

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

New Delhi, 3rd November, 2021

PRESS RELEASE

Income Tax Department conducts searches in Karnataka

The Income Tax Department carried out search and seizure operations on one of the leading groups of Karnataka, engaged in the civil construction of roads and irrigation projects, on 28.10.2021 at various premises located in North Karnataka.

The search operation has revealed that this group has been suppressing its profits by booking bogus expenses in purchase of materials, labour expenses and payment to subcontractors.

Various incriminating documents including digital evidences indicating non-genuine claim of such expenses have been found and seized. Analysis of the same shows that unaccounted cash has been received by the key group person from such vendors/suppliers of materials. It was also found that their own relatives/friends/employees were used as conduits in the name of subcontractors who neither executed any work nor did they have the capability/capacity to execute the work. The assessee group has been generating unaccounted cash from these transactions.

The search action has led to detection of unaccounted income of more than Rs. 70 crore which has been admitted as undisclosed income by the assessee group.

Further investigations are in progress.

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