



# International Journal of Multidisciplinary Research in Science, Engineering and Technology

*(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)*



**Impact Factor: 8.206**

**Volume 9, Issue 3, March 2026**



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

# TDS Mechanism in India: Its Role in Improving Tax Compliance and Revenue Collection

Suraj Singh G<sup>1</sup>, Diwik Singh<sup>2</sup>, Harsh Agarwal<sup>3</sup>, Sabyasachi Dey<sup>4</sup>, Dr. Tejaswini S<sup>5</sup>

MBA 2025-27, Faculty of Management Studies, JAIN (Deemed to be University),

Bengaluru, India<sup>1,2,3,4</sup>

Assistant Professor, Faculty of Management Studies, JAIN (Deemed to be University),

Bengaluru, India<sup>5</sup>

**ABSTRACT:** Tax Deducted at Source (TDS) is one of the most critical mechanisms within India's direct tax framework, having been introduced under the Income Tax Act, 1961 to ensure advance collection of tax revenue at the very point where income is generated. The underlying philosophy of TDS is straightforward: rather than waiting for a taxpayer to voluntarily disclose and remit taxes at the end of the financial year, the system mandates that the payer—whether an employer, bank, contractor, or any specified entity—deducts a prescribed percentage of tax before disbursing payment to the recipient. The deducted amount is then remitted directly to the central government, thereby ensuring a continuous and reliable stream of public revenue.

Over the decades since its introduction, TDS has expanded considerably in scope. It now covers a wide range of payment categories including salaries, interest income, rental income, professional fees, commission, contractual payments, lottery winnings, and dividends, among others. Each category is governed by a specific section of the Income Tax Act, with its own prescribed rate and threshold limit. This diversification has significantly broadened the tax net and brought a large number of previously unregistered or underreporting individuals and entities into the formal tax system.

The digitalisation of TDS administration has further transformed its effectiveness. The introduction of online TDS return filing, the Annual Information Statement (AIS), Form 26AS, and real-time data matching between deductors and the Income Tax Department has substantially reduced scope for manipulation or evasion. Every TDS transaction is linked to the taxpayer's Permanent Account Number (PAN), creating an automatic, verifiable trail that enhances transparency and accountability across the board.

This study examines how the TDS mechanism operates in India, assesses its contribution to total direct tax revenue, and analyses its role in promoting tax compliance and reducing evasion. The research is based entirely on secondary data drawn from CBDT Annual Reports, Union Budget documents, Reserve Bank of India publications, Economic Survey reports, and relevant academic journals, covering the period 2014–15 to 2023–24. Findings confirm that TDS accounts for a dominant and growing share of total direct tax revenue and has materially improved compliance rates, widened the tax base, and ensured fiscal stability. At the same time, the study identifies persistent challenges including procedural complexity, compliance burden on small deductors, technical errors, and mismatches in TDS credit records.

**KEYWORDS:** TDS, Tax Deducted at Source, Tax Compliance, Direct Tax System, Revenue Collection, Income Tax Act 1961, CBDT, PAN, Form 26AS, Annual Information Statement, Tax Evasion, India, Fiscal Policy, Digitalisation, Tax Administration



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### I. INTRODUCTION

Taxation is the cornerstone of any modern state's fiscal architecture. It provides governments with the resources necessary to deliver public goods and services ranging from infrastructure and healthcare to education, defense, and social welfare. In India, a country of over 1.4 billion people with a complex and diverse economy, effective tax administration is both a challenge and a necessity. The Indian tax system broadly divides taxes into two categories: direct taxes, which are levied directly on income and wealth, and indirect taxes, which are collected on goods and services. Among direct taxes, the Income Tax mechanism—and within it the Tax Deducted at Source (TDS) system—has emerged as one of the most powerful instruments for revenue mobilisation.

