

Order-Instruction - Income Tax

Instruction No. 14/2015

F. No. 225/259/2015-ITA. II

Government of India

Ministry of Finance

Department of Revenue

(Central Board of Direct Taxes)

North Block, New Delhi

14th October, 2015

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: - Framing of scrutiny assessments in cases of assessee engaged in the business of Mining regarding

The assessee engaged in the business of mining are required to file a Annual Return with Indian Bureau of Mines ('IBM')(Form H-1 in case of Iron Ore mining and Form H-2 to H-8 in case of mining in other Ores).

2. Follow-up enquiries, in regard to some of the companies which find mention in the report of the Justice M.B. Shah Commission of Enquiry, which was constituted by the Government to probe illegal Iron and Manganese Ore mining, shows that in some cases there were significant differences in figures regarding production and closing stock, as reported in the Annual Return filed with IBM vis-a-vis the details furnished in the Income-tax Return.

3. In this context, I am directed to convey that while scrutinizing the cases of entities engaged in the business of mining, the Annual Returns filed with IBM by the respective assesseees should invariably be obtained and compared with the details submitted to the Income-tax Department so as to ascertain whether any suppression of production and discrepancy in stock exists and further necessary action as per provisions of law may be taken.
4. If significant discrepancies between the figures furnished to the mining authorities and the Income-tax Department for other years also come to the notice, then, necessary remedial measures may be taken for all the years concerned.
5. This may be brought to the notice of all concerned for necessary compliance.

(Ankita Pandey)

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