

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

New Delhi, 12th July, 2022

**PRESS RELEASE**

**Income Tax Department conducts searches on two business groups in Tamil Nadu**

Income Tax Department carried out search and seizure operations on 06.07.2022 on two business groups of Tamil Nadu engaged in the business of Civil Contracts, Real Estate, Advertising etc. The search operations were carried out at more than 40 premises located in Chennai, Coimbatore and Madurai.

During the course of the search operations, various incriminating documentary and digital evidences have been seized. The preliminary examination of such evidences indicates that both these groups have been suppressing their taxable income by claiming bogus purchases and expenses in their books of account over the last few years.

In the case of one of the groups, it has been found that the payments made for these bogus purchases etc. were being received back in cash by the group. In addition, evidences have been found indicating suppression of huge income on account of sharing of profits in joint ventures, which is not reflected in the regular books of account.

In the case of the second group, it has been found that the group had created a number of bogus entities which were being used for claiming bogus purchases and sub-contract expenses. Secret hideouts, maintained by the group for keeping documentary and electronic records in respect of such unaccounted and bogus transactions, were also discovered by the search team. Evidences showing introduction of bogus capital and loan liabilities in the books of account of some group concerns have also been unearthed.

The undisclosed income of the groups detected so far is estimated at more than Rs. 500 crore.

Further investigations are in progress.

(Rakesh Gupta)  
Commissioner of Income Tax  
(Media & Technical Policy)  
Official Spokesperson, CBDT