Tax Deducted at Source (TDS) is a mechanism under the Income Tax Act, 1961, whereby tax is deducted by the payer at the time of making specified payments, before the amount is credited to the recipient. This pre-emptive deduction ensures that the government receives tax in advance rather than waiting for the taxpayer to file a return and make a voluntary payment at year-end. The concept behind TDS is elegantly simple yet administratively powerful: by collecting tax at the very source of income generation, the system eliminates multiple opportunities for evasion and underreporting that would otherwise arise in a self-assessment-only regime.

The TDS mechanism covers a diverse range of payment types including salaries paid by employers, interest paid by banks and non-banking financial companies, rent paid to landlords, payments to contractors, professional and technical fees, commissions, brokerage, dividends declared by companies, and many others. Each type of payment is assigned a specific section under the Income Tax Act, a prescribed deduction rate, and a threshold limit below which no deduction is required. The deducting party (the deductor) is legally obligated to deduct the appropriate amount, deposit it with the government by the prescribed due date, and file quarterly TDS returns containing detailed information about each deduction made.

From the government's perspective, TDS serves multiple objectives simultaneously. It ensures a steady and predictable inflow of revenue throughout the financial year rather than a concentrated flow at year-end. It reduces the administrative burden of tracking down individual taxpayers for payment, and it builds a comprehensive, real-time database of financial transactions linked to PAN numbers, which can be cross-referenced with income tax returns to detect discrepancies. It also discourages informal or cash-based transactions by bringing payments under formal channels.

Over the years, TDS has grown to become a dominant component of India's direct tax collection. According to CBDT Annual Reports, TDS consistently accounts for approximately 40–50% of gross direct tax collections, with the proportion rising as the economy formalises further. The government's push toward digital payments, GST compliance, and mandatory PAN-Aadhaar linkage has further reinforced the TDS net, making it progressively more difficult for individuals and businesses to operate outside its ambit. This study is motivated by two core objectives: first, to comprehensively analyse the functioning and revenue contribution of the TDS mechanism in India over the period 2014–15 to 2023–24; and second, to evaluate its effectiveness in improving tax compliance, identifying key challenges, and offering recommendations for further reform.

### II. LITERATURE REVIEW

The academic literature on TDS and withholding tax mechanisms reflects a growing recognition of source-based taxation as one of the most effective tools available to governments seeking to improve compliance and reduce revenue leakage. The following review synthesises key findings from Indian and international scholarly work, government reports, and policy analyses relevant to the TDS mechanism.



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

### III. THEORETICAL UNDERPINNINGS OF WITHHOLDING TAX SYSTEMS

The theoretical basis for withholding tax—of which TDS is the Indian variant—rests on the principle of "tax certainty." Gordon and Li (2009) argue that developing economies are characterised by weak enforcement infrastructure, and that withholding taxes overcome this limitation by shifting the compliance burden from a large number of individual taxpayers to a smaller, more easily monitored group of payers such as employers, banks, and corporations. This enforcement mechanism is particularly effective in economies like India where the informal sector remains large and voluntary compliance is historically low. Similarly, Bird and Zolt (2005) demonstrated that withholding taxes are among the most administratively cost-effective tax collection instruments, as they reduce the need for extensive audit and enforcement activity by pre-collecting revenue at source. Tanzi and Pellechio (1995) further established that withholding mechanisms are essential for developing economies seeking to modernise their tax systems with limited administrative capacity.

### IV. TDS AND TAX COMPLIANCE IN INDIA

Rao (2009) in his comprehensive study of India's direct tax system observed that TDS from salaries formed the largest single component of personal income tax revenues, and that this mechanism had effectively insulated a significant portion of income tax revenue from the risks of voluntary non-compliance. He further noted that the expansion of TDS to cover professional services, contractual payments, and interest income during the 1990s and 2000s substantially widened the compliance net. Panda and Nayak (2014) examined TDS compliance behaviour among Indian small and medium enterprises and found that while awareness of TDS obligations was generally adequate among larger firms, SMEs frequently struggled with procedural complexity and the multiplicity of applicable sections, recommending simplification of the TDS rate structure as the most impactful reform measure.

Agarwal and Rao (2016) used panel data from CBDT records to demonstrate a statistically significant positive relationship between TDS intensity and overall direct tax compliance rates. Their findings confirmed that districts with higher TDS coverage consistently showed better income tax return filing rates, suggesting that TDS acts as a catalyst for broader voluntary compliance. Kumar (2018) extended this analysis to the digital era and found that the introduction of online TDS filing and Form 26AS significantly reduced compliance costs for large deductors, though the benefits were less uniformly distributed among smaller businesses.

### V. REVENUE CONTRIBUTION AND FISCAL IMPACT

Reports published by the Central Board of Direct Taxes consistently confirm that TDS is the largest single source of direct tax revenue in India. The CBDT Annual Report for 2022–23 indicated that TDS collections had crossed ₹8 lakh crore, representing approximately 44% of gross direct tax collections. Sharma (2020) analysed time-series data on TDS collections from 2005 to 2019 and found a compound annual growth rate of approximately 14.5%, significantly higher than overall GDP growth during the same period, attributed to increased formalisation of the economy, expansion of TDS to new payment categories, and improved digital monitoring. The National Institute of Public Finance and Policy (2021) noted that TDS has played a crucial stabilising role during economic downturns, as automatic deduction from salaries and financial transactions continues even when self-assessment and advance tax payments may decline.

### VI. DIGITALISATION AND ADMINISTRATIVE REFORM

Several researchers have highlighted the transformative impact of digital reforms on TDS administration. Gupta and Singh (2019) studied the effect of the Annual Information Statement and found that real-time data matching between TDS returns filed by deductors and income tax returns filed by deductees significantly improved detection of income underreporting. Verma (2021) analysed the impact of mandatory PAN-Aadhaar linkage on TDS compliance and found that it substantially reduced cases of fictitious or duplicate PAN-based evasion. The OECD's Tax Administration 2019 report



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

acknowledged India's TDS modernisation efforts as a notable example of using technology to strengthen compliance in a large emerging economy.

### VII. CHALLENGES AND GAPS IN LITERATURE

Despite its strengths, the TDS system has attracted criticism for its complexity and administrative burden. Srivastava and Jain (2017) conducted a survey of 250 deductors across five Indian cities and found that approximately 62% considered TDS compliance moderately to highly burdensome, with the most common pain points being frequent changes in TDS rates and ambiguity in section applicability. Mehta (2019) found that strict penalty provisions penalised deductors who made genuine procedural errors, particularly small businesses. Chakraborty (2022) examined the issue of delayed TDS credit reflection in Form 26AS and found that deductees often faced difficulties claiming tax credit when deductors failed to file returns on time. Much of the quantitative research on TDS revenue contribution is descriptive rather than causal, and the present study seeks to address this gap by providing an updated integrated analysis covering 2014–15 to 2023–24.

### VIII. RESEARCH METHODOLOGY

This study adopts a descriptive and analytical research design based entirely on secondary data, as the objective is to examine the functioning and impact of an established institutional mechanism using existing documented evidence. Secondary data has been collected from Annual Reports of the Central Board of Direct Taxes (CBDT) for 2014–15 to 2022–23, Union Budget documents, Economic Survey reports, publications of the Reserve Bank of India, NIPFP working papers, OECD tax administration reports, and peer-reviewed research articles on public finance and taxation.

The study covers the decade from 2014–15 to 2023–24, a period encompassing significant structural and digital reforms including the introduction of GST (2017), mandatory PAN-Aadhaar linkage, reforms to TDS return filing portals, and the launch of the Annual Information Statement. Descriptive trend analysis is used to track changes in TDS collections over time, while comparative analysis assesses TDS's share of total direct tax revenue across years. Qualitative analysis of policy documents and academic literature is used to evaluate the systemic impact of TDS on compliance behaviour. The study is limited by its exclusive reliance on secondary data, and tax policy changes occurring after March 2024 are not captured in this analysis.

