

**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 Bihar and Jharkhand

The Income Tax Department carried out search and seizure operation on a prominent road construction contractor in Bihar and Jharkhand. The search action was initiated on 27.10.2021 at various premises located in Bihar, Jharkhand, Maharashtra, and West Bengal.

The searches revealed that the group has been suppressing its profits by inflating expenses on purchase of materials. Such excess material is sold in the market in cash but cash so generated remains unaccounted.

It has been also found that the group has indulged in obtaining accommodation entries for inflating other business expenses. Incriminating documents such as handwritten diaries have been seized from the premises of commission agents who have been assisting the assessee group in these dubious practices. These seized documents carry evidences of unaccounted cash generation and movement of material. The search operation has further revealed that the group is also suppressing contractual receipts and service income. It was further seen that the group is not maintaining proper books of accounts, including supporting documents like bills and vouchers.

Various incriminating documents recovered and seized during the search indicate the movement of unaccounted cash between different locations for its investment in immovable properties at various locations and cash expenses of personal nature. It has been detected during the search operation that the commission agents and suppliers of bogus bills have also evaded tax on crores of income as they have indulged in providing accommodation entries to other parties as well.

The search action has resulted in seizure of unaccounted cash of Rs 5.71 crore. Ten bank lockers have been placed under restraint. Investment made in fixed deposits, etc. of about Rs. 60 crore is under verification. The search action has led to the detection of unaccounted income to the tune of about Rs. 100 crore.

Further investigations are in progress.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT