from **0.47 to 0.65** (3,857 promotional posts allocated against a working base of 5,886 EAs), providing a stable promotional path for the ministerial cadre.

9.3 Financial Impact Assessment: Comprehensive Cadre Strength (Alternative Models)

The following data sets outline the financial implications of the restructuring under two separate models: **Model A (Standard Hierarchy Expansion)** and **Model B (Central Tax Service (CTS) Structural Segregation)**.

Model A: Comprehensive Post Expansion Framework

This model scales the existing single-cadre hierarchy uniformly across all formations to match the expanding taxpayer base and the targeted operational enhancements (including proposed 25 new Executive Commissionerates, 16 Audit Commissionerates, and 15 Appeals Commissionerates).

Table 9.3.1: Model A: Financial and Post Distribution Matrix

S.No	Grade / Designation	Pay Level	Minimum Basic (₹)	Existing Sanctioned Strength	Total Proposed Strength	Additional Posts Proposed	Annual Additional Expenditure (₹)
1	Pr. Chief Commissioner	17	2,25,000	14	40	26	7,02,00,000
2	Chief Commissioner	16	2,05,400	38	50	12	2,95,77,600
3	Pr. Commissioner	15	1,82,200	99	138	39	8,52,69,600
4	Commissioner	14	1,44,200	335	562	227	39,28,00,800
5	Additional Commissioner	13	1,23,100	-	-	-	1,20,53,95,200
6	Joint Commissioner	12	78,800	932	1,748	816	0
7	Deputy Commissioner	11	67,700	801	1,221	420	34,12,08,000
8	Assistant Commissioner	10	56,100	3,364	5,090	1,726	1,16,19,43,200
9	Pr. CAO	11	67,700	0	81	81	6,58,04,400
10	CAO	10	56,100	349	400	51	3,43,33,200
11	Director	13	1,23,100	0	1	1	14,77,200
12	Joint Director	12	78,800	0	3	3	28,36,800
13	DD (OL)	11	67,700	11	36	25	2,03,10,000
14	AD (OL)	10	56,100	68	107	39	2,62,54,800
15	Sr. PPS	11	67,700	0	40	40	3,24,96,000
16	PPS	10	56,100	0	50	50	3,36,60,000
17	Superintendent CX	9	53,100	-	-	-	2,33,97,98,400
18	Superintendent (P)	9	53,100	19,108	22,780	3,672	0
19	Appraiser	9	53,100	-	-	-	0

20	Sr. PS	8	47,600	152	138	-14	-79,96,800
21	PS	7	44,900	340	562	222	1,19,61,36,000
22	Office Superintendent (OS)	8	47,600	0	842	842	4,80,95,04,000
23	Inspector CX	7	44,900	-	-	-	-4,46,71,90,800
24	PO	7	44,900	25,203	16,912	-8,291	0
25	Examiner	7	44,900	-	-	-	0
26	AO	7	44,900	1,600	1,509	-91	-4,90,30,800
27	STO	7	44,900	79	213	134	7,21,99,200
28	ITO / JTO	6	35,400	158	320	162	6,88,17,600
29	Inspector Gr. II (EA)	6	35,400	0	31,992	31,992	13,59,02,01,600
30	Asst. Programmer	6	35,400	5	0	-5	-21,24,000
31	Steno-I	6	35,400	932	2,563	1,631	6,92,84,8,800
32	EA	6	35,400	4,850	5,886	1,036	44,00,92,800
33	Driver Spl. Grade	6	35,400	69	95	26	1,10,44,800
34	Driver Grade I	5	29,200	485	659	174	6,09,69,600
35	SI (K9)	5	29,200	0	80	80	2,80,32,000
36	Lady Searcher	4	25,500	12	0	-12	-36,72,000
37	Steno-II	4	25,500	801	3,088	2,287	6,99,82,2,000
38	Sub Inspector (TA)	4	25,500	0	6,109	6,109	1,86,93,54,000
39	TA	4	25,500	6,432	5,974	-458	-14,01,48,000
40	Driver Grade II	4	25,500	416	561	145	4,43,70,000
41	ASI (K9)	4	25,500	0	242	242	7,40,52,000
42	ASI Weapon	3	21,700	52	0	-52	-1,35,40,800
43	ASI Dog	2	19,900	5	0	-5	-11,94,000
44	Head Havaladar	2	19,900	6,500	3,997	-2,503	-59,77,16,400
45	Driver Grade III	2	19,900	415	561	146	3,48,64,800
46	LDC	2	19,900	1,917	7,537	5,620	1,34,20,56,000
47	Havaladar	1	18,000	8,690	5,935	-2,755	-59,50,80,000
48	MTS	1	18,000	634	7,190	6,556	1,41,60,96,000
GRAND TOTAL				84,866	1,35,312	50,446	21,01,10,56,800.00 ₹

Model B: Central Tax Service (CTS) Structural Segregation Framework

To decisively resolve career stagnation while optimizing the operational cost of collection, Model B introduces a dedicated **Central Tax Service (CTS)** as a distinct promotional service stream extending up to the level of the Commissioner. This structure isolates promotional scaling from the direct recruit IRS quota and achieves financial savings by avoiding redundant top-tier grade expansions.