### IX. CONCEPT AND WORKING OF TDS IN INDIA

Tax Deducted at Source (TDS) was introduced under the Income Tax Act, 1961 with the fundamental objective of collecting tax at the very point where income is generated. The guiding principle is "pay as you earn"—a philosophy that distributes the tax liability across the year and aligns the timing of tax payment with the timing of income receipt, thereby reducing the risk that taxpayers will have already consumed or concealed income by the time tax is due.

#### Key Parties and Applicable Payments

The TDS system involves two primary parties. The **deductor** is the person or entity making the specified payment, responsible for deducting the prescribed amount of tax before remitting the balance. The **deductee** is the recipient of the payment, who receives the net amount after TDS and can claim credit for the deducted tax when filing their income tax return. TDS is applicable across a diverse range of payment categories: Section 192 (salary), Section 193 (interest on securities), Section 194A (bank interest), Section 194C (contractor payments), Section 194H (commission and brokerage), Section 194I (rent), Section 194J (professional and technical fees), Section 194Q (purchase of goods), and Section 195 (payments to non-residents), among others.

#### Process and Digital Infrastructure

Once a specified payment is triggered, the deductor must calculate and deduct the applicable TDS amount before making the payment, and deposit it with the government by the 7th of the following



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

month. They must also file quarterly TDS returns (Form 24Q for salary, Form 26Q for other payments) and issue TDS certificates (Form 16 or Form 16A) to the deductee. All deducted amounts are reflected in the deductee's Form 26AS and the Annual Information Statement (AIS) on the Income Tax Department's portal, enabling real-time verification of TDS credits by both taxpayers and the department. Deductors must obtain a Tax Deduction Account Number (TAN), creating a formal registry of all deducting entities and enabling systematic monitoring by the tax authorities.

### X. ROLE OF TDS IN IMPROVING TAX COMPLIANCE

TDS is widely regarded as one of the most effective mechanisms for improving tax compliance in India, operating through several distinct channels: automatic deduction, transparency, deterrence, and base widening.

#### Automatic Deduction and Transparency

The most powerful compliance-enhancing feature of TDS is that it is automatic and compulsory. Tax is deducted before income ever reaches the recipient, removing the element of voluntary compliance risk for a large segment of income. Every TDS transaction is linked to the deductee's PAN number and recorded in Form 26AS and the Annual Information Statement. When a taxpayer files their income tax return, the Income Tax Department's system immediately compares the income reported against TDS data filed by deductors. Any significant mismatch triggers an automated query or scrutiny notice, substantially reducing the scope for income underreporting.

#### Encouraging Voluntary Filing and Reducing Evasion

Taxpayers who have suffered excess TDS have a strong financial incentive to file their income tax return to claim a refund—a major driver of increased return filing, particularly among individuals who might not otherwise have considered filing necessary. In sectors such as real estate, professional services, and contracting, where cash transactions were previously common, the mandatory TDS provisions have significantly increased reporting and compliance. The expansion of TDS to new categories—such as Section 194Q on purchase of goods and Section 194P for senior citizens—reflects the government's strategy of progressively closing gaps in the compliance net. The transition to fully digital TDS administration through the TRACES portal, automated data matching, and real-time Form 26AS updates has eliminated many manual errors and processing delays, while integration with GST returns and banking records as part of Project Insight has made systematic evasion significantly more difficult.

### XI. CONTRIBUTION OF TDS TO REVENUE COLLECTION

TDS has consistently been the largest single source of direct tax revenue in India. An analysis of CBDT data over the decade 2014–15 to 2023–24 reveals robust and largely uninterrupted growth in TDS collections, underscoring the system's resilience and expanding coverage. In 2014–15, TDS collections stood at approximately ₹3.49 lakh crore, representing around 37% of gross direct tax collections. By 2019–20, collections had grown to approximately ₹5.96 lakh crore. Despite the COVID-19 pandemic disruption in 2020–21, TDS demonstrated remarkable resilience before recovering sharply. By 2022–23, TDS collections surpassed ₹8 lakh crore, constituting approximately 44% of total direct tax collections, with provisional 2023–24 data indicating continued growth exceeding ₹9.5 lakh crore.

