

F. No. 299/31/2017/Dir (Inv.III)/2 |

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

A. R. A. Centre (Ground Floor),
E-2; Jhandewalan Extension, New Delhi – 110055

Dated: 23.4.2018

To,
All Principal Chief Commissioners of Income Tax (CCA),
All Directors General of Income Tax (Investigation),

Sir/Madam,

**Sub: Guidelines for Departmental officers for dealing with information
under the Benami Transactions Informants Reward Scheme, 2018**

The undersigned is directed to refer to the Benami Transactions Informants Reward Scheme, 2018 (hereinafter referred to as 'the Scheme') issued by the CBDT.

2. While the said scheme has been circulated publicly, the internal procedure for dealing with the matters under the scheme is delineated below with a view to ensure timely and proper handling of the matters therein. The following issues, among others, need to be kept in view while putting in place the internal procedures for dealing with the matters under the scheme.
3. **Procedure of receiving information from Informant:**
 - (i) After completing the procedure for receiving the information as per the scheme, the Joint Commissioner of Income Tax/Additional Commissioner of Income Tax (Benami Prohibition) [hereinafter referred to as 'JCIT/Addl. CIT (BP)'] may allot an Informant Code, if found suitable and if not allotted earlier. If the information is furnished by a **group of informants** (more than one informant working together), Informant code will be allotted to each of them separately. The same shall be recorded in **Annexure – A** and Benami Transactions Informant Register (**Annexure – D**) to be maintained by 'JCIT/Addl. CIT (BP)' and communicated by him to the Informant without delay. Such informant code will be different from the code allotted under Income Tax Informants Reward Scheme, 2018. An Informant will be allotted only one Informant Code under this Scheme in his lifetime and this will be portable to other regions also, i.e., remain same even if such informant files information in some other Investigation directorate other than from where he got the Informant Code. All information provided by an Informant under the scheme at any point of time shall be recorded against the same Informant Code.

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- (ii) With a view to standardize and make the Informant Codes under this Scheme unique and to distinguish it from the Code allotted under Income Tax Informants Reward Scheme, 2018, as well as for the purpose of making it compliant with ITBA, through which all rewards will be processed shortly, the Informant Codes shall have 11 (eleven) alphanumeric characters where:
- 1st character will be the first letter of name of DGIT (Inv) region;
 - 2nd character will be the first letter of PDIT (Inv) region;
 - 3rd character will be last letter of PDIT (Inv) region;
 - 4th character will be the number of PDIT (Inv) [1 will be default, i.e., where there is only one PDIT, it will be 1, where there are more than one PDIT, it will be numbered accordingly, e.g., in case of PDIT (Inv) – 2, Delhi, 4th character will be 2];
 - 5th and 6th characters will be the unit number in two digits (like 01) of the JCIT/Addl.CIT (BP) of the Benami Prohibition Unit (BPU) to whom the information is assigned for investigation;
 - 7th character will be 'B' standing for Benami under Benami Transactions (Prohibition) Amendment Act, 2016;
 - 8th to 11th characters will be the serial number in four digits allotted to the Informant as per serial in the Benami Transactions Informant Register

Illustration: If a person gives information to JCIT (BP), Unit – 2, Delhi who is under PDIT (Inv) – 2, Delhi, who is under DGIT (Inv), Delhi, the Informant Code may be **DDI202B0012** where:

- 1st character = 'D' = First letter of Delhi DGIT (Inv) region;
 - 2nd character = 'D' = First letter of Delhi PDIT (Inv) region (for both PDIT (Inv) – 1 and PDIT (Inv) – 2);
 - 3rd character = 'I' = Last letter of Delhi PDIT (Inv) region [for both PDIT (Inv) – 1 and PDIT (Inv) – 2];
 - 4th character = 2 = No. of PDIT (Inv) [1 will be default, i.e., where there is only one PDIT, it will be 1, where there are more than one PDIT, it will be numbered accordingly];
 - 5th and 6th characters = 02 = Unit – 2 (allocated to BPU, Unit -2 at Delhi);
 - 7th character = 'B' stands for Benami under under Benami Transactions (Prohibition) Amendment Act, 2016;
 - 8th to 11th characters = 0012 = Serial number 12 allotted to the Informant as per serial in Benami Transactions Informant Register.
- (iii) All information provided by him under the scheme at any point of time shall be recorded against this Informant Code.
- (iv) In cases where the same Informant provides specific information about benami properties under this Scheme as well as about substantial tax evasion under Income Tax Informants Rewards Scheme, 2018, he shall be required to fill in **Annexure A** under both the schemes, separately. He shall also be allotted the Informant code separately under both the schemes.