Table 9.3.2: Model B Financial and Post Distribution Matrix

S.No	Grade / Designation	Pay Level	Minimum Basic (₹)	Existing Sanctioned Strength	Total Proposed Strength	Additional Posts Proposed	Total expenditure	Additional expenditure
1	Pr. Chief Commissioner	17	2,25,000	14	40	26	10,80,00,000	7,02,00,000
2	Chief Commissioner	16	2,05,400	38	50	12	12,32,40,000	2,95,77,600
3	Pr. Commissioner	15	1,82,200	99	138	39	30,17,23,200	8,52,69,600
4	Commissioner	14	1,44,200	335	300	-35	51,91,20,000	-6,05,64,000
5	Commissioner (CTS)	14	1,44,200	0	262	262	45,33,64,800	45,33,64,800
6	ADC / JC	12/13	78,800	932	300	-632	28,36,80,000	-59,76,19,200
7	ADC / JC (CTS)	12/13	78,800	0	1,848	1,848	1,74,74,68,800	1,74,74,68,800
8	Deputy Commissioner	11	67,700	801	150	-651	12,18,60,000	-52,88,72,400
9	Deputy Commissioner (CTS)	11	67,700	0	5150	5150	4,18,38,60,000	4,18,38,60,000
10	AC	10	56,100	3,364	150	-3,214	10,09,80,000	-2,16,36,64,800
11	AC (CTS)	10	56,100	0	5,150	5,150	3,46,69,80,000	3,46,69,80,000
12	Pr. CAO	11	67,700	0	81	81	6,58,04,400	6,58,04,400
13	CAO	10	56,100	349	400	51	26,92,80,000	3,43,33,200
14	Director	13	1,23,100	0	1	1	14,77,200	14,77,200
15	Joint Director	12	78,800	0	3	3	28,36,800	28,36,800
16	DD (OL)	11	67,700	11	36	25	2,92,46,400	2,03,10,000
17	AD (OL)	10	56,100	68	107	39	7,20,32,400	2,62,54,800
18	Sr. PPS	11	67,700	0	40	40	3,24,96,000	3,24,96,000
19	PPS	10	56,100	0	50	50	3,36,60,000	3,36,60,000
20	Superintendent CX	8/9	53,100	19,108	21,200	2,092	13508640000	1333022400
21	Superintendent (P)	8/9						
22	Appraiser	8/9						
23	Sr. PS	8	47,600	152	138	-14	7,88,25,600	-79,96,800
24	PS	7	44,900	340	562	222	30,28,05,600	11,96,13,600
25	Office Superintendent (OS)	8	47,600	0	842	842	48,09,50,400	48,09,50,400
26	Inspector CX	7	44,900	25,203	41,000	15,797	22090800000	8511423600
27	PO	7						
28	Examiner	7						
29	AO	7	44,900	1,600	1,509	-91	81,30,49,200	-4,90,30,800
30	STO	7	44,900	79	213	134	11,47,64,400	7,21,99,200
31	JTO	6	35,400	158	320	162	13,59,36,000	6,88,17,600
32	Inspector Gr. II (EA)	6	35,400	0	0	0	0	0

33	Asst. Programmer	6	35,400	5	0	-5	0	-21,24,000
34	Steno-I	6	35,400	932	932	0	39,59,13,600	0
35	EA	6	35,400	4,850	7,000	2,150	2,97,36,00,000	91,33,20,000
36	Driver Spl. Grade	6	35,400	69	95	26	4,03,56,000	1,10,44,800
37	Driver Grade I	5	29,200	485	659	174	23,09,13,600	6,09,69,600
38	SI (K9)	5	29,200	0	80	80	2,80,32,000	2,80,32,000
39	Lady Searcher	4	25,500	12	0	-12	0	-36,72,000
40	Steno-II	4	25,500	801	801	0	24,51,06,000	0
41	Sub Inspector (TA)	4	25,500	0	0	0	0	0
42	TA	4	25,500	6,432	7,668	1,236	2,34,64,08,000	37,82,16,000
43	Driver Grade II	4	25,500	416	561	145	17,16,66,000	4,43,70,000
44	ASI (K9)	4	25,500	0	242	242	7,40,52,000	7,40,52,000
45	ASI Weapon	3	21,700	52	0	-52	0	-1,35,40,800
46	ASI Dog	2	19,900	5	0	-5	0	-11,94,000
47	Head Havaladar	2	19,900	6,500	3,997	-2,503	95,44,83,600	-59,77,16,400
48	Driver Grade III	2	19,900	415	561	146	13,39,66,800	3,48,64,800
49	LDC	2	19,900	1,917	7,537	5,620	1,79,98,35,600	1,34,20,56,000
50	Havaladar	1	18,000	8,690	5,935	-2,755	1,28,19,60,000	-59,50,80,000
51	MTS	1	18,000	634	7,190	6,556	1,55,30,40,000	1,41,60,96,000
	GRAND TOTAL			84,866	1,23,298	38,432	₹ 61,67,22,14,400	₹ 20,52,18,66,000

Note : The separate cadre designations appearing in the existing-strength column represent the existing cadres/posts for transitional and financial comparison purposes. They are proposed to be progressively integrated into the Unified Executive Cadre under the restructuring framework, subject to appropriate transitional Service/Recruitment Rules.

9.4 Comparative Analysis and Recommendation

A side-by-side assessment shows that **Model B** satisfies the requirements of the Cadre Review Committee much more effectively than Model A:

(i) Fiscal Prudence: Model B impact the net annual expenditure lessor by **₹48.92 Cr. Comparing to Model A proposed by the Board, resulting in savings Crores for the Department of Revenue even though the Model B proposes to strengthen the executive cadre and structured IRS cadre**

(ii) Targeted De-stagnation: By setting up the Central Tax Service, Model B isolates and upgrades 5150 AC/5150 DC posts at the critical AC/DC level and 1,848 posts at the JC/ADC level specifically for the promotee cadre, resolving historical stagnation without increasing top-heavy administrative overhead.

- (iii) A leaner, agile IRS(C&IT) core:** The proposal envisages restricting direct recruitment to the IRS(C&IT) to an agile core of approximately 300 posts at the Junior Time Scale (JTS)/Senior Time Scale (STS) levels, with assured career progression up to the Senior Administrative Grade Plus (SAG+), Higher Administrative Grade (HAG), and HAG+ levels. A smaller, focused direct-recruitment cadre allows the IRS(C&IT) to concentrate on its policy-formulation mandate at the apex level, while ensuring meaningful, unhindered career progression for its own officers up to the highest grades.
- (iv) Assured, dignified career progression for CTS officers:** In parallel, the CTS is envisaged to recruit officers at Level 7, with a structured, rule-based progression up to the Senior Administrative Grade (SAG) level. This is intended not merely as a career-progression mechanism, but as a deliberate, morale-boosting measure — recognising that officers who enter field service and dedicate their careers to it deserve a clear, honourable, and assured path of advancement, so that they may serve the nation with dignity, enthusiasm, and a genuine sense of purpose.
- (v) A balanced, sustainable structure:** All together, these measures create a rationalised, complementary architecture — a compact, agile IRS(C&IT) anchoring policy at the highest levels, and a robust, motivated CTS cadre delivering sustained field execution — each with clear, assured, and honourable career prospects appropriate to its role.

CHAPTER 10

Unified Cadre Streamlining, Specialized Formations, and Final Conclusion

"The success of organisational reform is measured not by the number of structural changes introduced, but by the improvements it delivers in governance, public service and institutional capability."

10.1 Unification of Entry-Level Streams

To maximize organizational agility, the Central GST administration must eliminate historical structural divisions at the entry level. Under the legacy regime, the executive cadre was split into three distinct streams—Central Excise (CGST), Preventive (Customs), and Examiners. This division often led to localized administrative friction, uneven promotional tracks, and sub-optimal deployment of field staff.

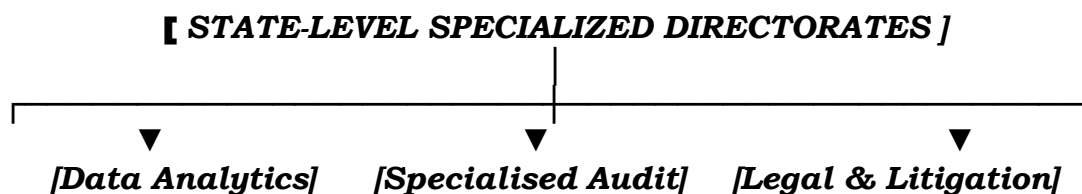
This representation proposes the complete unification of these historical streams into a single, highly versatile **Unified Executive Cadre**. Under this unified framework:

- i. All entry-level executive officers will be recruited, trained, and designated under a singular cadre profile.
- ii. Officers will undergo comprehensive cross-training spanning digital data forensics, corporate financial accounting, risk analysis, and anti-smuggling operations.
- iii. This structural flexibility allows the department to dynamically deploy manpower to high-risk zones, whether in a Primary Executive Circle, an anti-evasion unit, or a customs port, without facing cadre-specific legal or administrative bottlenecks.

10.2 The Blueprint for State-Level Specialized Directorates

Modern data-driven tax administration requires a clear separation between day-to-day taxpayer interaction and deep, systemic compliance analysis. While the Primary Executive Circles handle localized enforcement and return scrutiny, the CBIC should establish centralized, **State-Level Specialized Directorates** to serve as strategic force multipliers.

These directorates will be populated by senior officers from the Selection Grade of the Central Tax Service (CTS) and regular Group 'A' cadres, focusing on four specialized operational pillars:



1. **Directorate of Advanced Data Analytics and Risk Profiling:**
Functions as the central nervous system for the state's GST administration. Instead of field ranges conducting ad-hoc internet searches, this unit uses AI-driven predictive modeling to map multi-state fake-invoicing networks and feed high-probability fraud alerts directly to the Circles.
2. **Directorate of Specialised Audit and Corporate Accounting:**
Focuses exclusively on the complex financial auditing of large corporate accounts, multi-state enterprises, and sectors prone to intricate tax arbitrage (such as e-commerce, banking, and international services).
3. **Directorate of Legal Excellence and Litigation Management:**
Manages the department's legal strategy before Appellate Authorities, Tribunals, and High Courts. By centralizing legal research and assisting field units with drafting quasi-judicial orders, this unit aims to drastically lower litigation overhead and secure sustainable revenue outcomes.

10.3 Conclusion and Call to Action

The recommendations presented by the All India Association of Superintendents of Central Tax (AIASCT) throughout this representation offer a practical, evidence-backed framework for structural renewal. This blueprint is built on objective public administration principles, balanced human resource management, and strict fiscal discipline.

The analysis confirms that the primary operational bottlenecks within the Central GST administration are structural, not execution-based. The organization cannot fully utilize modern digital tax tools while operating on a

top-heavy, multi-layered personnel layout inherited from the 1944 Excise era.

