

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

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PRESS RELEASE

Income Tax Department conducts searches in Mumbai

Income Tax Department carried out a search operation on 08.03.2022 on a cable operator of Mumbai, a State Govt employee and the businesses related to him. A total of 26 premises spread over Mumbai, Pune, Sangli and Ratnagiri were covered.

During the search, it was found that a parcel of land at Dapoli was purchased by a prominent politician of Maharashtra in 2017 for a consideration of Rs. 1 crore but it was got registered in 2019. This land was subsequently sold to one of the persons covered in the search action in 2020 for a consideration of Rs. 1.10 crore. In between, a resort was built on the same land from 2017 to 2020. By the time the parcel of land was registered in the name of the said politician, substantial construction of the resort was completed. Later, the resort was almost complete when the property was sold by the politician to the cable operator in 2020. It transpires that the relevant facts about the construction of the resort were not intimated to the Registration authorities and accordingly, the stamp duty was paid only for the registration of the land on both the occasions i.e. in 2019 and in 2020. Evidence found during the search has revealed that the construction of the resort started in 2017 and more than Rs. 6 crore was spent in cash on construction of the resort. Cost of construction of the same has not been accounted for either by the person searched or the politician in their books of account.

Search in the case of the State Government official has revealed that he, his family members and relatives have amassed huge wealth in the form of properties at prime localities at Pune, Sangli and Baramati, over a period of last ten years. The family owns one bungalow and one farm house in Pune, one lavish farm house in Tasgaon, two bungalows in Sangli, two commercial complexes having Tanishq and Carat lane showrooms, five flats in different locations of Pune, one flat in Navi

Mumbai, vacant plots in Sangli, Baramati, Pune and more than 100 acres of agricultural land acquired during the past seven years. Detailed examination of sources of acquisition of the properties and the amounts spent on the lavish interiors of shops and bungalows is under progress. The family owns many businesses including showrooms of electronic products, Tanishq showrooms, civil construction business, real estate and pipe manufacturing business.

It is found that the construction business, being run by the relatives of the employee, received many contracts from the State Govt. Search operation has also unearthed evidences of inflation of contract expenses through bogus purchase and bogus sub-contracts aggregating to Rs. 27 crore. Evidence regarding unaccounted cash receipt of Rs. 2 crore in sale of land at Baramati has also been detected. Further investigation with regard to the tax evasion in construction business, is under progress.

As a result of the search action, cash of Rs. 66 lakh has been seized. Digital data and documentary evidence seized during search operation is being further analyzed and further investigations are in progress.

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