

**IN THE INCOME TAX APPELLATE TRIBUNAL  
DELHI BENCH 'A', NEW DELHI**

**Before Sh. Amit Shukla, Judicial Member**

**Dr. B. R. R. Kumar, Accountant Member**

**(Through Video Conferencing)**

**ITA No. 7142/Del/2018 : Asstt. Year : 2010-11**

**ITA No. 7143/Del/2018 : Asstt. Year : 2015-16**

DCIT, Central Circle-14, New Delhi-110055	Vs	AMP Motors Pvt. Ltd., 2686, Kashmere Gate, Delhi-110006
<b>(APPELLANT)</b>		<b>(RESPONDENT)</b>
<b>PAN No. AAICA0034F</b>		

**Assessee by : Sh. Ashwani Kumar, CA**

**Revenue by : Sh. Satpal Gulati, CIT DR**

<b>Date of Hearing: 18.10.2021</b>
------------------------------------

<b>Date of Pronouncement: 22.10.2021</b>
--

**ORDER**

**Per Bench:**

The present appeals have been filed by the Revenue against the orders of Id. CIT(A)-27, New Delhi dated 13.08.2018.

2. Since, the issues involved in both the appeals are identical, which were heard together.

3. In ITA No. 7142/Del/2018, following grounds have been raised by the Revenue:

*"1. That the Ld. CIT(A) has erred in facts and on law in giving relief on account of additions made u/s section 68 in the case of assessee company based on the cash flow statement of another company i.e. M/s Anand Motors*

*Products Pvt. Ltd. and also ignoring the fact that there is no direct linkage of cash generated out of bogus purchases in M/s Anand Motors Products Pvt. Ltd. to investment in M/s AMP Products Pvt. Ltd. as share capital/ share premium of Rs. 6.75Cr.*

*2. That the Ld. CIT(A) has erred in facts and on law in stating that the additions were made by the AO only on the basis that the application of the assessee is pending before ITSC and clearly ignoring the fact that the AO has made the addition as the assessee failed to explain the identity and credit worthiness of the share holders and also failed to prove the genuineness of the transactions.*

*3. That the Ld. CIT(A) has erred in facts and on law in deciding appeal of the assessee based on cash flow statement submitted and admitted by Hon'ble ITSC without appreciating the fact that department has never accepted the cash flow statement filed by assessee and prayed for enhancing bogus purchases Rs.72.70 Cr. based on seized documents/ or alternatively Bogus purchases of Rs. 104.63 cr. based on percentage of total purchases in rule 9/9A/D3 Report."*

4. Delay condoned.

5. The assessee company is engaged in the business of dealership of Land Rover & Jaguar in Delhi NCRs. A search and seizure operation was carried out on AMP Group and other related cases on 16.09.2015 at the various residential and business premises. It was submitted that the assessee has received share capital and share premium from two entities namely, M/s Ballabhgarh Refractories Ltd. of Rs.1.50 crores and M/s USK Exim Pvt. Ltd. of Rs.50 lacs in A.Y. 2010-11 and Rs.6.75 crores from entities namely, MS Info Lands Software Solutions Pvt. Ltd., M/s Shridhar Portfolio Management Pvt. Ltd. and M/s Mysore Finlease Pvt. Ltd. for the A.Y. 2015-16.

6. At the time of assessments, the application filed by the assessee before the Income Tax Settlement Commission (ITSC)

was pending for acceptance. Subsequently, the application of the assessee was accepted by the Hon'ble ITSC and passed the order u/s 245D(4) of the Income Tax Act on 28.03.2018. The ITSC has categorically observed that *"the applicant has explained the introduction of share capital through generation of cash from inflation of the purchases. The cash flow statement submitted before the Commission has been verified by the Id. PCIT. Hence, no further addition is called for on this issue."*

7. The grounds taken up by the Revenue that the department has never accepted the cash flow statement filed by the assessee is in contravention to the categorical finding of the Hon'ble ITSC as mentioned above. The Id. CIT(A) after duly considering the order u/s 245D(4) of the Hon'ble ITSC came to a conclusion that the amount stands offered to tax. On going through the entire record, we find no reasons to interfere with the order of the Id. CIT(A).

8. In the result, both the appeals of the Revenue are dismissed.

Order Pronounced in the Open Court on 22/10/2021.

Sd/-

**(Amit Shukla)**  
**Judicial Member**

**Dated: 22/10/2021**

\*Subodh Kumar, Sr. PS\*

Copy forwarded to:

1. Appellant
2. Respondent
3. CIT
4. CIT(Appeals)
5. DR: ITAT

Sd/-

**(Dr. B. R. R. Kumar)**  
**Accountant Member**

**ASSISTANT REGISTRAR**