PRESS RELEASE

Income Tax Department conducts searches in Bengaluru

The Income Tax Department carried out search and seizure operation on a major liquor manufacturer group based in Bengaluru on 09.02.2021 at 26 different locations across India. This group has huge land bank which is being developed into residential and commercial properties with a builder based in Bengaluru. The searches have resulted in detecting incriminating evidences relating to concealment of income of more than Rs. 692.82 crore on account of Joint Development Projects with a major builder based in Bengaluru. Also, the group companies have fraudulently claimed expenses amounting to Rs. 86 crore. In respect of their liquor business, unaccounted sales amounting to Rs. 74 crore have been detected from one of their liquor manufacturing plants based in Kerala. The group companies have also claimed bogus expenses of Rs. 17 crore in their business entities. The Directors of the group have incurred unexplained expenditure of Rs. 9 crore attracting the provisions of Section 69C of Income-tax Act, 1961.

There are large number of investments made in benami properties in the names of their employees and associates for several years. In total 35 suspected benami properties in the names of their relatives and associates valued at more than Rs. 150 crore have been identified. There are also evidences of foreign assets in the name of a director of the group company.

In all, the search and seizure action has resulted in the detection of total undisclosed income of Rs. 878.82 crore.

Further investigations are in progress.

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