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**Delhi High Court is hearing a petition by Sr. Adv. Abhishek Manu Singhvi against the Central Board of Direct Taxes - filed in response to a penalty on Singhvi of about Rs. 57 crores, imposed for undisclosed income of almost Rs. 91 crores.**

Singhvi is making submissions on merits of the case.

Delhi High Court has asked Solicitor General Tushar Mehta to consider not taking any precipitative action against Singhvi.

Singhvi: Government has taken a lot of action to reduce tax related litigation. Singhvi refers to a scheme meant to reduce direct tax litigation taken out by the government.

Singhvi: I'm jumping out of sequence to refer to a CBDT Circular which repeats the same objects which were laid down in the Direct Tax Vivad Se Vishwas Act.

Singhvi: "Specified date" in the Act means Jan 1, 2020, which means they were adding some element of retroactivity as well in the legislation (up to 3 months).

Singhvi: The amazing part is that this Act requires entry only on 2 conditions: one, that there should be a pendency of writ, SLP or appeal, two, that it should be pending on a certain date. There is no other affirmative condition!

Singhvi: The provisions of this Act shall not apply in respect of tax arrears for a search case (search cases only above Rs. 5 crores).

Del HC: Does it include pendency before ITSC?

Singhvi: No, it doesn't include matters pending before ITSC.

Singhvi: One case I'm arguing is of search, within the Rs. 5 crore limit. The other case is of ITSC.

Singhvi: There is no model of the Act saying this nature of proceeding is included and this is not included.

Del HC: What is the amount being discussed here? Is it the amount before the ITSC or the one mentioned in this writ?

Singhvi: It is the amount in this writ. It does not exceed Rs. 5 crores.

Sr. Adv. Arvind Datar: The question is that when an Act has excluded certain things from its scheme, can a Circular subsequently add those things?

Court directs for the matter to be heard on Jan 12.

Solicitor General Tushar Mehta: I request for the matter to be held on Jan 13, as it doesn't concern a petition or petitioner, but would apply to the entire country.

Singhvi: My friend is trying to show that there would be an avalanche of matters but that is more imaginary than real.

Court: That is besides the point here for now.

SG Mehta: I'm not showing a red flag here, just telling that I'm not arguing against a particular petitioner here.

Singhvi: I am in agreement that whatever is decided would be the law.

The court has posted the matter for further hearing on Jan 12.