PRESS RELEASE

Income Tax Department conducts search operations in Gujarat

The Income Tax Department initiated search and seizure operation on 03.12.2021 on a prominent group of Surat, engaged in the business of construction of residential and commercial complexes, land transactions as well as real estate financing. The search action covered more than 40 premises spread over Surat and Mumbai.

During the course of the search action, various incriminating documentary and digital evidences have been found and seized including a parallel set of books of account in the case of group entities. The transactions of certain group entities have been found to be maintained in a highly coded manner but were successfully decoded by the search team. A preliminary analysis of these evidences indicates unaccounted cash receipt of on- money of more than Rs. 300 crore on sale of flats / land which is not found recorded in the regular books of account. Evidences of unaccounted cash infusion by partners, bogus accommodation entry loans by payment of cash and unexplained cash expenses etc. have also been noticed. Further, deeper examination of physical books of account and incriminating evidences seized during the search actions shows unexplained investments of more than Rs. 200 crore in real estate and more than Rs. 100 crore by way of loan financing.

The search action has led to the seizure of unexplained cash of Rs. 4 crore and jewellery valued at Rs. 3 crore while more than a dozen bank lockers have been placed under restraint. The search action has led to the detection of estimated undisclosed receipts and suspicious nature of entries aggregating to more than Rs. 650 crore.

Further investigations are under progress.

(Surabhi Ahluwalia)
Commissioner of Income Tax
(Media & Technical Policy)
Official Spokesperson, CBDT