

**Particulars of monies released to income Tax Department by Hon'ble Supreme Court and Hon'ble Special Court on adhoc and interim basis under the Torts Act.1992**

Sr. No.	Order Date	Matter No.	Rate of Interest on Refund	Amount of Tax Released / Paid	Period
1	Special Court Order dated 24/08/1993	M.A. No.41 of 1993	* As per Spcl. Court Direction	42,08,672	1993-94
2	Special Court Order dated 21/03/1995	M.A.No.107 of 1993		18,55,667	Pre-Notofication
3	Supreme Court Order dated 26/08/1996	Civil Appeal No. 5326 of 1996 with C.A.No.5147 of 1995	18%	1,93,71,00,000	1992-93
4	Special Court Order dated 22/03/2000	M.A. No. 150 to 156 of 1999	18%	44,92,80,000	1992-93
5	Supreme Court Order dated 13/02/2002	Civil Appeal No. 7572 of 1999 with C.A.No.1175 of 2002	I.T.Section 244 (1) - 9%	24,49,75,618	1992-93
6	Special Court Order dated 16.03.2002	M.A.Nos.342 to 348 of 2001	9%	70,00,00,000	1992-93
7	Special Court Order dated 26/11/2002 & 22/01/2003	M.A.Nos.75 to 85 of 2001	* As per Spcl. Court Direction	4,46,03,576	Post-Notification ( Corporates )
8	Splecial Court Order dated 16/01/2003 & 28/01/2003	M.A.Nos. 469 to 489 of 2002	I.T.Section 244 (1) - 8%	4,35,50,65,686	1992-93 1993-94
9	Splecial Court Order dated 11/02/2003	M.A.Nos. 553, 555 to 561 of 2002	I.T.Section 244 (1) - 8%	32,45,45,709	Post-Notification ( Individuals )
10	Special Court Order dated 03/10/2003	M.A.No.272 of 2003	* As per Spcl. Court Direction	4,21,59,65,754	1992-93 1993-94
11	Special Court Order dt.25.02.2011	Custodian Report No.9 of 2010	* As per Spcl. Court Direction	19,95,66,79,684	1992-93 1993-94 IT & WT
12	Hon'ble Supreme Court Order dated 26th March 2012	C.A.No.8437 of 2011		28,34,10,461	1992-93 1993-94 RSM & RISM
13	Hon'ble Special Court Order dated 1st April 2016	M.A.No.71 & 74 of 2015		33,69,13,558	Post-Notification ( RSM & RISM )
	<b>Total tax Released / Paid</b>			<b>32,85,46,04,385</b>	

**Note**

- \* Denotes that in these cases the monies are released on such terms and conditions which would be decided by Hon'ble Special Court/Hon'ble Supreme Court.
- Against estimated liability to pay tax of about Rs.100 Crores, the department foisted upon Mehtas claims of about Rs.30,000 Crores and thereafter through misrepresentations before Hon'ble Courts and by acting in collusion with the Custodian secured release of a huge amount of Rs.3285.46 Crores in gross violation of the law laid down by the Hon'ble Supreme Court in the case of Harshad Shantilal Mehta Vs Custodian reported as (1998) 5 SCC 1.The Hon'ble Supreme Court had expressly laid down that no monies should be paid to revenue until its demands are raised in accordance with law and they become final and binding on the notified persons and the claims should be reckoned when the date of distribution arrives. The priority under the Torts Act was limited to the period between 01.04.1991 and 06.06.1992 and the Special Court was conferred with full discretion either to meet the demands of the department under the Torts Act or to keep it outside the distribution as the Torts Act was promulgated for redressing the grievance of banks. The Hon'ble Supreme Court also directed the Special Court to recall Rs.193.71 Crores paid to the department at interim stage by applying the law laid down by it. The department also conceded that exorbitant tax demands can be ignored. Yet in violation of all the above, the Special Court at the behest of the I.T. department and Custodian released abnormally large amounts overruling the objections of notified entities and the banks and thereby allowed the I.T. department to take away monies to which it was not entitled to at all.
- It is ironic that the Ld. Judge, Special Court under order dated 29.09.2007 in Report 15 of 2006 came to the conclusion that there was gross miscarriage of justice in the two assessments of Harshad Mehta for AY 1992-93 and AY 1993-94 and instead of the incomes determined at Rs.3400 Crores the same was reckoned at Rs.278 Crores with a liability to pay tax of Rs.140 Crores. In violation of 2 orders passed by Hon'ble Supreme Court on 06.01.2011 and 21.02.2011 and without hearing the notified entities the same Ld. Judge on 25.02.2011 directed release of Rs.1995.67 Crores to the department though earlier on 29.09.2007 the same Ld. Judge had directed I.T. department to refund Rs.546.22 Crores with interest. The above sum of Rs.1995.67 Crores was paid to the department by transferring Rs.1808.27 Crores from the accounts of the family members and corporate entities to the account of Harshad Mehta. This is despite the fact that the Income Tax Act does not provide for recovery of dues of "A" from "B". Since then the assessment order of Harshad Mehta for AY 1992-93 has been quashed by the Hon'ble ITAT under order dated 14.01.2019 but Rs.1342.98 Crores collected from Harshad Mehta for this year are not being refunded.
- Since then Mehtas have won till date more than 1200 cases because of which claims have come down from Rs.30,000 Crores to about Rs.4,000 Crores, and refunds of Rs.814.33 Crores have been secured from the IT department which is already paid to Custodian and further refunds of more than Rs.5500 Crores are already overdue for some years.
- The residual claims of Rs.4000 Crores are presently under contest and Mehtas are hopeful of winning the balance cases.

