

Instruction No. 04/2018

**Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes (ITA-II division)**

North Block, New Delhi the 20th of August, 2018

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: Guidelines for manual selection of returns for Complete Scrutiny during the financial-year 2018-2019-regd.-

I. The parameters for manual selection of returns for Complete Scrutiny during financial-year 2018-19 are as under:-

(i) Cases involving addition in an earlier assessment year(s) on a recurring issue of law or fact-

- a. exceeding Rs. 25 lakhs in eight metro charges at Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata, Mumbai and Pune, while at other charges, quantum of addition should exceed Rs. 10 lakhs;
- b. exceeding Rs. 10 crore in transfer pricing cases.

and where such an addition-

1. has become final as no further appeal was/has been filed; or
2. has been confirmed at any stage of appellate process in favour of revenue and assessee has not filed further appeal; or
3. has been confirmed at the 1st stage of appeal in favour of revenue or subsequently and further appeal of assessee is pending.

(ii) Cases pertaining to Survey under section 133A of the Income-tax Act, 1961 ('Act') excluding those cases where books of accounts, documents etc. were not impounded and returned income (excluding any disclosure made during the Survey) is not less than returned income of preceding assessment year. However, where assessee has retracted from disclosure made during the Survey, such cases will not be covered by this exclusion.

(iii) Assessments in search and seizure cases to be made under section(s) 153A, 153C, 158B, 158BC & 158BD read with section 143(3) of the Act and also for return filed for assessment year relevant to previous year in which authorization for search and seizure was executed under section 132 or 132A of the Act.

(iv) Returns filed in response to notice under section 148 of the Act.

(v) Cases where registration/approval under various sections of the Act such as 12A, 35(1)(ii)/(iii), 10(23C) etc. have not been granted or have been cancelled/withdrawn by the Competent Authority, yet the assessee has been found to be claiming tax-exemption/deduction in the return. However, where such orders of withdrawal of registration/approval have been reversed/set-aside in appellate proceedings, those cases will not be selected under this clause

(vi) Cases in respect of which information pointing out specific tax-evasion for the relevant year is given by any Government Department/Authority/Agency/Regulatory Body. However, before selecting a return for scrutiny under this criterion, Assessing Officer shall take prior administrative approval from concerned jurisdictional Pr. CIT/Pr.DIT/CIT/DIT.

2. Through Computer Aided Scrutiny Selection (CASS), cases are being selected in two categories viz. Limited Scrutiny & Complete Scrutiny in a centralized manner under CASS-2018. CASS is a system based method for scrutiny selection which identifies the cases through data-analytics and three-hundred sixty degree data profiling of taxpayers and in a non-discretionary manner. The list of these cases is being/has been separately intimated by the Principal DGIT (Systems) to the concerned jurisdictional authorities for further necessary action.

3. This may be brought to the notice of all concerned for necessary compliance.

4. Hindi version to follow.



(Rohit Garg)
Director-ITA.II, CBDT

F.No. 225/282/2018/ITA.II

Copy to:

- i. PS to FM/OSD to FM/PS to MoS (R)/OSD to MoS(R)
- ii. PS TO Secretary (Finance)/(Revenue)
- iii. Chairman, CBDT & All Members, CBDT
- iv. All Joint Secretaries/CsIT, CBDT
- v. ADG(PR,PP&DL) with request to place on Departmental Twitter handle
- vi. O/o Pr. DGIT(Systems) with request to upload the instruction on departmental website
- vii. Data-Base Cell for uploading on irs officers website
- viii. ITCC Division, CBDT (3 copies)



(Rohit Garg)
Director-ITA.II, CBDT