Government of India
Ministry of Finance
Department of Revenue
Central Board of Direct Taxes
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Press Release

Income Tax Department undertakes verification of suspicious foreign remittances

Based on ground intelligence and analysis of data on outward foreign remittances, the Income Tax Department has identified several suspicious entities that remitted large amounts of foreign exchange over the last three years. A nationwide network of entities engaged in remitting funds abroad was uncovered during a search operation conducted on a group of fictitious charitable trusts involved in providing accommodation entries against bogus donations/contributions. Preliminary ground verification revealed that the entities making these remittances were either non-filers or were filing income-tax returns showing very small turnovers. The turnovers had no apparent correlation with the large amounts of money being remitted abroad. They also did not appear to match the stated purpose of the remittances, such as payment for freight, import of software, or import of consulting services. Further ground-level intelligence revealed that these entities were not actually operating from the addresses declared by them.

Further analysis of the data also revealed that a large number of Form 15CB certificates were issued by a relatively small group of professionals. The remitted funds were also received by a clustered group of entities. Form 15CB, read with Rule 37BB of the Income-tax Rules, 1962 (corresponding to Form 146 read with Rule 220 of the Income-tax Rules, 2026), requires the Accountant certifying a foreign remittance to verify its taxability with reference to the books of account and other relevant documents. However, the findings raise concerns about whether adequate due diligence was carried out by the Accountants before issuing these certificates.

On 18.08.2026, the Department launched a nationwide detailed verification exercise to verify these foreign remittances, focussing on shell entities, the persons behind them, and the professionals who have issued Form 15CB certificates. Entities located in districts along the country's land borders and remitting significant amounts of money abroad have also been covered in the exercise. The exercise has covered approximately 394 entities (including 117 entities located in land-border States), and 36 professionals.

The Department emphasises that Accountants issuing certificates in Form 15CB/Form 146 are expected to exercise due care, diligence and professional judgment. They should properly examine the underlying transactions and relevant facts before certifying the remittances, as these certifications play an important role in maintaining trust in the system.

Further investigations are currently underway.

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