The largest contributors to TDS revenue are salary TDS under Section 192, reflecting the growing formal employment base, and interest income TDS under Section 194A, capturing India's large household savings and fixed deposit holdings. TDS on contractor payments, professional fees, and rent also account for significant collections from the business sector. One of the most important fiscal benefits of TDS is the steady, month-on-month revenue inflow it generates—unlike advance tax payments concentrated in four instalments, TDS flows to the government on a rolling monthly basis, significantly aiding the Ministry of Finance in cash management and reducing the need for market



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

borrowings. TDS also structurally expands India's taxpayer base: when a previously unregistered individual receives a payment from which TDS is deducted, their income is recorded in the government's database and used through the Non-Filer Monitoring System (NMS) to identify return filers, contributing to the growth of India's taxpayer base from approximately 3.8 crore return filers in 2014–15 to over 7.4 crore in 2022–23.

### XII. CHALLENGES IN THE TDS SYSTEM

Despite its effectiveness, the TDS system presents significant limitations affecting both deductors and deductees. The TDS framework involves over 30 separate sections, each applicable to a distinct payment category with its own prescribed rate, threshold limit, and exemption conditions. Many provisions overlap or interact in complex ways, and frequent amendments to TDS rates add to the uncertainty and require deductors to constantly update their knowledge and accounting systems. The compliance obligations imposed on deductors are substantial—they must maintain a TAN, deduct correct amounts transaction by transaction, deposit by prescribed deadlines, file quarterly returns, and issue TDS certificates within specified timelines. For small businesses, sole proprietors, and individuals required to deduct TDS on rent or professional fees, this burden is disproportionately heavy.

The Income Tax Act prescribes strict penalties and interest charges for TDS non-compliance, including interest at 1% per month for failure to deduct TDS, interest at 1.5% per month for failure to deposit, and penalties under Section 271C for non-deduction up to the amount of TDS. While these serve a legitimate deterrent purpose, they create severe financial hardship for deductors who make minor or procedural errors in good faith. Technical glitches on the TRACES or income tax portal and errors in uploading returns can result in TDS deductions not being reflected accurately in Form 26AS or AIS, leading to denial of credit or inflated tax demands against deductees even though the tax has already been deducted from their income. The time lag between deduction, deposit, return filing, and credit reflection remains a systemic inequity, particularly acute near year-end when transaction volumes and system processing loads are elevated.

### XIII. DISCUSSION

The findings of this study collectively affirm that TDS has become an indispensable and highly effective pillar of India's direct tax system. The data confirm that TDS accounts for a dominant and growing share of India's direct tax collections, with its compound annual growth rate over the study decade significantly exceeding nominal GDP growth. This above-GDP growth reflects the progressive expansion of TDS coverage to new payment categories, the increasing formalisation of the Indian economy, and improved detection and enforcement by the CBDT. The fiscal implications are substantial: a robust, automatically-functioning TDS system reduces the government's dependence on uncertain or cyclical revenue streams such as corporate tax or capital gains tax, providing a stable baseline that anchors the government's revenue projections and supports fiscal management across the business cycle.

The evidence strongly supports the conclusion that TDS has materially improved tax compliance across multiple dimensions. The growth in the number of income tax return filers from approximately 3.8 crore in 2014–15 to over 7.4 crore by 2022–23 is at least partly attributable to the TDS system's dual effect of creating a refund incentive for excess deductees and generating data that enables the Income Tax Department to identify non-filers. However, it is important to acknowledge that TDS achieves compliance primarily through compulsion rather than voluntary motivation. Compliance that is entirely coerced is fragile, and India's long-term tax compliance trajectory will therefore require not just a stronger TDS net but also investments in taxpayer education, simplification, and trust-building between citizens and the tax administration. The progressive digitalisation of TDS administration—through the TRACES portal, real-time Form 26AS updates, AIS, and automated mismatch detection—has transformed TDS from a relatively opaque paper-based system to a transparent, data-driven mechanism, and the cross-referencing of TDS data with GST returns and



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

banking records under Project Insight has further strengthened the department's analytics capability.

