

**F. No. 225/66/2023 – ITA-II**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Direct Taxes**

**Room No. 246, ITA-II Division**  
**New Delhi, 3<sup>rd</sup> August, 2023**

To

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

Madam/Sir,

**Subject: Guidelines for compulsory selection of returns for Complete Scrutiny during the Financial Year 2023-24 – procedure for compulsory selection in such cases – clarification-reg.**

Kindly refer to Boards' Guidelines dated 24.05.2023 issued from F.No. 225/66/2023 /ITA-II on the above subject. Based on these guidelines, various letters/queries have been received in the Board from DsGIT(Inv.) and CCsIT(Central) regarding centralization of cases u/s 127 of the Income-tax Act,1961 ('the Act') subsequent to issuance of notices u/s 143(2)/142(1) of the Act in various category of cases.


2. Parameter 4 of Para 2 of the above-referred to Guidelines dated 24.05.2023 reads as under:

S No	Parameter	Procedure for compulsory selection
(4)	<b>Cases in which notices u/s 148 of the Act have been issued</b>	
	Cases where return is <i>either</i> furnished <i>or</i> not furnished in response to notice u/s 148 of the Act.	<b>(i) Cases, where notices u/s 148 of the Act have been issued pursuant to search &amp; seizure / survey actions conducted on or after the 1<sup>st</sup> day of April, 2021:</b> These cases shall be selected for compulsory scrutiny with prior administrative approval of Pr.CIT/ Pr.DIT/ CIT/ DIT concerned who shall ensure that such cases, if lying outside Central Charges, are transferred to Central Charges u/s 127 of the Act within 15 days of service of notice u/s 143(2) / 142(1) of the Act calling for information by the Jurisdictional Assessing Officer concerned.

3. During the course of Search & Seizure action, information relating to some other persons, who may have one-off/very few or limited financial transaction(s) with the main assessee group covered in the search u/s 132/132A of the Act, may be found. Such persons are not integrally connected with the core business of the main assessee searched and do not belong to the same business group. Often such persons are also not residing in the same city as that of the main assessee. In such cases, the relevant information is generally passed on to the jurisdictional AO for assessing them u/s 148(for searches conducted/requisition made after 01.04.2021) of the Income-tax Act, 1961.


4. Accordingly, with reference to Parameter 4 of Para 2 of the above-referred to Guidelines dated 24.05.2023, it is clarified that all such non-search cases selected are not required to be transferred to the Central Charges unless covered by the Board's guidelines under F.No. 299/107/2013-IT(Inv.III)/1568 dated 25.04.2014.

5. The above may be brought to the notice of all concerned for necessary compliance.

  
(Castro Jayaprakash.T)  
Under Secretary (ITA-II), CBDT

**Copy to:**

1. PS to FM/PS to MoS (F)
2. PS to Secretary (Revenue)
3. Chairman, CBDT & All Members, CBDT
4. All Joint Secretaries/CsIT, CBDT
5. DGIT (Systems)-1 and 2
6. Web Manager with request to upload on the Departmental website
7. JDIT, Data-Base Cell for uploading on irsofficersonline website

  
(Castro Jayaprakash.T)  
Under Secretary (ITA-II), CBDT