

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

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PRESS RELEASE

Income Tax Department conducts searches in Delhi-NCR on Automobile Manufacturing Group, Company Operating Chartered Flights and Real Estate Groups

The Income Tax Department conducted a search and seizure operation on a leading automobile manufacturer group along with a company operating chartered flights and a real estate group of Delhi-NCR covering more than 35 premises across Delhi-NCR, on 23.03.2022.

During the course of the search operation, various incriminating documents and digital evidence have been found and seized indicating that the expenses ostensibly shown to have been claimed towards business purposes are not fully supported by evidences. Expenditure aggregating to more than Rs. 800 crore has been booked in the guise of purchase of services from a specific event management entity. This entity has siphoned-off the money by way of layering. Such claims towards non-business purposes are inadmissible expenditure under the provisions of the Income-tax Act, 1961.

In the search, it was also found that 10 acres of farm land at Delhi was purchased through few paper companies. In such transactions, unaccounted cash component of over Rs. 60 crore was purportedly involved. The ultimate/ real beneficiary of the land deal is a prominent person of the automobile manufacturer group. The intermediary who facilitated the said deal has admitted in his statement that major part of the sale consideration was paid in cash.

Apart from this, several incriminating documents have been unearthed from the premises of persons involved in the real estate business. These contain records of on-money transactions where cash was being received in lieu of sale of units in their various real estate projects across Delhi.

In the case of the company operating chartered flights, evidence related to booking of bogus expenses and non-recognition of income totalling to over Rs. 50 crore, rotation of funds and suspicious loans through a dubious NBFC floated by a key person, layering and re-routing of funds through paper companies and claiming bogus interest expenses, etc. have also been unearthed.

Undisclosed cash exceeding Rs. 1.35 crore has been seized and jewellery over Rs. 3 crore has been kept provisionally under restraint.

Further investigations are in progress.

(Surabhi Ahluwalia)
Commissioner of Income Tax
(Media & Technical Policy)
Official Spokesperson, CBDT