**Entity wise particulars of monies released to the Income Tax department by Hon'ble Supreme Court and Hon'ble Special Court under the Torts Act**

Sr. No.	Entity	Amount Released	Rs. In Crores
1	Harshad S Mehta	2322,10,08,532	2,322.10
2	Ashwin S Mehta	281,36,71,628	281.37
3	Hitesh S Mehta	29,60,35,704	29.60
4	Sudhir S Mehta	42,22,38,208	42.22
5	Jyoti H Mehta	273,29,49,846	273.29
6	Deepika A Mehta	26,60,20,384	26.60
7	Pratima H Mehta	29,09,10,679	29.09
8	Rina S Mehta	18,35,56,915	18.36
9	Rasila S Mehta	44,02,95,111	44.03
10	Growmore Research & Assets Mgmt. Ltd.	99,18,37,802	99.18
11	Growmore Leasing & Investments Ltd.	32,01,49,293	32.01
12	Growmore Exports Ltd.	4,12,01,624	4.12
13	Aatur Holdings Pvt. Ltd.	1,53,49,060	1.53
14	Harsh Estates Pvt. Ltd.	1,28,32,942	1.28
15	Orion Travels Pvt. Ltd.	97,42,064	0.97
16	Pallavi Holdings Pvt. Ltd.	4,62,18,032	4.62
17	Topaz Holdings Pvt. Ltd.	3,66,34,657	3.66
18	Cascade Holdings Pvt. Ltd.	61,67,88,793	61.68
19	Divine Holdings Pvt. Ltd.	1,41,02,367	1.41
20	Eminent Holdings Pvt. Ltd.	23,59,338	0.24
21	Fortune Holdings Pvt. Ltd.	6,55,31,405	6.55
22	Treasure Holdings Pvt. Ltd.	10,82,776	0.11
23	Velvet Holdings Pvt. Ltd.	6,54,168	0.07
24	Zest Holdings Pvt. Ltd.	1,34,33,057	1.34
	<b>Total</b>	<b>3285,46,04,385</b>	<b>3,285.46</b>

Note:

- The above amounts have been secured by the IT department in collusion with the Custodian by misrepresenting that it has framed the assessments in accordance with law.
- The Mehtas and SBI had objected to the release of such abnormally large amounts including on the ground that once the monies are released to the I.T. department not only it will create a vested interest in retaining them by entering into prolonged litigation but the same would also not be returned back even if demands are deleted. These objections were overruled.
- It has been experienced now since 2000 that the I.T. department is not making compliance with the orders of the higher authorities and sustaining/resurrecting old deleted additions to avoid making the refunds and in each case over 25 years litigation has taken place through 3 rounds of assessments.
- Wherever refunds have fallen due the same are not being made in gross violation of undertakings given by the I.T. department to unconditionally bring back the amounts. In recent years, the Order Giving Effects (OGEs) are not being passed or incorrect OGEs are issued to deny the benefit of the reliefs granted by the appellate authorities. Even where fresh Demand Notices are issued disclosing refund of large amounts these refunds are not being made for years together in complete violation of provisions of Torts Act and Sec.240 of the I.T. Act.