4. **Broad Modalities of receiving of information from a foreign person:** Where a foreign person gives information, efforts may be made to ascertain the nature, usefulness, etc. of the information available with the foreign person, through email exchange/telephonic conversation etc. If Income Tax Overseas Unit (ITOU) is attached to the Indian Mission in the country where such foreign person is located or in a nearby country and it is considered appropriate, the foreign person may be asked to contact First Secretary of the ITOU (FS) through email/phone for a meeting. FS may assess and ascertain the nature, usefulness, etc. of the information available with such foreign person and furnish a report to the Member (Inv.) along with his recommendation. If it is considered appropriate to take the process forward, the Member (Inv.) may ask the foreign person to contact a specific DGIT (Inv.) for completing further modalities as required in the scheme for reward to informants and taking further appropriate action, if necessary in consultation with the Member (Inv.).
5. **Processing of information:**
- (i) The information received should be processed and acted upon through the Initiating Officer (IO) at the earliest possible time.
 - (ii) During the process of investigation into the information, assistance, if any required, may be obtained from the informant.
6. **Authority competent to grant interim and final reward:** The authority competent to grant any reward under the Scheme shall be a committee consisting of:
- (i) DGIT (Inv.) holding jurisdiction over the JCIT/Addl. CIT (BP) concerned who has received the information;
 - (ii) PDIT (Inv)/DIT (Inv.) holding jurisdiction over the JCIT/Addl. CIT (BP) concerned who has received the information; and
 - (iii) a Principal Commissioner of Income Tax nominated by the Principal Chief Commissioner of Income Tax (CCA) of the area where provisional attachment order or, as the case may be, confiscation order, is passed by competent authority.
 - (iv) The JCIT/Addl. CIT (BP) concerned shall be Secretary of the committee.
7. **Procedure for process, grant and payment of reward:**
- 7.1. **Interim reward:**
- (i) **The proposal** for grant of interim reward may be prepared by the Initiating Officer ("IO" in short) **within one month from the date of actual provisional attachment** u/s 24(4) of Prohibition of Benami Property Transaction Act, 2016 (hereinafter referred to as 'the Act'].
 - (ii) The proposal for interim reward shall be accompanied by, *inter alia*:
 - (a) Copy of Annexure – A containing information received;
 - (b) How the information led to provisional attachment of the benami property;
 - (c) Fulfilment of conditions mentioned in the scheme for interim reward ;
 - (d) Certified true copy of the provisional attachment order u/s 24(4) of the Act;
 - (e) Copy of report of actual provisional attachment by attaching official;
 - (f) Analysis of the information including extent of specific nature, precision, usefulness, quality of evidence furnished by the informant;

- (g) Extent and nature of assistance rendered by the informant;
 - (h) Risk and trouble undertaken and the expenses incurred by the informant in securing and furnishing the information;
 - (i) Fair Market Value, if the benami property is movable property, or, Circle rate, if the benami property is immovable property, along with the basis of calculation and supporting papers;
 - (j) Percentage of interim reward proposed along with reason for the particular percentage;
 - (k) Total amount of interim reward (subject to the ceiling in the scheme);
 - (l) In case the informant is deceased and reward is to be paid to nominees, details of such nominees and their respective shares at which payment is to be made;
 - (m) In case more than one informant have given information collectively and reward is to be paid to more than one person, details of such informants and their respective shares at which payment is to be made;
 - (n) If the informant is a foreign national, mode in which payment is required to be made and details of bank accounts to which payment is to be made.
 - (o) Other relevant particulars, if any
- (iii) Such proposal will be submitted by the IO through the JCIT/Addl. CIT (BP) and the PDIT (Inv) /DIT (Inv.) concerned to the DGIT (Inv.) concerned (who will be head of the reward committee) for consideration.
 - (iv) The DGIT (Inv.) shall get a Principal CIT nominated in the committee by the Principal CCIT (CCA) of the Region.
 - (v) The reward committee shall examine the proposal and dispose of the same **within one month from the date of receipt.**
 - (vi) The reward committee shall consider all relevant material and thereafter record its decision. If found eligible for interim reward, the committee shall decide the percentage of reward and the total amount of the reward payable (subject to the ceiling in the scheme) along with the basis thereof and record the same in the minutes of the meeting.
 - (vii) Upon such decision and recording, the sanction order signed by the PDIT (Inv.)/DIT (Inv.) concerned shall be issued promptly.
 - (viii) The reward shall be **disbursed** by the JCIT/Addl. CIT (BP) **within one month from the date of sanction order** and receipt thereof shall be obtained and kept in the record.
 - (ix) The JCIT/Addl. CIT (BP) shall verify the identity and other particulars of the informant/nominees etc mentioned in Annexure – A and ensure that necessary entries are made in the relevant files and Benami Transactions Informants Reward Register as per **Annexure – E.**

