

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

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PRESS RELEASE

Income Tax Department conducts search and seizure operations in Haryana

The Income Tax Department had conducted a search and seizure operations on a diversified business group engaged in the manufacturing of plywood/plyboard, MDF board, inverter and vehicle batteries, and in the refining of lead on 11.01.2022. More than 30 premises spread across the cities of Yamuna Nagar, Ambala, Karnal, and Mohali have been covered in the search operation.

During the search operation, various incriminating documents and digital evidences have been found and seized in relation to entities of plywood business. These include a parallel set of books of account recording the entries of cash transactions of purchase, sale, payment of wages, and other expenses of group entities, in addition to transactions of investment in immovable properties. These evidences have clearly revealed the modus operandi of the group that it is involved in the generation of cash by suppression of sales to the extent of about 40% of the actual sales. The preliminary analysis of incriminating evidence indicates that this group has suppressed sales to the tune of Rs.400 crore in the last three years.

In case of a battery manufacturing concern, the search team unearthed incriminating evidence regarding payment of wages and purchase of raw materials in cash aggregating to Rs.110 crore which has not been recorded in the books of account. In the case of battery manufacturing as well as lead refining concerns and its related entities, suspicious purchases exceeding Rs.40 crore from non-existent concerns have also been identified.

The correlation of this evidence has also revealed that unaccounted cash so generated is systematically invested in the acquisition of immovable properties of key persons of plywood and lead refining businesses.

The search action has resulted in seizure of unaccounted cash of more than Rs 6.60 crore and jewellery valued to the tune of Rs 2.10 crore. In total, 22 bank lockers have been kept under restraint and are yet to be operated.

Further investigations are in progress.

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Official Spokesperson, CBDT