

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

New Delhi, 26th September, 2020

PRESS RELEASE

Income Tax Department conducts search in Jharkhand and West Bengal.

The Income Tax Department has carried out search and survey operations on 25th September, 2020 at around 20 residential and business premises of a prominent group having operations in Jharkhand and West Bengal. The group is engaged in trading of various commodities, production of vanasapati ghee, real estate and tea estates. The group is having real estate projects in Kolkata.

During the search substantial evidences of transactions outside the regular books of accounts, unaccounted cash expenses and cash advances received and interest having been paid in cash, have been found. Further, cash has been found to have been introduced in the group shell companies, which has been advanced as loan to the real estate company.

Most of the companies having family members as directors, do not have any real business and very few returns of income have been filed. Most of the returns with ROC have also not been filed.

One such group company has no business since 2014, although it has shown sales of Rs. 7 crore in cash. This cash has been deposited in bank accounts in Kolkata, whereas cash sale is shown in books to buyers from Jharkhand.

During the search, hard disks, pen drives and hand written diaries have also been seized. Certain hand written diaries found indicate giving and taking of loans in cash and out of books receipt of cash on account of booking of commercial space in the real estate project. Evidences of out of books cash payments to contractors and fictitious payments to a dummy contractor have also been found. The project cost recorded in books has been found to be understated, as evidences of out of book cash expenses for construction have been found.

As per preliminary estimates, evidences of cash transactions of around Rs. 40 crore have been found. Advances received for the real estate project of around Rs. 80 crore are also under examination. Further investigations are going on.

(Surabhi Ahluwalia)
Commissioner of Income Tax
(Media & Technical Policy)
Official Spokesperson, CBDT