

In a letter dated 17th April 1963, addressed by him to the Central Bank of India. the Raja Saheb of Ramgarh has sought to deny his obligations to the Bank by passing them on to the Party. Certain incorrect statements made by him in his letter are quoted below alongside with the correct facts which show that the Party is not liable in the matter at all.

Statements from Raja Saheb's letter

In fact, "this overdraft account was opened in your Bank in my name for Rs. 5 lakhs only for accomodating the Swatantra Party who had requested finance for the purchase of several jeeps during the General Elections in 1962. As the Bank was not prepared to extend such overdraft facilities to a political Party, I agreed to lend my name in the transaction for the Party The account was opened in my name as a name lender, while to all intents and purposes, the account was opened for the use and benefit of the Party itself."

There is, of course, no truth in this. As is wellknown, the initiative in this matter was taken by the Raja of Ramgarh, who made a request that the Treasurer of the Party should use his good offices to help him in securing such a credit. This request is contained in the Raja's letter of 10th June 1961 to the General Secretary, and makes a request "please do not mind, if in the circumstances I approach you again to come to our rescue." On 13th July 1961, the Treasurer wrote to the Raja regarding his inability to help in this matter. On this, the Raja made another plea to the President of the Party in writing, and to the General Secretary verbally, pleading for another effort to be made. As a result, on 24th July 1961, the General Secretary was able to inform the Raja that "as a result of a whole day's effort on my part yesterday" it would be possible for the Raja to secure such a credit from the Bank.

It was the Party's failure to repay to the Bank the amount due from it, which has resulted in interest accumulating. The Party should further be called upon to pay about Rs. 27,000 by way of interest.

The Party had no obligation to pay anything to the Bank, whatsoever, but at the Raja Saheb's request, it agreed to monthly instalments of Rs. 20,000 per month from money which would otherwise gone to Bihar State by way of contribu-

tion to the by-elections. These instalments were regularly paid. At its meeting on 14th March 1962, the Parliamentary Sub-Committee generously agreed to endorse the promise to pay to the Bank on the Raja's behalf as a result of the Treasurer reporting that some more money had been collected. This had been anticipated. At that meeting, the Parliamentary Sub-Committee arranged for the Treasurer to pay a further Rs. 140,000 to the Bank. The minutes of the meeting state "The Party would be prepared to pay to the Bank by way of further repayment of the Raja of Ramgarh's loan Rs. 1,40,000 provided the Raja himself paid off the balance of Rs. 1,20,000/- and the interest that had accrued on it. If repayment was not made by the Raja, then the Party would continue to pay the monthly instalments of Rs. 20,000/- on his behalf. The Raja Saheb, however, agreed that he would pay off his share of the balance due to the Bank in a short time and inform the Party of the same."

The General Secretary wrote to the Raja on 19th April 1962 reminding him of his promise to repay the sum of Rs. 1,20,000 and interest to the Bank. No reply was received to that letter and no payment was made by the Raja to the Bank. It is thus clear, that interest has accumulated on the loan by reason of the Raja's default in carrying out his undertaking made to the Sub-Committee on 14th March 1962. The Treasurer is reported to have made monthly contributions till the month of October 1962 when the amount at his disposal was exhausted.

The Party "should not disown its agreed liability as such by making default in payment.

As can be seen from the facts seen above, the Party has not any such defaults. It has scrupulously carried

on its undertaking both before and after March 1962. Rs. 1,40,000 to be paid after March 1962 were duly paid in 7 monthly instalments ending with October 1962.

It will thus be seen that there is no basis at all for any of the statements made by the Raja of Ramgarh in his letter to the Central Bank. The Treasurer has ~~carried out~~ scrupulously carried out the Party instructions and at its meeting on 7th July 1962 the action taken was approved by the Parliamentary Board. The position was further reported to a meeting in October 1962 and the action taken was approved.

One matter for consideration is in regard to the 15 jeeps belonging to the Centre, in regard to which the minutes of the meeting of the Parliamentary Sub-Committee of 14th March 1962 read as follows:

"In so far as the 15 jeeps which were earmarked for returning to the Centre was concerned, it was agreed that these jeeps, along with the additional number that had now accrued to the Party in view of the revised settlement, need not be returned to the Centre and should be retained by the Bihar State Party, for the Party's use on behalf of the Centre. The jeeps should be registered in the name of the Bihar State Party, who would be the trustees for the jeeps on behalf of the Centre."

In view of the Raja's failure to meet his obligations to the Bank, the Centre's property in these jeeps is now jeopardised and the Parliamentary Board's instructions are requested as to the action that should be taken to protect the Party's interest and property.