

**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 Uttar Pradesh

The Income Tax Department carried out a search operation on 03.08.2022 on a Jhansi based group, engaged in the business of civil contract and real estate development. The search operation covered around 30 premises located in Jhansi, Delhi, Lucknow, Kanpur and Goa.

During the course of the search operation, several incriminating evidences have been found and seized including documentary evidence of several immovable properties of various third parties.

The preliminary analysis of evidences in the business of civil contract has revealed that the group was engaged in large scale tax evasion by suppression of its profits through manipulating the regular books of account at the end of every year. These manipulations were in the nature of claim of bogus expenses and bogus sundry creditors, etc. These sundry creditors were found to be non-existent and unverifiable. The claim of bogus expenses and bogus sundry creditors exceeding Rs. 250 crore has been quantified from the seized evidences. The key person covered during the search has also voluntarily offered additional income exceeding Rs. 150 crore, out of the above.

Another modus operandi adopted by the companies engaged in real estate, included receipt of on-money over and above the stamp duty value resulting in tax evasion. Further, these companies were not offering income to tax as per accounting standards, even when substantial construction work had been completed. So far, the investigation from evidences collected during the search has revealed the quantum of unaccounted receipts aggregating to more than Rs. 150 crore.

The search operation has resulted in seizure of unaccounted cash and jewellery exceeding Rs. 15 crore, for the present.

Further investigations are in progress.

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Official Spokesperson, CBDT