[Legacy Framework]

- Top-Heavy Supervision
- Acute Support Staff Deficit
- Chronic Executive Stagnation (CTS)
- Fragmented Entry Cadres

[Proposed Modern Framework]

- Lean, Flatter Hierarchy
- Dedicated 5-Member Support Pool per Circle
- Time-Bound Progression via Central Tax Service
- Unified, Highly Versatile Executive Stream

Transitioning from legacy Ranges to **Primary Executive Circles** headed by Assistant Commissioners—and supported by a dedicated ministerial pool—directly resolves the ground-level clerical trap. Furthermore, establishing the time-bound **Central Tax Service (CTS) Framework** addresses long-standing career stagnation, simply matching official statutory weight with the senior pay levels (Levels 10, 11 & 12) these officers already receive via the MACP scheme.

The ongoing Cadre Review exercise provides a vital institutional window to implement these necessary changes. Aligning the organization's human architecture with its modern statutory obligations will allow the CBIC to build a lean, responsive, and accountable tax authority—safeguarding national revenue, improving taxpayer services, and supporting India's economic growth for decades to come.

CHAPTER 11.

CUSTOMS FORMATIONS: EXPANDING MANPOWER AND STRENGTHENING THE AC/DC LEVEL STRUCTURE

11.1 Expanding Role of Customs

Customs is a critical component of CBIC's revenue administration, trade facilitation and border-management framework. Its responsibilities extend beyond assessment and collection of customs duty to cargo clearance, risk management, examination, intelligence, anti-smuggling operations, enforcement and border security. With the expansion of international trade and the development of new trade gateways, the geographical and functional spread of Customs formations has increased substantially.

With the current and future reliance and expansion of a global economy, international trade and cargo movement will only increase and India being at the center of multiple international trade routes, will see an expanding role in international trade. With increased international movement of people for work and leisure, there is a substantive increase in the number of international passenger flights and traffic. This has seen significant investment in International Airports and Seaports with new International Airports such as Kannur and Seaports such as Vizhinjam becoming operational in the previous few years.

The expansion of **seaports, international airports, Air Cargo Complexes, Inland Container Depots (ICDs), Container Freight Stations (CFSs), Land Customs Stations (LCSs), Air Freight Stations, cruise and passenger terminals and other trade infrastructure** has correspondingly increased the workload of Customs formations. Major infrastructure initiatives, including port and logistics development, are expected to further increase cargo-handling capacity and Customs responsibilities. However, it may be noted that no significant focus has been given to the manpower requirements in these customs formations as **the manpower has not been revised since 2014**. Even during the GST re-organisation, no focus was given to the Customs formations and therefore these formations are now running on extremely strained manpower.

This expansion requires a corresponding increase not merely in the number of Inspectors and Superintendents but, more importantly, in the **Assistant Commissioner (AC) and Deputy Commissioner (DC) level supervisory structure**. A geographically dispersed and functionally diverse Customs administration cannot operate efficiently with inadequate higher-level supervisory manpower.

11.2. International Trade, Border Security and Preventive Functions

Customs also performs an important role in **national security and protection of the country's borders**. The expansion of international trade and the increasing movement of goods and passengers through seaports, airports and land borders have simultaneously increased the risks associated with **smuggling, illicit and prohibited trade, trafficking, undervaluation, misdeclaration and other forms of illegal cross-border movement**. Effective border management therefore requires continuous intelligence gathering, risk assessment, examination, surveillance and enforcement by Customs authorities. The strengthening of border infrastructure, including fencing and enhanced surveillance along vulnerable land and coastal borders, further increases the need for coordinated Customs Preventive and Marine operations. These responsibilities require adequate manpower at every level, particularly **experienced Superintendents and sufficient numbers of Assistant Commissioners and Deputy Commissioners** to provide effective operational supervision, take timely statutory decisions and coordinate enforcement activities. Thus, the requirement for additional Customs manpower is also directly linked to **border security, prevention of illicit trade and safeguarding the country's economic and national-security interests**.

11.3. Need for Adequate AC/DC-Level Manpower

The requirement of Customs formations must therefore be assessed as an integrated hierarchy. While Inspectors and Superintendents constitute the principal field executive workforce, adequate numbers of ACs and DCs are essential for effective supervision, statutory decision-making, adjudication, enforcement, coordination and administrative control.

The absence of adequate AC/DC-level officers results in excessive supervisory spans, concentration of responsibilities in a limited number of officers and avoidable dependence on higher formations for routine statutory and operational decisions. It also restricts the ability of Customs formations to respond promptly to increasing cargo volumes, complex supply chains, risk-based interventions and enforcement requirements.

The requirement is particularly significant at major ports and international airports, where Customs operations involve continuous cargo clearance, examination, risk assessment and enforcement. Similarly, ICDs, CFSs and LCSs have extended Customs administration deep into the hinterland and

across land borders, while Preventive and Marine formations require sustained intelligence, surveillance and anti-smuggling operations.

Accordingly, **creation of adequate AC and DC posts should be treated as a functional requirement of Customs administration and not merely as a promotional measure arising out of cadre restructuring.**

Further, major International airports such as **Mumbai, Delhi, Chennai, Hyderabad, Bangalore, Cochin, Calicut, Thiruvananthapuram and Kolkata have sufficient number of flights to justify the need to be independent Commissionerates** with a Commissioner heading the airport.

