

Mahindra Satyam gets attachment order from Income Tax Department

Mahindra Satyam today said it has received a provisional attachment order from the Income Tax Department attaching land and buildings of the company.

"The company had received a provisional attachment order dated January 30, 2012, from the Additional Commissioner of Income Tax (ACIT), Central Range -- 3, Hyderabad attaching land and buildings of the company," it said in a filing to the BSE.

The I-T Department had issued notices to the company seeking Rs 617 crore tax for the assessment years from 2003-04 to 2008-09, when the company was run by the founder B Ramalinga Raju and his team.

Subsequently, the company deposited a bank guarantee of Rs 617 crore in last April with the I-T department as directed by the Supreme Court and the bank guarantee furnished was valid until December 31, 2011.

The company said that an interim order from the Andhra Pradesh High Court on January 31 has directed both "Satyam and Income Tax department to maintain status quo."

The said order also directed that the bank guarantee furnished by the company will not be encashed by the Revenue until further orders, it further said.

"Income Tax Department was not allowed to encash the bank guarantee which we had given last year. This why they issued provisional order saying we will attach your properties. This is just provisional order and there nothing substantial which we have received," a Mahindra Satyam spokesperson said.

"The Income tax department should seek court's permission before they issue final notice. We will take legal opinion and move further," the spokesperson added.

Shares of Mahindra Satyam were marginally down at Rs 74.20 on the BSE at 1400 hrs.

Once a leading Indian IT company, Satyam was hit by a multi-crore rupees corporate fraud, admitted by its founder and the then chief B Ramalinga Raju over three years ago.

(Economic Times)