

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

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PRESS RELEASE

Income Tax Department conducts search operations on two major real estate developers of Ludhiana

The Income Tax Department initiated search and seizure operations on two major real estate developers of Ludhiana on **16.11.2021**. The search action covered around **40 premises** in Ludhiana.

The major finding emanating from these search and seizure operations of both the groups is about the receipt of unaccounted cash by these groups by way of on-money on property transactions. During the course of search proceedings documentary evidences in the nature of 'agreement to sale', (popularly known as '*Biyana*' in local parlance), for certain properties have been found and seized. These documents indicate that the 'agreement to sale' for plots has been executed at much higher amount/rate as compared to the consideration disclosed in registered sale deed of the plot. Further, incriminating documents such as loose sheets, excel sheets showing calculation of receipt of on-money of certain property transactions, soft data, chats from mobile phones of the persons concerned, etc. have also been recovered. A preliminary analysis of these evidences clearly indicates the receipt of unaccounted cash by way of on-money on property transactions. Besides, certain other corroborative evidences supporting the receipt of on-money have also been gathered.

Investigations have also revealed that unaccounted cash expenditure has been incurred on construction of residential house of one of the key persons.

In one of the groups, defaults on compliances for the provisions of tax deduction at source have been detected with regard to payments made to the sellers of the land, etc.

The search action has resulted in seizure of unaccounted cash of about **Rs. 2.00 crore** besides foreign exchange, and unexplained jewellery of about **Rs. 2.30 crore**.

Further investigations are under progress.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT