

Income Tax searches in NCR, huge accommodation entries detected

By TIOL News Service

NEW DELHI, OCT 27, 2020. THE Income tax Department has carried out a search and seizure action on 26.10.2020 on a large network of individuals running the racket of entry operation and generation of huge cash through fake billing. The search operations have been conducted on 42 premises across Delhi- NCR, Haryana, Punjab, Uttarakhand and Goa.

The search has led to seizure of evidences exposing the entire network of the entry operators, intermediaries, cash handlers, the beneficiaries and the firms and companies involved. So far, documents evidencing accommodation entries of more than Rs. 500 crore have already been found and seized.

Several shell entities/firms were used by the searched entry operators for layering of unaccounted money and cash withdrawals against fake bills issued and unsecured loans given. The personal staff/employees/associates had been made dummy directors/partners of these shell entities and all bank accounts were managed and controlled by these entry operators. Statements of such entry operators, their dummy partners/employees, the cash handlers as well as the covered beneficiaries have also been recorded clearly validating the entire money trail.

Â The searched persons were also found to be controller and beneficial owners of several bank accounts and lockers, opened in names of their family members and trusted employees and shell entities, which they were managing in collusion with the bank officials, through the digital media. The same are being further investigated.

The beneficiaries have been found to have made huge investments in real estate properties in prime cities and in fixed deposits to the tune of several hundred crores of rupees.

During the search, cash of Rs. 2.37 crore and jewellery worth Rs. 2.89 crore has been found along with 17 bank lockers, which are yet to be operated.