

Instruction No. .../2014

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

North-Block, IT (A-II) Division  
New Delhi the 2<sup>nd</sup> of September, 2014

To

All Pr. Chief-Commissioners of Income-tax/Chief-Commissioners of Income-tax  
All Pr. Directors-General of Income-tax/Directors-General of Income-tax

Sir/Madam

**Subject: Compulsory manual selection of cases for scrutiny during the Financial Year 2014-15-regd:-**

1. In supersession of earlier Instructions on the above subject, the Board hereby lays down the following procedure and criteria for manual selection of returns/cases for scrutiny during the financial-year 2014-2015:-

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- a) Cases involving addition in an earlier assessment year in excess of Rs. 10 lakhs on a substantial and recurring question of law or fact which is confirmed in appeal or is pending before an appellate authority.
  - b) Cases involving addition in an earlier assessment year on the issue of transfer pricing in excess of Rs. 10 crore or more on a substantial and recurring question of law or fact which is confirmed in appeal or is pending before an appellate authority.
  - c) All assessments pertaining to Survey under section 133A of the Act excluding the cases where there are no impounded books of accounts/documents and returned income excluding any disclosure made during the Survey is not less than returned income of preceding assessment year. However, where assessee retracts the disclosure made during the Survey will not be covered by this exclusion.
  - d) Assessments in search and seizure cases to be made under section 158B, 158BC, 158BD, 153A & 153C read with section 143(3) of the Act and also for the returns filed for the assessment year relevant to the previous year in which authorization for search and seizure was executed u/s 132 or 132A of the Act.
  - e) Returns filed in response to notice under section 148 of the Act.
  - f) Cases where registration u/s 12AA of the IT Act has not been granted or has been cancelled by the CIT/DIT concerned, yet the assessee has been found to be claiming tax-exemption under section 11 of the Act. However, where such orders of the CIT/DIT have been reversed/set-aside in appellate proceedings, those cases will not be selected under this clause.
  - g) Cases where order denying the approval u/s 10(23C) of the Act or withdrawing the approval already granted has been passed by the Competent Authority, yet the assessee has been found claiming tax-exemption under the aforesaid provision of the Act.
  - h) Cases in respect of which specific and verifiable information pointing out tax-evasion is given by Government Departments/Authorities. The Assessing Officer

shall record reasons and take prior approval from jurisdictional Pr. CCIT/CCIT/Pr. DGIT/DGIT concerned before selecting such a case for scrutiny.

2. Computer Aided Scrutiny Selection (CASS): Cases are also being selected under CASS on the basis of broad based selection filters. List of such cases shall be separately intimated in due course by the DGIT(Systems) to the jurisdictional authorities concerned.

3. It is reiterated that the targets for completion of scrutiny assessments and strategy of framing quality assessments as contained in Central Action Plan document for Financial-Year 2014-2015 has to be complied with and it must be ensured that all scrutiny assessment orders including the cases selected under the manual criterion are completed through the AST system software only. Further, in order to ensure the quality of assessments being framed, Pr. CCsIT/CCsIT/Pr. DsGIT/DsGIT should evolve a suitable monitoring mechanism and by 30<sup>th</sup> April, 2015, such authorities shall send a report to the respective Zonal Member with a copy to Member (IT) containing details of at least 50 quality assessment orders from their respective charges. In this regard, IT Authorities concerned must ensure that cases selected for publication in 'Let us Share' are picked up only from the quality assessments as reported.

4. These instructions may be brought to the notice of all concerned. If considered necessary, a supplementary guideline would be issued subsequently.

5. Hindi version to follow.

*Rg*

(Rohit Garg)

Deputy-Secretary to the Government of India

**F.No. 225/229/2014/ITA.II**

**Copy to:**

1. PS to FM/OSD to FM/PS to MoS (R)/OSD to MoS(R)
2. PS TO Secretary (Revenue)
3. Chairperson, CBDT & All Members, CBDT
4. All Joint Secretaries/CsIT, CBDT
5. Directors/Deputy Secretaries/Under Secretaries of CBDT
6. DIT(PR,PP&OL), Mayur Bhawan, N.Delhi
7. The Comptroller and Auditor-General of India
8. ITCC Division, CBDT
9. The JS & Legal Advisor, Ministry of Law & Justice
10. NIC, M/o Fin-for uploading on the Department's website
11. Data-Base Cell for uploading on irs officers website

*Rg*

(Rohit Garg)

Deputy-Secretary to the Government of India