

CHART DISCLOSING FACTS OF DECREES AWARDED BY HON'BLE SPECIAL COURT AGAINST FAIRGROWTH FINANCIAL SERVICES LTD. (FFSL) WHERE INTEREST IS AWARDED ONLY UPTO DATE OF NOTIFICATION BEING 02.07.1992

Sr. No.	MA/MP No.	Name of Party	Order dated	Decree Rs.(Crs.)	Interest
1	MP 6 of 1992	ABFSL Vs Custodian / FFSL	17.12.1998	172.09	Interest after date of notification of 02.07.1992 will be decided at the time of final distribution.
2	MP 11 of 1992	Prag Bosimi Synthetics Ltd. Vs Custodian & Ors.	09.09.1997	14.64	Interest payable after date of notification will be decided at the time of final distribution.
3	MP 8 of 1992	AB Home Finance Ltd. Vs Custodian & Ors.	09.09.1997	6.14	Interest payable after date of notification will be decided at the time of final distribution.
4	MP 23 of 1992	Tourism Finance Corporation Vs Custodian/FFSL	09.09.1997	5.05	Interest payable after date of notification will be decided at the time of final distribution.
5	MP 21 of 1992	Namtech Electronic Devices Ltd. Vs Custodian & Ors.	10.07.1998	1.80	Interest payable after date of notification will be decided at the time of final distribution.
6	MP 21 of 1998	Old Village Ind. Ltd. Vs Custodian & Ors.	13.01.1999	1.00	Interest payable after date of notification will be decided at the time of final distribution.
7	MP 20 of 1992	Bush Boake (India) Ltd. Vs Custodian & Ors.	09.09.1997	0.80	Interest payable after date of notification will be decided at the time of final distribution.
8	MP 71 of 1992	S&S Ind. Vs Custodian & Ors.	16.09.1997/ 6.12.2013	0.73	Interest payable after date of notification will be decided at the time of final distribution.
9	MP 22 of 1994	Fairgrowth Factors Ltd. Vs Custodian & Ors.	16.09.1997	0.49	Interest payable after date of notification will be decided at the time of final distribution.

Note: The above list is not exhaustive.

1. Several precedents were set by Hon'ble Special Court wherein the decrees were awarded against the notified entity FFSL with interest only upto the date of its notification being 02.07.1992 with a stipulation that interest payable after the date of notification will be decided at the time of final distribution. However and despite being bound by the above precedents the Custodian colluded by supporting SBI, SBI Capital Markets Ltd. and SCB in securing interest on *ex-parte* decrees @ 15% to 18% p.a. so as to foist upon Harshad Mehta false claims of interest of Rs.4425.98 Crores. In this manner, Custodian conferred huge favours on to banks and took advantage of sudden demise of Harshad Mehta in jail.
2. That Harshad Mehta should not have been burdened with a liability to pay above interest of Rs.4425.98 Crores since after his notification and attachment of his bank accounts he has not utilized the principal amount and therefore liability to pay interest should not be fastened on to him. Because of notification, Harshad Mehta and family have suffered losses of Rs.20,677.28 Crores by premature sale of their attached shares and the Custodian has deliberately not recovered attached assets of Mehtas from banks and third parties valued at about Rs.5000 Crores. That even the liquid amounts have been placed in Fixed Deposits earning pre-tax interest of only 3 to 7% p.a. and by awarding interest on the decrees @ 15 to 18% p.a. Harshad is bound to become bankrupt by levy of interest of about Rs.30 lacs per day for past 30 years and this amounted to unjust enrichment of the banks.
3. The Custodian was also aware of the law laid down by Hon'ble Special Court under its order dated 20.02.1995 in MA 107 of 1993 wherein it was laid down that no interest or penalty should be levied upon a solvent notified entity for the period covering the notification since such person is prevented by his notification from discharging his obligation. This law was thereafter upheld by Hon'ble Supreme Court in the case of Harshad Shantilal Mehta vs. Custodian reported as (1998) 5 SCC 1.
4. Even before notification Harshad Mehta had unconditionally offered to meet all his obligations and the banks did not accept his offers to pay from 1992 onwards since they wanted to earn interest on large amounts at abnormally high rate of 15% to 18% p.a. for 3 decades.