

Chart giving particulars of patently illegal and high-pitched assessments of Rs.556.83 Crores made by Income Tax department on 15 corporate entities promoted by Mehtas for 5 assessment years by abusing discretionary powers under the provisions governing best judgment assessments.

	Assessment Years	<u>A.Y.1989-90</u>	<u>A.Y.1990-91</u>	<u>A.Y.1991-92</u>	<u>A.Y.1992-93</u>	<u>A.Y.1993-94</u>	
Sr. No.	Name of the Entity	Assessed Income (Rs. In Lakhs)	Assessed Income (Rs. In Lakhs)	Assessed Income (Rs. In Lakhs)	Assessed Income (Rs. In Lakhs)	Assessed Income (Rs. In Lakhs)	Total Income (Rs.in Lakhs)
1	Growmore Research & Assets Management Ltd.	25.24	254.01	58,43.65	165,50.21	16,60.25	243,33.36
2	Growmore Leasing & Investments Ltd.		1,11.23	25,58.18	57,78.21	2,65.23	87,12.86
3	Growmore Exports Ltd.		1.20	25.60	8,76.30	12.84	9,15.95
4	Harsh Estates Pvt. Ltd.	0.55	3.39	6.46	1,71.51	0.28	1,82.19
5	Aatur Holdings Pvt. Ltd.	0.55	2.29	50.76	1,74.76	0.26	2,28.62
6	Orion Travels Pvt. Ltd.	0.00	0.53	58.30	1,82.83	0.07	2,41.74
7	Cascade Holdings Pvt. Ltd.	0.00	0.00	1,51.40	100,98.25	5,48.64	107,98.29
8	Fortune Holdings Pvt. Ltd.	0.00		1,50.30	2,70.75	62,91.59	67,12.64
9	Topaz Holdings Pvt. Ltd.	0.00	0.00	0.00	22,92.89	9.07	23,01.96
10	Pallavi Holdings Pvt. Ltd.	0.00	0.00	0.00	11,41.76	0.28	11,42.04
11	Divine Holdings Pvt. Ltd.	0.00	0.00	0.00	-0.41	3.13	3.13
12	Velvet Holdings Pvt. Ltd.	0.00	0.00	0.00	-0.53	10.12	9.59
13	Eminent Holdings Pvt. Ltd.	0.00	0.00	0.00	2.59	8.13	10.72
14	Zest Holdings Pvt. Ltd.	0.00	0.00	0.00	29.36	49.12	78.48
15	Treasure Holdings Pvt. Ltd.	0.00	0.00	0.00	4.29	7.59	11.87
	Total	26.34	372.66	88,44.65	375,72.78	88,66.61	556,83.04

Notes :

- The Income Tax carried a raid on 28.02.1992 and on 02.06.1992 a Declaration of Income was made by Mehtas to I.T. department offering record income of Rs.100 Crores even though the business had already stopped.
- Between 28.02.1992 till 02.06.1992 the department had analyzed the seized data and material and made a provisional assessment of incomes earned on which basis it very happily accepted the above declaration of income.
- Within 4 days i.e. on 06.06.1992 the Government promulgated Torts Act which gave priority to the demands of the Income Tax over those of banks and to exploit that priority and to persecute Mehta family, using the same seized material the department made extremely high-pitched assessments on 9 individuals of Rs.5604 Crores and on 15 corporate entities of Rs.556.83 Crores as above.
- The Special Court criticized the conduct of the department under order dated 02.07.1993 in MA 107 of 1993 and yet in complete defiance of adverse observations made against it, much higher demands were raised between 1993 to 1996 as above.
- The appellate authorities set aside the above assessments and directed the department to assess the income on the basis of books of account but these orders granting reliefs to Mehtas were not complied with and old and deleted additions were resurrected and 3 rounds of assessments have taken place in past 25 years because of non-compliance by the I.T. department.
- In recent years, the Mehtas have succeeded before the appellate authorities who have deleted more than 98% of the additions in more than 1200 cases and demands of about Rs.30,000 Crores have come down to about Rs.4000 Crores and the balance and surviving demands are still under contest but likely to meet the same fate. Now the department having collected Rs.3285.46 Crores against false demands is not refunding more than Rs.5500 Crores which are overdue since some years.
- The objects of the Torts Act, a Special Statute has been defeated, but the Custodian has succeeded in achieving all his ulterior objects of maximum assets under his control, persecution of Mehtas, inflicting losses on Mehtas and corresponding benefits on to banks and third parties, indefinite delay in final distribution and continuance of his office as well as notification of Mehtas.