

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

New Delhi, 1st December 2021

PRESS RELEASE

Income Tax Department conducts search operations in Rajasthan

The Income Tax Department initiated search and seizure operations on a group engaged in manufacturing and export of jewellery and coloured gemstones at Jaipur on **23.11.2021**. The search action covered more than **50 premises** at different locations in and around Jaipur.

During the course of the search, it was found that the rough of semi-precious and precious stones is imported from African countries and the same is processed in Jaipur. The yield of cut and polished stones is suppressed and part of it is sold in cash, generating unaccounted income which is not recorded in the books of accounts. Such unaccounted income is then deployed to earn interest by providing cash loans through a finance broker. The search team has seized documentary and digital evidences of disbursements of such cash loans and interest earned thereon. The nature of these transactions has been admitted by the finance broker.

Apart from this, incriminating evidences relating to unaccounted sales and purchases, difference in stock, non-genuine unsecured loans and share application money, etc. have also been found. Further, documents have been found from entities of the group operating from Special Economic Zone (SEZ), indicating that they are indulging in unfair practices for declaring higher profits from these units as the income from these units is eligible for exemption u/s 10AA of the Income-tax Act, 1961.

The search action has resulted in seizure of cash of about Rs. **4 crore** and jewellery valued at Rs. **9.00 crore**. So far, detection of undisclosed income of more than Rs. **500 crore** has been made in the group, out of which aggregate amount of Rs. **72 crore** has been admitted by the respective group entities as their undisclosed income.

Further investigations are under progress.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT