

**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 Gujarat

The Income Tax Department carried out a search and seizure operation on 09.08.2022 on a business group primarily engaged in manufacturing and trading of ceramic tiles. The search action covered a total of 36 premises, spread across Rajkot, Morbi, Ahmedabad, Raipur, Guwahati, Gurgaon, and Kolkata. The search operation also covered persons engaged in providing finance.

During the course of the search operation, various incriminating evidences in the form of documents and digital data have been found and seized. The initial analysis of these evidences reveal that the group has been engaged in large scale tax evasion by adopting various methods, including, by way of unaccounted cash sales outside the books of account, under invoicing of sales and booking of bogus purchases. The group has also been found to be involved in layering of unaccounted sums through bogus unsecured loans from related parties and share capital from Kolkata-based shell companies.

Further, several evidences indicating the group's involvement in routing of the unaccounted funds into the regular books of account using accommodation entries provided by a Gujarat based person engaged in providing finance, have also been found.

So far, the search action has resulted in unearthing of unaccounted transactions exceeding Rs. 300 crore including cash loans of more than Rs. 100 crore.

Further investigations are in progress.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT