

Swatantra Party

CENTRAL OFFICE

PHONE: 29687

GRAMS: SURAJYAM



SASSOON BUILDING,
143, MAHATMA GANDHI ROAD,
BOMBAY 1.

20th September, 1963.

3315

MR. RAJU

The best way to deal with the matter of the amount owing by the Raja Bahadur, Ramghad, to the Central Bank (guaranteed by the New India Assurance Co.) would be as follows :-

1. The Raja Bahadur should immediately pay direct to the Central Bank the sum of Rs.1,20,000/- plus the precise amount of interest (about Rs.20,000/-) due thereon.
2. As regards the balance of the interest due to the Central Bank (about Rs.21,000/-), the New India Assurance Co. will be liable as the Guarantors. In order to cover them in respect of it, the best course would be for the Raja Bahadur to make over to New India the 23 Jeeps (purchased with the sum of Rs.2,80,000/- which was paid on his behalf direct to the Bank) which are admittedly the property of the Swatantra Party (Central Office). The New India Assurance Co. should be fully able to recover the balance due on the loan account by selling these cars.
3. In order that there may be no complications as regards the right and title of New India to sell these Jeeps, I am quite willing to issue a letter to the Raja Bahadur through the New India Assurance Co. authorising him to transfer and deliver the 23 Jeeps to New India.
4. The New India will be at liberty to sell the Jeeps and settle the outstanding with the Central Bank, collecting also its own expenses or charges in connection with this matter; and it will make over the balance to the Swatantra Party (Central).

L. Bantik
ACTING GENERAL SECRETARY.

**i.e. surplus of sale proceeds.*

Mr. Raju

You had told me that you will be available at home today and I am therefore very disappointed that you have been away from 3.00 p.m. till now, 9.00 p.m. withoutⁿ break. Something very important has come up and it would have been helpful if we could have met before I leave tonight.

Mr. Vaidya of the New India Assurance came to see ^{me} ~~him~~ today to say that Ramgarh has refused to hand over the jeeps and has invited the Bank to file a suit so that he may file a counter suit against the Swatantra Party. Alternatively, he has offered to hand over to the Bank the 23 (out of 33) jeeps belonging to us, which he is holding in trust, while paying Rs.1,20,000 and the interest on that amount. This would mean that the Bank could sell our 23 jeeps and reimburse themselves to the extent of about thirty or forty thousand rupees which is due to them from Ramgarh by way of interest other than on the Rs.1,20,000.

I have told Vaidya that I was quite prepared in response to their wishes to recommend that the second alternative be tried out but that there were many snags. One was that once our 23 jeeps got into the Bank's hands, Ramgarh would refuse to pay Rs.1,20,000 etc and the Bank would then appropriate the jeeps in payment of Ramgarh's entire debt leaving nothing for the Party. It is essential therefore that before we authorise the Bank to take possession of the jeeps on our behalf, Ramgarh pays the interest and the Rs.1,20,000 and renounces all rights in the 23 jeeps.

I suggest therefore the following action:

1. That you call on Mr. Vaidya at the New India Assurance tomorrow

and go through this matter with him.

2. That you consult Mr. Munshi, show him the correspondence that Mr. Vaidya will give you and obtain his advice and guidance.

3. That you then consult Mr. Dandekar in case he is coming to Bombay in the next few days or go up to Delhi if he is coming there, to place all the facts before him and to obtain his decision.

4. If you go up to Delhi you could usefully see the Rajasaheb of Maksudpur at 12 Allenby Road and ask him to telephone Rangarh in Calcutta and obtain confirmation that he is prepared to carry out the offer made by him to the New India representative, who saw him in Calcutta, and to inform him that in that event I would be glad to cooperate by recommending to the Party that as soon as he ^{paid} ~~pays~~ Rs. 1,20,000 and the interest on the amount to the Bank and had given them a document renouncing his interest in the 23 jeeps belonging to the Swatantra Party, we would authorise the Bank to take possession of the jeeps and to reimburse themselves to the extent of the balance of the interest.

5. In the light of these discussions in Delhi and Mr. Dandekar's decision to communicate ~~far~~ with Mr. Vaidya of New India and if we are going further into the matter to ask Mr. Dara Mehta of Little and Company or some other solicitor to act for us in our dealings with the Bank and with Rangarh as this matter will have to be dealt with professionally in view of the many pitfalls.

It is a pity that we could not meet today and it is the best that I would go in the circumstances.

BSB
(Dictated by Mr. M.R. Masani)

Bombay

1st September, 1963.