

**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 Chhattisgarh

The Income Tax Department carried out search and seizure operations on 22.12.2021 on two prominent groups of Raipur and Korba, engaged in the business of manufacturing of iron & steel products, coal washery and transportation, etc. The search action covered more than 35 premises spread over Raipur, Korba, Bilaspur and Raigarh districts of Chhattisgarh.

During the course of the search action, in one of the groups, various incriminating documents and digital evidences have been found and seized including a parallel set of cash books. The preliminary analysis of these parallel set of cash books reveals that it contains a systematic record of unaccounted transactions of more than Rs. 200 crore. Evidences collected also suggest that certain entities of this group have been found to be indulging in suppression of actual production and subsequent unaccounted sales made in cash, which are not recorded in the regular books of account. In the case of one such entity, parallel set of books of account evidencing transactions of about Rs.50 crore, which are not reflected in the regular books of account, have been found and seized. The search team has also found that this group is evading their taxable income by obtaining bogus purchase invoices from related group entities engaged in transportation as well as from entry providers.

The analysis of incriminating documents and other related evidences in the case of another group clearly indicates that this group has indulged in various malpractices to evade taxes on its income by resorting to obtaining of share capital with unsubstantiated share premium and claim of expenses on bogus purchases. The key person of this group has admitted an undisclosed income of Rs.20 crore.

So far, the search action has led to the seizure of unexplained cash and jewellery of more than Rs. 3 crore.

Further investigations are in progress.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT