

Government of India
Ministry of Finance
Department of Revenue
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PRESS RELEASE

Income Tax Department carries out more search actions in the J&K Region

Income Tax Department carried out search actions at 5 premises located in and around Srinagar on 28th March, 2019. Two groups who have connived with local officials in facilitation of absorption of undisclosed income of undesirable elements in shops, buildings and land in Srinagar were searched.

It has been found in the search that **76 shops** built by **Srinagar Development Authority for resettlement of vegetable and fruit vendors** were sold off to influential and cash rich disrupters at a huge premium. One of the persons searched by the Department is a self-proclaimed Chairman of the Vegetable Vendors Union, Batamaloo. The magnitude and proportion of black money used in these transactions is startling. It has been found that four shops on the first floor of the market have been apparently sold by the self-styled Chairman for **Rs. 1.09 crore** to an individual, who paid Rs.9 lakh in cheque and the balance Rs.1 crore in unaccounted cash. He has constructed a three-storeyed budget hotel-cum-shopping complex at the New Fruit Complex, Parimpora from the black money earned by him in transactions of these shops and other real estate.

The second search operation revealed that nearly 86 Kanals of land under unauthorised occupation was sold to locally powerful persons at a high premium. The transactions have been undertaken either completely or largely in undisclosed cash. Number of original 'ikrarnamas' have been found and seized, that show possession of land being passed on in exchange of unaccounted receipt of cash. The said tax evader set up a scrap and plastic crushing unit out of the cash generated in this manner. The investment in this unit as well as income earned from it has been totally kept out of the tax net.

In the aggregate, the search actions of 28th March, 2019 have unearthed **unaccounted financial transactions of more than Rs. 11 crore and undeclared investment in immoveable property of more than Rs. 19 crore in and around Srinagar.**

None of the persons covered in the search actions has filed an income tax return. Criminal prosecution for wilful attempt to evade tax as well as deliberate non-filing of tax returns would be filed against the tax evaders.

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