

Government of India
Ministry of Finance
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PRESS RELEASE

Income Tax Department conducts search on prominent persons in Film Industry in Tamil Nadu

On 05-02-2020, the Income Tax Department conducted a search in the case of 4 major players in the Film Industry including a Producer, a prominent Actor, his Distributor and Financier based in Tamil Nadu. The common thread among all these entities was the success of a recent film which was a box office hit collecting around Rs. 300 crore. About 38 premises of the group were covered in search and survey actions spread over Chennai and Madurai.

The highlight of the search is the seizure of unaccounted cash of about Rs. 77 crore from hideouts and secret places located at Chennai and Madurai, purportedly belonging to the financier. Large number of property documents, Promissory notes, post dated cheques taken as collateral security were recovered during the search and have been seized. As per evidence detected during the search, it is estimated that the concealment in this case is likely to exceed Rs. 300 crore.

The distributor, who is a part of the group searched, is also a builder. All documents in original, belonging to the distributor have been recovered from a hideout place, which was the house of his friend. Scrutiny of the evidence so unearthed is under progress.

The producer, who is also a part of the group searched, is into film production, distribution and film exhibiting Multiplexes and has produced several films. Analysis of the accounts available in the office premises is under process. Evidences of actual receipts and expenses booked and remuneration paid to Artists is under investigation.

In the context of the issues of the prominent Actor, it is stated, that, his investment in immovable properties and remuneration received from the said Producer for acting in the film is the subject matter of investigation in the present search. Searches in some of the premises are still continuing.

(Surabhi Ahluwalia)
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Official Spokesperson, CBDT.