

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**INCOME TAX DEPARTMENT INITIATES INVESTIGATION
INTO ISSUANCE OF CHEQUES BY COMPANIES WHICH ARE
ACTING AS ENTRY OPERATORS TO CONVERT ILLEGAL CASH
INTO LEGITIMATE MONEY**

New Delhi, February 11, 2015

Magha 22, 1936

Income Tax Department, Ministry of Finance, Government of India had initiated investigation into issuance of cheques by companies which are acting as entry operators to convert illegal cash into legitimate money. Recently in Kolkata, this investigation led to detection of substantial unaccounted income. In these cases, the unaccounted income was sought to be converted into legitimate money with the help of non-genuine companies which were acting as entry operators.

Similarly and based on media reports, enquiry was initiated in Delhi into issuance of cheques by companies which were alleged to be non-genuine and entry operators. The companies and their Directors could not be traced at the addresses given to Banks and Ministry of Corporate Affairs. Examination of the accounts of these companies revealed that they have issued accommodation entries to several persons and entities for substantial amounts. It was also found that sources for such entries were prima facie not genuine. To carry forward the investigation process, notices were issued to about 50 persons and entities including two political parties on 9th February, 2015. These notices seek information about the identity of the contributors and other relevant details which are necessary to complete the process of investigation.