11.4. Present Staffing Norms

Circular No. 16/2013 –Customs dated 10.04.2013 have already provided staffing norms in Sea Port, Air Cargo Complexes, Courier Terminals and Diamond Plaza and have also classified airports based on number of flights/passengers. The staffing norms are reproduced below:

Staffing norms:

Customs Facility	Dy./Asst. Commissioner	Appraiser/ Superintendent	Inspector/ Examiner	STA/TA	Sepoy	Total
Sea Port	2	4	12	2	12	32
Air Cargo Complex	2	8	12	4	5	31
Courier Terminals	4	9	12	4	8	37
Diamond Plaza	1	2+2	8	2	4	19

Norms for eligibility for grant of exemption from the payment of cost recovery charges:

Facility	Minimum Annual Volume/Value of Import & Export Cargo	Minimum Annual Number of Documents – Bills of Entry/Shipping Bills
Sea Port	6 Lakhs MTs.	3,000
Air Cargo Complex	12,000 MTs	35,000
Courier Terminals	1.5 Lakh Packages	20,000
Diamond Plaza	Rs. 15,000 Crores	12,000

Norms for identifying the Class of an Airport:

Class of Airport	Minimum No. of international flights per annum (incoming and outgoing)	Minimum No. of passengers per annum (incoming and outgoing)
Class A	12,000	10 lakhs
Class B	6,000	5 lakhs
Class C	3,500	3 lakhs

Staffing norms for Airports:

Class of Airport	Staffing Norms				
	Dy./Asst. Commissioner	Superintendent	Inspector	Sepoy	Total
Class A	4	38	78	24	144
Class B	4	29	48	16	97
Class C	-	8	16	4	28

It may be noted that the above norms were made 13 years ago and have not been reviewed since. Further, presently, no airport in the country has the manpower suggested in the above norms. For eg, Class A airports such as Calicut and Thiruvananthapuram are manned by 16 Superintendents each which is less than half the number given in the norms.

Further, post the implementation of GST, all customs related work, which was earlier managed by the Central Excise Commissionerates have been transferred to CCP formations. These work include the following :

- i. Customs related work in SEZ Formations.
- ii. Self Sealing/ Factory Stuffing of Containers for export and acceptance of Bond/ LUT
- iii. Duty free imports by EOU/EHTP/STP Units, issuance of re warehousing Certificate, bond to bond transfer, Collection of duty of Customs in case of disposal of Capital Goods (CG) and goods as such by the Unit. Execution of B-17 bond (Common bond for Excise & Customs), demand of duty of Customs in case of default in Net Foreign Exchange (NFE), non accountal of goods etc., collection of cost recovery charges, Merchant Overtime (MOT), etc. (Notification No.52/2003-Cus dated 31.03.2003)
- iv. Duty free Imports/ Imports at concessional rate of duty subject to end-use condition 'under Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016- Notification No.32/2016-Customs (NT) dated 01.03.2016, Execution

of Bond, Monitoring of Utilization and demand of Customs duty in case of default.

- v. Licencing of Private/Public/Special Customs Bonded Warehouses under Chapter-IX of the Customs Act, 1962, Manufacture and other operations in Warehouse Regulations, 1966, Cost Recovery Charges, MOT fee.
- vi. Installation Certificate for goods imported under EPCG Scheme.
- vii. Recovery of dues under Section 142 of the Customs Act, 1962
- viii. Adjudication of offences and demand of Customs duty in respect of SEZs by the Central Excise. Officers having jurisdiction over the SEZ.
- ix. Brand Rate fixation of Customs duties in case of export of goods- Section 75 of the Customs Act, 1962.
- x. The assessment of imported/ exported goods and clearance of the goods at certain ports, ICDs/LCS; etc., away from major ports.
- xi. Narcotics which is now being handled by CCP formations
- xii. Shore patrolling

It may be noted that NO ADDITIONAL MANPOWER was allocated to the CCP formations in the customs re-organization of 2018 against the additional work allocated to the CCP formations. As is evident from the above, the number of AC/DC posts have to be increased significantly to to meet the expanding workload and responsibilities of Customs formations, ensure effective supervision and timely decision-making, and strengthen trade facilitation, revenue protection, border security and preventive enforcement.

11.5. Proposed Expansion of Customs Manpower

There are 34 International Airports in India presently. Among the 34, there are 9 Class A, 5 Class B and 2 Class C airports that fall within the staffing norms detailed in circular 16/2013 as detailed below :

S1 No.	State / UT	Location (City)	Avg. Annual International	Class as per Circular 16/2013
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			Flights	
1	Delhi	New Delhi	80,300	A
2	Maharashtra	Mumbai	69,350	A
3	Karnataka	Bengaluru	40,150	A
4	Tamil Nadu	Chennai	38,325	A
5	Kerala	Kochi	32,850	A
6	Telangana	Hyderabad	25,550	A
7	Kerala	Kozhikode	16,425	A
8	Kerala	Thiruvananthapuram	16,425	A
9	West Bengal	Kolkata	14,600	A
10	Gujarat	Ahmedabad	10,950	B
11	Tamil Nadu	Tiruchirappalli	7,300	B
12	Punjab	Amritsar	6,570	B
13	Uttar Pradesh	Lucknow	6,570	B
14	Kerala	Kannur	6,200	B
15	Karnataka	Mangaluru	4,380	C
16	Goa	Dabolim	3,650	C

From the above, atleast Class A airports with more than 25,000 flights annually should be converted to stand alone Commissionerates for efficient focus on the trade and the possible contraband activities that could happen in these airports.

