

## Income Tax raids 58 premises of large business house in Gujarat

By TIOL News Service

**NEW DELHI, AUG 02, 2022:** THE

Income Tax Department carried out a search and seizure operation on 20.07.2022 on a prominent business conglomerate engaged in diversified fields of Textiles, Chemicals, Packaging, Real estate and Education. The search action covered a total of 58 premises, spread across Kheda, Ahmedabad, Mumbai, Hyderabad and Kolkata.

As a result of the search operation, various incriminating evidences in the form of documents and digital data have been found and seized. These evidences reveal that the group has been engaged in large scale tax evasion by adopting various methods, including, by way of unaccounted cash sales outside the books of account, booking of bogus purchases and on-money receipts from real estate transactions. The group has also been found involved in layering of unaccounted sums through share premium from Kolkata-based shell companies. Certain instances of unaccounted income generated through cash based 'sarafi' (unsecured) advances made have also been found.

It was also found that the group has been involved in profiteering through manipulation of share prices of its listed companies through operators. Evidences seized also reveal that the group has been siphoning off funds through fictitious entities for personal use of promoters. Further, analysis of evidence suggests that the group is also involved in manipulation of books of account of its public limited companies.

The search action has resulted in unearthing unaccounted transactions exceeding Rs.1000 crore. So far, unaccounted cash of Rs. 24 crore and unexplained jewellery, bullion etc. valued at Rs. 20 crore have been seized during the course of search.