

**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 Maharashtra and Goa

The Income Tax Department carried out a search and seizure operation on 25.08.2021 on a group based in Maharashtra and Goa. The group is a prominent steel manufacturer and trader of Pune, Nashik, Ahmednagar and Goa. More than 44 premises were covered in the search operation.

During the course of the search and seizure operation, many incriminating documents, loose papers and digital evidences were seized.

Evidence detected during the search revealed that the group was engaged in fraudulent practice of booking bogus purchases of scrap and sponge iron from various 'fake invoice issuers'. Premises of fake invoice issuers were also covered during the search. Such invoice issuers have admitted that they supplied only bills but no materials and also generated fake e-way bills to show it as genuine purchases and to claim GST input credit. With the active support of GST Authorities, Pune, "Vehicle movement tracking app" was used to identify fake e-way bills. Total bogus purchases identified from these parties, so far, is about Rs.160 crore. The verification is still in progress and quantum of bogus purchases is likely to increase substantially.

Further, shortage of goods to the tune of Rs.3.5 crore and excess stocks of Rs. 4 crore was also found from the premises and the same has been admitted by the assesseees. Unaccounted investment in property was also unearthed. Unaccounted cash of Rs. 3 crore and jewellery amounting to Rs. 5.20 crore has been seized from different premises. Unaccounted silver articles of 194 Kg valued at about Rs. 1.34 crore have been found during the search and have been accepted and declared as additional income by the assessee.

So far, a total of Rs.175.5 crore of unaccounted income has been unearthed including unaccounted cash and jewellery, shortage and excess of stock and bogus purchases.

The search operation is still continuing and investigations are in progress.

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Official Spokesperson, CBDT