The present Cadre Restructuring proposal has identified **a requirement of 1,900 additional AC/DC-level posts for Customs formations**, covering the principal operational areas as follows:

Customs Formation	Proposed AC/DC Posts	Primary Requirement
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Customs Formation	Proposed AC/DC Posts	Primary Requirement
Sea Ports & Air Cargo Complexes	800	Cargo clearance, risk management, examination and supervision
ICDs, CFSs & Land Customs Stations	400	Inland clearance and cross-border trade
Customs Preventive & Marine Units	400	Intelligence, enforcement, anti-smuggling and coastal/border security
International Airports	300	AIU, Batch and Admin activities
Total	1,900	

The above requirement should be regarded only as a broad national requirement, with the final assessment and distribution of posts being determined through a comprehensive, formation-wise assessment of workload, cargo and passenger volumes, geographical jurisdiction, number of subordinate officers, enforcement responsibilities and other operational requirements. **The detailed assessment may establish a requirement for AC/DC posts substantially higher than the 1,900 posts presently indicated, particularly in view of the continuing expansion of ports, airports, ICDs, CFSs, LCSs and Preventive/Marine formations. The figure of 1,900 should therefore be treated as a minimum indicative requirement for the present exercise and not as a ceiling on the actual requirement, with further posts being provided wherever the workload and functional assessment so warrants.**

The creation of AC/DC posts must also be accompanied by adequate supporting strength at the Inspector and Superintendent levels. A higher supervisory structure without corresponding executive manpower would not provide the intended operational capacity. Conversely, increasing only the lower executive strength without strengthening the AC/DC hierarchy would continue to create supervisory and decision-making bottlenecks.

11.6. Ground-Level Requirement and Expansion of Customs Infrastructure

The need for additional manpower is already evident from the requirements of emerging Customs formations. At Kannur International Airport, the sanctioned staffing pattern included 29 Superintendents and 48 Inspectors, whereas the actual deployment was substantially lower at less than 25%,

necessitating diversion of officers from other formations and thereby affecting their functioning.

Similarly, the commencement of operations at Vizhinjam Port and the proposal for a new Customs Commissionerate reflect the continuing expansion of Customs infrastructure and the consequent need for an adequate executive and supervisory structure. The requirement of appropriate cadre allocation and sufficient manpower assumes particular significance in such newly operationalised formations.

These instances demonstrate that creation and expansion of Customs infrastructure must be accompanied by corresponding augmentation of sanctioned manpower. Otherwise, manpower has to be diverted from existing formations, placing additional pressure on the available workforce and weakening the overall operational capacity of the Customs network.

11.7. Example model in Kerala

In order to understand the scope of expansion that can be proposed under Customs formations, the example cadre of Kerala can be looked into.

Kerala presently has 2 Customs Commissionerates namely the CCP and Custom House, both based at Cochin. Kerala has 4 International Airports, out of which 3 are Class A airports (Cochin, Calicut and Thiruvanthapuram) and one in Class B Airport (Kannur). Kerala also has 2 major ports namely Cochin port with its International Container Terminal and newly operationalized Vizhinjam Port which is going to be an International Transshipment terminal. The road connectivity to Vizhinjam port along with it being a natural deep water port, enables it to expand immediately with multiple ICDs now planned in support of the port. In addition, there are minor ports and ICDs across the state of Kerala. CCP also does all follow up action in relation to the customs contraband cases booked in various ports and airports.

Therefore, with the proposed merger of all cadres, the following sample proposal is made with respect to proposed Commissionerates in Kerala :

Sl No	Commissionerate	Presently manned by	Jurisdiction
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1	Cochin CCP	Central Excise Cadre	Customs activities in the districts of Kasargod, Kannur, Kozhikode, Malapuram, Wayanad, Thrissur, Palakkad, Idukki and the territory outside the GCDA territory in Ernakulam District including ICDs and minor ports
2	Custom House Cochin	Preventive Cadre	Cochin Seaport, Vallarpadam Terminal and all Customs activities within the GCDA territory in Ernakulam District
3	Cochin International Airport	Preventive Cadre	Cochin International Airport (Class A)
4	Thiruvanthapuram CCP	Central Excise Cadre	Thiruvanthapuram Airport (Class A) and all customs related activities in the districts of Thiruvananthapuram, Kollam, Pathanamthitta, Kottayam and Alapuzha including ICDs and minor ports
5	Vizhinjam Seaport	Central Excise Cadre	Vizhinjam Seaport
6	Kozhikode CCP	Central Excise Cadre	Calicut International Airport (Class A) and Kannur International Airport (Class B)

The above 6 Commissionerates together can form the Chief Commissionerate of Customs, Kerala Zone based at Cochin.

11.8. Flexible Deployment under a Unified Executive Cadre

The proposed unified executive cadre can provide an effective mechanism for meeting these expanding requirements. With a common entry-level executive cadre comprising the existing GST/Central Excise, Customs Preventive and Customs Examiner streams, appropriately trained officers can be deployed across Customs and GST formations according to functional requirements.

Experienced Superintendents and Inspectors from the unified cadre could, subject to prescribed training and statutory empowerment, be utilised in Customs formations, thereby providing flexibility in deployment and reducing the dependence on rigid historical cadre structures. At the same time, adequate AC/DC posts must be created to provide the necessary supervisory and statutory hierarchy within these formations.

11.9. Proposal

The Association therefore proposes that Customs manpower should be substantially augmented as an integral part of the Cadre Restructuring exercise, with particular emphasis on strengthening the Assistant Commissioner and Deputy Commissioner-level structure. **The 1,900 AC/DC posts presently identified should be treated as a minimum indicative requirement and not as a ceiling on the actual requirement. The final number of AC/DC posts should be determined through a comprehensive, formation-wise assessment of workload, cargo and passenger volumes, geographical jurisdiction, subordinate manpower, enforcement responsibilities and other operational requirements.** The restructuring should accordingly provide for such higher number of AC/DC posts as may be found necessary on the basis of the detailed assessment, with their distribution across ports, airports, ICDs, CFSs, LCSs and Preventive/Marine formations based on objective functional requirements.

The restructuring should consequently establish a properly balanced hierarchy of Inspector/Superintendent–Assistant Commissioner–Deputy Commissioner and higher supervisory levels, supported by adequate ministerial and other ancillary manpower. The objective should be to ensure that the expansion of India's trade infrastructure is matched by a corresponding expansion of Customs administrative capacity, enabling CBIC to provide faster trade facilitation, effective revenue protection, stronger enforcement and appropriate border-management capability.

In essence, **the Customs component of Cadre Restructuring should not be confined to redistribution of existing posts. It should provide for substantial augmentation of manpower, particularly at the AC and DC levels, commensurate with the expanding volume, geographical spread and complexity of Customs functions.**

ANNEXURE - I

PART II — DRAFT “CENTRAL TAX SERVICE RULES, 2026”

(Drafted on the pattern of the Central Secretariat Service Rules, 2009, as adapted to the functions and cadre structure of the Central Board of Indirect

1. Short title, application and commencement

- (1) These rules may be called the Central Tax Service Rules, 2026.
- (2) They shall apply to all posts in the grades specified in Schedule I, in the Central Tax field formations, Directorates and attached/subordinate offices under the Central Board of Indirect Taxes and Customs.
- (3) They shall come into force on the date of their publication in the Official Gazette, following prior consultation with the Union Public Service Commission and concurrence of the Department of Personnel and Training and the Department of Expenditure.

2. Definitions

In these rules, unless the context otherwise requires —

- (a) “Cadre Authority”** means the authority designated under Rule 4 to administer the Service;
- (b) “Service”** means the Central Tax Service constituted under Rule 3;
- (c) “Grade”** means a grade of the Service specified in Schedule I;
- (d) “Board”** means the Central Board of Indirect Taxes and Customs constituted under the Central Boards of Revenue Act, 1963;
- (e) “DPC”** means the Departmental Promotion Committee constituted for promotion to a grade of the Service under Rule 12;
- (f) “IRS (C&IT)”** means the Indian Revenue Service (Customs and Indirect Taxes), recruited through the Civil Services Examination conducted by the Union Public Service Commission, and to which these rules shall not apply;
- (g) “Select List”** means the year-wise, grade-wise select list of officers approved for promotion by the DPC and confirmed by the Cadre Authority;
- (h) words and expressions used but not defined in these rules** shall have the meanings assigned to them in the Fundamental Rules and Supplementary Rules, and in the CCS (Classification, Control and Appeal) Rules, 1965, as applicable.

3. Constitution of the Service

1. There shall be constituted a Service to be called the Central Tax Service, comprising the grades specified in Schedule I.
2. The Service shall consist wholly of persons appointed substantively to a grade of the Service in accordance with these rules.
3. Nothing in these rules shall be construed as constituting the Service, or any grade thereof, as part of, or a source of recruitment to, the Indian Revenue Service (Customs and Indirect Taxes), or as diminishing the cadre strength, seniority, or Recruitment Rules of that Service.

4. Cadre Authority

1. The Cadre Authority for the Service shall be a Member of the Central Board of Indirect Taxes and Customs nominated in this behalf by the Board ("Member (CTS Cadre)"), assisted by a Directorate of Central Tax Service.
2. The Cadre Authority shall be responsible for maintenance of the all-India gradation/seniority list, constitution of DPCs, approval of transfers and postings at Grades III to VII, and periodic cadre review of the Service, in like manner as the Department of Personnel and Training functions as cadre authority for the Central Secretariat Service.

5. Grades and Authorized Strength

1. The Service shall comprise the Seven grades set out in Schedule I.
2. The authorized strength of each grade shall be as determined from time to time by the Central Government on the recommendation of a Cadre Review Committee, and notified separately; an illustrative structure is at Schedule II.
3. The authorized strength of Grades III to VII (the Group A grades of the Service) shall be constituted through creation of new posts with the concurrence of the Department of Expenditure, and shall be maintained and reviewed distinctly from, and without reduction to, the cadre strength of the IRS (Customs and Indirect Taxes).

6. Method of Recruitment

1. Recruitment to Grade I (Inspector of Central Tax) shall be made —

- a. by direct recruitment through the Combined Graduate Level Examination conducted by the Staff Selection Commission; and
 - b. by such departmental promotion from Group C posts as may be prescribed in the Recruitment Rules for Grade I.
2. Recruitment to Grade II (Superintendent of Central Tax) shall be made wholly by promotion, on the basis of seniority-cum-fitness, from among Inspectors of Central Tax who have rendered not less than such qualifying service of two years and who have successfully completed the probation period in the grade of Inspector.
3. Recruitment to Grade III (Assistant Commissioner of Central Tax) — the entry grade of **the Group A** portion of the Service — shall be made wholly by promotion, on the basis of a select list prepared by the DPC on merit-cum-seniority basis, from among Superintendents of Central Tax who have rendered not less than such qualifying service as may be prescribed in Schedule III, subject to vigilance clearance and satisfactory APARs.
4. Recruitment to Grade IV to Grade VII shall similarly be made wholly by promotion from the next lower grade of the Service, on merit-cum-seniority basis, in accordance with the qualifying service prescribed in Schedule III.
5. No post in Grades III to VII shall be filled by direct recruitment or by transfer/deputation from the Indian Revenue Service (Customs and Indirect Taxes) or any other Service, except in a purely ex-cadre, tenure-based capacity not counted against the authorized strength of the Service.

