

**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 Delhi, Gujarat and Dadra

The Income Tax Department carried out a search and seizure operation on 01.09.2021 on a manufacturer and distributor of synthetic yarns and polyester chips having corporate office in Delhi and factories at Dadra & Nagar Haveli and Dahej.

During the course of the search, many incriminating documents, loose sheets, digital evidences etc. have been found indicating involvement of the group in unaccounted transactions. Substantial evidence of transactions outside the regular books of accounts, cash purchases, suppression of sales and booking of sales to bogus parties have also been found.

The group has routed its own unaccounted funds to the tune of Rs. 380 crore in its books in the form of bogus unsecured loans, through paper entities, over the past few years. Besides, an amount of Rs. 40 crore has also been introduced in its books through shell entities in the form of share premium. The directors and auditors of the shell entities, have, in their statement, admitted that these entities were essentially used to provide accommodation entries.

Substantial evidence of cash purchase and documents revealing movement of cash through "angadias" has been recovered. Evidence of booking bogus purchases of Rs. 154 crore has also been detected. During the search, unaccounted jewellery has been found and 11 lockers have been placed under restraint.

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

(Surabhi Ahluwalia)
Commissioner of Income Tax
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Official Spokesperson, CBDT