

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

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PRESS RELEASE

Cash seizure of over Rs. 142 crore in searches of Income Tax Department in Hyderabad

The Income Tax Department carried out search & seizure operations on **06.10.2021** on a major Pharmaceutical group based out of Hyderabad. This Pharmaceutical group is engaged in the business of manufacturing of intermediates, Active Pharmaceutical Ingredients (APIs) and formulations. Majority of the products are exported to foreign countries i.e. USA, Europe, Dubai and other African countries. The search operation was carried out at about **50 locations in 6 States**.

During the searches, hideouts were identified where second set of books of accounts and cash were found. Incriminating evidence in the form of digital media, pen drives, documents, etc. have been found and seized. Incriminating digital evidences were gathered from SAP @ ERP software maintained by the assessee group.

During these searches, issues relating to discrepancies in purchases made from bogus and non-existent entities and artificial inflation of certain heads of expenditure were detected. Further, evidence of on-money payment for purchase of lands was also found. Various other legal issues were also identified such as personal expenses being booked in the company's books and land purchased by related parties below government registration value.

During the search, several bank lockers have been found, out of which **16 lockers** have been operated. The searches have resulted in seizure of unexplained cash amounting to Rs. **142.87** crore so far. The unaccounted income unearthed is estimated to be in the range of about **Rs 550** crore till now.

Further investigations and quantification of undisclosed income detected is in progress.

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