

PRESS RELEASE

The Commercial Taxes Department, Karnataka, continues its relentless pursuit against fake Bill Traders whose illegal activities lead to claim of fictitious and ineligible Input Tax Credit (ITC) seriously impacting the tax revenues of the Government.

Mr. Rahul Kishan Rao Kulkarni, an accused Taxpayer, resident of Bidar District, Karnataka was arrested and taken into custody in Hyderabad by a team of officers of the Department of Commercial Taxes, Government of Karnataka on 21-08-2025. He has been produced before the I Additional Civil Judge and JMFC Court Bidar. The Court has sent him to Judicial Custody.

He was involved in creation of fake GST registrations in his name, his family members and his friends by misusing Aadhar and PAN Cards and managing their bank accounts, using which tax invoices were issued to the tune of several crores facilitating the claim of bogus ITC by the recipient taxpayers without actual supply of goods or services. There are several other persons involved in this racket. Most of the beneficiaries/recipients of fake ITC are works contractors. Investigation of all the recipients of fake ITC is going on. We will recover tax along with interest and penalty and will take stringent action on all fraudulent tax evaders.

Officers of the Commercial Taxes Department are continuing their investigation and analysing it from all angles. This resolute action by the Commercial Taxes Department sends a clear message about the unwavering commitment to upholding the rule of law, ensuring equitable taxation and safeguarding the interests of both the State and its honest taxpayers.