

**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 Mumbai and other regions

The Income Tax Department conducted a search and seizure operation at various premises of a prominent actor in Mumbai and also a Lucknow based group of industries engaged in infrastructure development. Total 28 premises spread over Mumbai, Lucknow, Kanpur, Jaipur, Delhi, and Gurgaon have been covered in the search operation.

During the course of search at the premises of the actor and his associates, incriminating evidences pertaining to tax evasion have been found. The main modus operandi followed by the actor had been to route his unaccounted income in the form of bogus unsecured loans from many bogus entities. Investigations so far have revealed use of twenty such entries, the providers of which, on examination, have accepted on oath to have given bogus accommodation entries. They have accepted to have issued cheques in lieu of cash. There have been instances where professional receipts have been camouflaged as loans in the books of accounts for the purpose of evasion of tax. It has also been revealed that these bogus loans have been used for making investments and acquiring properties. The total amount of tax evaded unearthed so far, amounts to more than Rs. 20 crore.

The Charity Foundation incorporated by the actor on 21st July, 2020 has collected donations to the tune of Rs 18.94 crore from 01.04.2021 till date, out of which it has spent around Rs. 1.9 crore towards various relief work and the balance of Rs. 17 crore has been found lying unutilized in the bank account of the Foundation till date. It is seen that funds to the tune of Rs. 2.1 crore have also been raised by the Charity Foundation from overseas donors on a crowd funding platform in violation of FCRA regulations.

The simultaneous search operations carried out at various premises of an Infrastructure group in Lucknow in which the said actor has entered into a joint venture real estate project and invested substantial funds, have resulted in unearthing of incriminating evidences pertaining to tax evasion and irregularities in the books of account.

The search has revealed that the said Group is involved in bogus billing of

subcontracting expenses and siphoning off of funds. Evidences of such bogus contracts found so far are to the tune of over Rs. 65 crore. Evidence of unaccounted cash expenses, unaccounted sale of scrap and digital data evidencing unaccounted cash transactions has also been found. Further, it has been unearthed that the said Infrastructure Group/company has entered into dubious circular transaction to the tune of Rs. 175 crore with an infrastructure company based in Jaipur. Further investigations are being carried out to establish the full extent of tax evasion.

Cash of Rs 1.8 crore has been seized during the course of the search and 11 Lockers have been placed under prohibitory order.

The search operation is still continuing and further investigations are in progress.

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Official Spokesperson, CBDT