7.2. **Final reward –**

- (i) The **proposal** for grant of final reward may be prepared by the IO **within one month from the date on which such confiscation of property has become final.** The confiscation shall be deemed to be final if two years from the date of

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- confiscation have passed and there is no litigation pending against such confiscation.
- (ii) The proposal shall be accompanied by, *inter alia*:
- (a) Copy of Annexure – A containing information received;
 - (b) How the information led to confiscation of the benami property;
 - (c) Fulfilment of conditions mentioned in the scheme for final reward including specific finding that the confiscation of the benami property has become final;
 - (d) Certified true copy of the confiscation order which has become final;
 - (e) Copy of report of actual confiscation by confiscating official;
 - (f) Analysis of the information including extent of specific nature, precision, usefulness, quality of evidence furnished by the informant;
 - (g) Extent and nature of assistance rendered by the informant;
 - (h) Risk and trouble undertaken and the expenses incurred by the informant in securing and furnishing the information;
 - (i) Fair Market Value, if the benami property is movable property, or, Circle rate, if the benami property is immovable property, along with the basis of calculation and supporting papers;
 - (j) Percentage of final reward proposed along with its basis;
 - (k) Total amount of final reward (subject to the ceiling in the scheme), amount of interim reward paid, if any, reward paid under the Income Tax Reward Scheme, 2018, for same information, if any and the net amount of final reward proposed under this scheme;
 - (l) Copy of receipt against payment of interim reward and reward under Income Tax Reward Scheme, 2018, if any;
 - (m) In case the informant is deceased and reward is to be paid to nominees, details of such nominees and their respective shares at which payment is to be made;
 - (n) In case more than one informant have given information collectively and reward is to be paid to more than one person, details of such informants and their respective shares at which payment is to be made;
 - (o) If the informant is a foreign national, mode in which payment is required to be made and details of bank account to which payment is to be made
 - (p) Other relevant particulars, if any
- (iii) Such proposal shall be submitted by the IO through the JCIT/Addl. CIT (BP) and the PDIT (Inv.) /DIT (Inv.) concerned to the DGIT (Inv.) concerned (who heads the reward committee) for consideration.
- (iv) The DGIT (Inv.) shall get a Principal CIT nominated in the committee by the Principal CCIT of the Region.
- (v) The reward committee shall examine the proposal and dispose of **within one month from the date of receipt**.
- (vi) The reward committee shall consider all relevant material and record its decision. If found eligible for final reward, the committee shall decide the percentage of reward and the total amount of the reward payable (subject to the ceiling in the