7. Probation

1. Every person appointed to Grade I by direct recruitment shall be on probation for a period of two years, extendable in accordance with the Recruitment Rules for that grade.
2. There shall be no probation on promotion to Grades II to VII, promotion being to a post in the same Service.

8. Seniority

1. Seniority shall be maintained by the Cadre Authority/Directorate of CTS in the order in which officers are confirmed or approved by the DPC, in accordance with DoPT's general seniority guidelines applicable to organised Group B/Group A services.

2. Inter-se seniority as between officers of the Service and officers of the Indian Revenue Service (Customs and Indirect Taxes) holding posts of equivalent designation shall not arise, the two Services being maintained as functionally distinct cadres with separate seniority lists, in the same manner as CSS and IAS officers occupying Secretariat posts are not inter-seniority-ranked with each other.

9. Departmental Promotion Committee

1. A DPC shall be constituted for each grade, chaired by an officer not below the rank of Chief Commissioner/Principal Chief Commissioner of the zone for Group B posts, and the Director of CTS for Group A CTS posts, with such composition, and subject to such consultation with the Union Public Service Commission as may be prescribed for Group A promotions.
2. The DPC shall meet at least once every year to prepare the select list for Group A Posts, and Every month for Group B Posts, so as to avoid stagnation and ad hoc promotion practices.

10. Confirmation

An officer promoted to a grade of the Service at the level of Inspector (Pay Level-7) shall be confirmed in that grade on satisfactory completion of two years (or as may be prescribed), subject to vigilance clearance and completion of prescribed training.

11. Training

Every officer promoted to Grade III, IV, V and VI shall undergo such mid-career training as may be prescribed by the Board from time to time.

12. Cadre Review

The strength of each grade of the Service, and the ratio of posts among Grades III to VII, shall be reviewed at intervals not exceeding five years by a Cadre Review Committee constituted by the Board, having regard to workload, stagnation levels, and vacancy trends, on the pattern of periodic CSS cadre reviews.

13. Relaxation

Where the Central Government is satisfied that the operation of any of these rules causes undue hardship in any particular case, it may, by order,

dispense with or relax the requirements of that rule to such extent and subject to such conditions as it may consider necessary for dealing with the case in a just and equitable manner, provided that no such relaxation shall be made except in consultation with the Union Public Service Commission where posts under its purview are concerned.

14. Interpretation

If any question arises relating to the interpretation of these rules, it shall be referred to the Central Government (Department of Personnel and Training), whose decision thereon shall be final.

15. Repeal and Savings

Any rules, orders or instructions in force immediately before the commencement of these rules and corresponding to the provisions herein shall stand superseded to the extent of such correspondence; provided that any order made or action taken under the rules so superseded shall, insofar as it is not inconsistent with these rules, be deemed to have been made or taken under the corresponding provisions of these rules.

SCHEDULE I — Grades of the Central Tax Service

Sl. No.	Designation	Classification
1	Inspector of Central Tax	Group B, Non-Gazetted
2	Superintendent of Central Tax	Group B, Gazetted
3	Assistant Commissioner of Central Tax	Group A
4	Deputy Commissioner of Central Tax	Group A
5	Joint Commissioner of Central Tax	Group A
6	Additional Commissioner of Central Tax	Group A
7	Commissioner of Central Tax	Group A

SCHEDULE II — Pay in Levels, Qualifying Service for Promotion and Key Function Responsibilities

Service Grade / Tier	Corresponding Pay Level	Eligibility Criteria / Time Milestone	Key Functional Responsibilities
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Superintendent Group-B Gazetted	Pay Level 8/9 / NFUG to Level 10 after four years of service	Entry upon promotion from the Inspector cadre.	Manages complex data- driven return scrutiny, large taxpayer lifecycles, and advanced tax audits.
Assistant Commissioner (CTS) Group-A	Pay Level 10	4 Years of continuous regular service in Grade of Superintendent.	Serves as the Command Node for a Primary Executive Circle; exercises full statutory and quasi- judicial powers, Scrutiny of certain Large Taxpayers and supervising and initiation of Anti-Evasion activities and other legal & Administrative branches of Executive Commissionerates
Deputy Commissioner (CTS) Group-A	Pay Level 11	4 Years of regular service Assistant Commissioner (CTS).	
Joint Commissioner Selection Grade (CTS) Group-A	Pay Level 12	Based on seniority- cum-fitness after 5 years of regular service as Deputy Commissioner (CTS).	Deployed to specialized state-level directorates, advanced data- analytics cells, regional audit headquarters, Scrutiny of Largest Taxpayers and supervising of Anti-Evasion branches and other legal & Administrative branches of Executive Commissionerates.
Additional Commissioner Selection Grade (CTS) Group-A	Pay Level 13	Based on seniority- cum-fitness after 3 years of regular service as Joint Commissioner (CTS).	
Commissioner of Central Tax (CTS) Group A	Pay Level-14	From Additional Commissioner of Central Tax (CTS) on the basis of vacancies in the Grade	Administrative Head of the Executive Commissionerates/role in policy making in Board/Directorates etc.