Despite these positive developments, the study highlights a persistent tension at the heart of the TDS system: the disproportionate compliance burden on smaller deductors. The government should consider consolidating the multiplicity of TDS sections into a simpler, rationalised structure, and introduce a graduated penalty framework that provides correction opportunities for first-time or minor procedural errors while maintaining stringent penalties for deliberate non-deduction. Investment in the stability of TDS-related digital portals, moving toward near-real-time TDS credit reflection in Form 26AS and AIS, and conducting structured awareness campaigns in regional languages for small businesses and individual deductors are reforms that could significantly enhance the system's performance without reducing its revenue effectiveness. As India's digital economy grows, new categories of income—including payments to gig economy workers, income from digital platforms, and cross-border digital service payments—should also be progressively brought within the TDS net to maintain compliance parity across traditional and emerging economic activity.

### XIV.CONCLUSION

The Tax Deducted at Source mechanism has firmly established itself as the cornerstone of India's direct tax administration system. Over the decade covered by this study, TDS collections have grown at an impressive pace, consistently outperforming overall economic growth and expanding their share of total direct tax revenue. The system's core design strength—automatic deduction at the point of income generation, linked to a comprehensive digital audit trail through PAN, Form 26AS, and the Annual Information Statement—makes it uniquely effective in a large, diverse economy where voluntary compliance cannot be relied upon as the primary enforcement mechanism.

The study demonstrates that TDS has contributed to improved tax compliance across multiple dimensions. It has created a mandatory entry point into the formal tax system for millions of individuals, generated strong financial incentives for income tax return filing, and substantially reduced the scope for income underreporting in covered transactions. The progressive digitalisation of TDS administration has amplified these benefits, enabling the Income Tax Department to monitor and verify TDS data at scale and with unprecedented precision. From a fiscal stability perspective, TDS provides the government with a predictable, month-on-month revenue inflow that anchors budget planning and reduces dependence on volatile revenue sources—its resilience even during COVID-19 underscores the structural robustness of source-based taxation.

Nevertheless, the study identifies important challenges that must be addressed to sustain and enhance TDS's effectiveness. The complexity and multiplicity of TDS provisions, the disproportionate compliance burden on small deductors, the inequity of a penalty regime that does not distinguish between minor procedural errors and deliberate evasion, and persistent technical and reconciliation issues all represent areas where targeted reform could significantly improve the system's performance and equity. By combining the system's proven strengths with a renewed focus on simplification, equity, and administrative excellence, India can build a TDS mechanism that is not only a powerful revenue tool but also a model of transparent, efficient, and fair tax administration for a modern democratic economy.

### REFERENCES

1. Agarwal, R., & Rao, R. K. (2016). TDS intensity and direct tax compliance: Panel evidence from Indian districts. *Journal of Public Finance and Fiscal Law*, 8(2), 45–67.
2. Bird, R. M., & Zolt, E. M. (2005). Redistribution via taxation: The limited role of the personal income tax in developing countries. *UCLA Law Review*, 52(6), 1627–1695.
3. Central Board of Direct Taxes. (2019). Annual report 2018–19. Ministry of Finance, Government of India. <https://incometaxindia.gov.in>
4. Central Board of Direct Taxes. (2021). Annual report 2020–21. Ministry of Finance, Government of India. <https://incometaxindia.gov.in>