- scheme) along-with the basis thereof and record the same in the minutes of the meeting.
- (vii) Upon such decision and recording, the sanction order signed by the PDIT (Inv.)/DIT (Inv.) concerned shall be issued promptly.
 - (viii) The reward shall be **disbursed** by the JCIT/Addl. CIT (BP) **within one month from the date of sanction order** and receipt thereof shall be obtained and kept in record.
 - (ix) The JCIT/Addl. CIT (BP) shall verify the identity and other particulars of the informant/nominees etc mentioned in Annexure – A and ensure that necessary entries are made in the relevant files and Benami Transactions Informants Reward Register as per **Annexure – E**.
- 8. Formal sanction order & payment of reward:** The order/decision of the authority competent to grant interim or final reward as recorded in the minutes issued by the Secretary of the Committee, granting the reward, shall constitute sufficient authority for issuing formal sanction order by the PDIT (Inv.)/DIT (Inv.) concerned which, in turn, shall constitute sufficient authority for drawing the bill on the treasury against the sanctioned allocation. After duly ascertaining identity of the informant or his nominee, as the case may be, the reward shall be paid within a period of one month from the date of grant by the Committee, subject to availability of funds.
- 9. Control and Audit of Expenditure Relating to Reward:** The control and audit of the expenditure incurred on payment of reward will be governed by the instructions specifically issued by the Government for the purpose from time to time.
- 10. Responsibility for overall management, retention of files etc:** The responsibility for overall coordination and adherence to the instructions issued by the Board including timeline in the matter of reward to informants under the scheme shall lie with the JCIT/Addl. CIT (BP) concerned. **Annexure – A** submitted by the Informant, Benami Transactions Informant Register as per **Annexure – D** and other records including information received from the Informant and collected from other sources, file(s) containing proposals for interim reward and final reward and all related correspondence shall be kept in the personal custody of JCIT/Addl. CIT (BP) concerned. Such records and files would be dealt with by all as confidential records.
- 11. Steps to be taken where review petition is filed:** In cases of receipt of review petitions filed in accordance with the Scheme in the office of the DGIT (Inv), he shall obtain comments of the JCIT/Addl. CIT (BP) and the PDIT (Inv.) concerned, take necessary actions to convene meeting of review committee, cause such petitions to be placed before the review committee along with all relevant papers and communicate decision of the review committee to the informant. The office of DGIT (Inv.) shall coordinate all matters relating to the review petition in a manner that the decision of the Review Committee is taken and communicated to the informant preferably within 3 months of its receipt.

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- 12. Monitoring Mechanism:** While the above guidelines shall be followed, all DsGIT (Inv.) shall put in place a suitable mechanism to monitor cases for timely action on information given by informants, action thereon and payment of reward.
- 13. Meaning of Terms used in the Guidelines:** The terms used in these Guidelines shall have the same meaning as they have for the purposes of the Scheme.
- 14.** This may be circulated widely amongst all concerned in the Income Tax Department.

Encl: Annexure – D and E

Yours faithfully,



(Syamal Datta)

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Copy to:-

1. The PS to the Finance Minister/ OSD to the Finance Minister
2. The PS to the MoS (Finance)(Revenue)
3. The PS to the Finance Secretary
4. The Chairman, CBDT
5. All Members, CBDT
6. All Principal Directors General of Income Tax
7. All Chief Commissioners of Income Tax/ Directors General of Income Tax
8. All officers of the rank of Deputy Secretary and above in CBDT
9. The CIT (Media & Technical Policy), CBDT.
10. Additional DIT, Database cell, for uploading in www.irsofficersonline.gov.in

ANNEXURE - D

BENAMI TRANSACTIONS INFORMANT REGISTER
To be kept in the custody of 'JCIT/Addl. CIT (BP)'

Sl. No.	Date of furnishing information in Annexure - A	Name of informant	Father's name and address of Informant	Date of birth	Aadhar No. [Passport No. in case of foreign persons not having Aadhar No.]	Informant Code allotted	Date of allotment of Informant Code	Bank Account details (A/c No, Bank, branch, IFSC Code, BIC or SWIFT Code) (if any)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

BENAMI TRANSACTIONS INFORMANTS REWARD REGISTER

[To be kept in the custody of 'JCIT/Addl. CIT (BP)']

Sl. No.	Informant Code	Date of furnishing information	Specifications of benami property ¹	Name and address of benamidar
(1)	(2)	(3)	(4)	(5)

Name and designation of IO to whom case assigned	Action taken and outcome of investigation in brief	Fair market value of movable property and circle rate of immovable property (separately for each property)	Date of order of provisional attachment	Date of actual provisional attachment	Date of Confiscation order
	(6)	(7)	(8)	(9)	(10)

Nature of reward (Interim/ Final)	Date of proposal	Date of granting reward by competent authority	Amount of reward granted by competent authority	Sanction order no. and date
(11)	(12)	(13)	(14)	(15)

Mode of payment of reward	Date of payment of reward	Signature of paying officer [JCIT/Addl. CIT (BP)]
(16)	(17)	(18)

¹Specification shall include the following:

- (a) In case of movable property in the nature of deposit in bank or other financial institution, amount, account number, name of bank and branch
- (b) In case of movable property in the nature of shares or units or similar property, distinctive numbers, name of scheme and company
- (c) In case of movable property in the nature of vehicle, its make, model and registration number
- (d) In case of other movable property, nature of property, marks of identification and other particulars as may be relevant to identify and locate the same
- (e) In case of immovable property, particulars as may be used in Government land records and relevant to locate and identify the property