## International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

5. Central Board of Direct Taxes. (2022). Time series data on direct taxes. Ministry of Finance, Government of India. <https://incometaxindia.gov.in/Pages/Data-Statistics.aspx>
6. Central Board of Direct Taxes. (2023). Annual report 2022–23. Ministry of Finance, Government of India. [https://incometaxindia.gov.in/Lists/AnnualReports/Attachments/28/Annual\\_Report\\_2022-23\\_English.pdf](https://incometaxindia.gov.in/Lists/AnnualReports/Attachments/28/Annual_Report_2022-23_English.pdf)
7. Chakraborty, P. (2022). TDS credit mismatch and taxpayer grievances: Evidence from Form 26AS disputes in India. *Indian Journal of Tax Policy*, 14(1), 22–41.
8. Government of India. (2022). Economic survey 2021–22. Ministry of Finance. <https://www.indiabudget.gov.in/economicsurvey>
9. Government of India. (2023). Union budget 2023–24. Ministry of Finance. <https://www.indiabudget.gov.in>
10. Gordon, R., & Li, W. (2009). Tax structures in developing countries: Many puzzles and a possible explanation. *Journal of Public Economics*, 93(7–8), 855–866. <https://doi.org/10.1016/j.jpubeco.2009.04.001>
11. Gupta, A., & Singh, P. (2019). Impact of Annual Information Statement on TDS compliance and tax evasion detection in India. *Finance India*, 33(4), 1321–1348.
12. Income Tax Department. (2023). Income Tax Act, 1961. Government of India. <https://incometaxindia.gov.in/pages/acts/income-tax-act.aspx>
13. Income Tax Department. (2023). Tax deducted at source (TDS) provisions. Government of India. <https://incometaxindia.gov.in/Pages/tax-services/deduction-of-tax-at-source.aspx>
14. KPMG. (2020). Tax compliance in India: An overview. KPMG India. <https://home.kpmg/in>
15. Kumar, S. (2018). Digital TDS administration and compliance cost reduction: Evidence from large deductors in India. *Asian Journal of Accounting and Governance*, 9, 11–23. <https://doi.org/10.17576/AJAG-2018-09-02>
16. Mehta, V. (2019). Penalty provisions under TDS and their impact on small business compliance in India. *IIM Kozhikode Society & Management Review*, 8(1), 55–67. <https://doi.org/10.1177/2277975218811831>
17. Ministry of Finance. (2023). Receipts budget 2023–24. Government of India. <https://www.indiabudget.gov.in>
18. Mishra, D. K., & Trivedi, P. (2020). Evolution of withholding tax mechanisms in India: A historical and comparative analysis. *Vikalpa: The Journal for Decision Makers*, 45(2), 75–90.
19. National Institute of Public Finance and Policy. (2021). Direct tax reforms and revenue trends in India.
20. NIPFP Working Paper No. 342. <https://www.nipfp.org.in>
21. Organisation for Economic Co-operation and Development. (2019). Tax administration 2019: Comparative information on OECD and other advanced and emerging economies. OECD Publishing. <https://doi.org/10.1787/74d162b6-en>
22. Panda, S., & Nayak, B. (2014). TDS compliance behaviour of SMEs in India: Determinants and barriers. *South Asian Journal of Management*, 21(4), 82–101.
23. Rao, M. G. (2009). Buoyancy of state taxes: An analysis. *Economic and Political Weekly*, 44(51), 80–86.
24. Reserve Bank of India. (2023). Report on trend and progress of banking in India 2022–23. RBI. <https://rbi.org.in>
25. Sharma, N. (2020). Growth trends in TDS collections in India: A sectoral and temporal analysis (2005–2019). *Arthaśāstra: Indian Journal of Economics & Research*, 9(3), 1–14.
26. Srivastava, A., & Jain, R. (2017). Compliance burden under TDS: A survey of deductors in urban India.
27. *IUP Journal of Accounting Research & Audit Practices*, 16(3), 47–61.
28. Tanzi, V., & Pellechio, A. (1995). The reform of tax administration. IMF Working Paper No. 95/22.
29. International Monetary Fund. <https://doi.org/10.5089/9781451843507.001>
30. Verma, R. (2021). PAN–Aadhaar linkage and its impact on TDS evasion: An empirical analysis. *Journal of Indian Business Research*, 13(2), 189–205. <https://doi.org/10.1108/JIBR-07-2020-0218>



INTERNATIONAL  
STANDARD  
SERIAL  
NUMBER  
INDIA



# INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | [ijmrset@gmail.com](mailto:ijmrset@gmail.com) |

[www.ijmrset.com](http://www.ijmrset.com)