

Thakur B. P. Singh, M.P.
22, Chittaranjan Avenue,
Top Floor,
Calcutta-13.
3rd. September 1962.



3326

Sri M.R. Masani,
General Secretary,
Swatantra Party,
Sassoon Building,
143, Mahatma Gandhi Road,
B O M B A Y-1.

Sub: Overdrafts Account with the Central
Bank of India Limited.

Dear Mr. Masani,

I have for acknowledgement the receipt of your letter dated 9.7.62 in regard to the above matter addressed to Rajkumar Dr. B.N. Singh who forwarded the same to me for necessary action.

The circumstances under which the arrangement for overdraft facilities with the Central Bank of India Ltd., was made by you and an account in the name of Raja Bahadur of Ramgarh was opened and overdraft facilities for the sum of Rs. 5,00,000/- were granted by the said Bank are quite well known to you. The overdraft account was opened in the aforesaid manner because the Bank was not prepared to advance the money to a political party. The Raja Bahadur of Ramgarh therefore agreed to lend his name in the proposed arrangement with the Bank so as to enable the Bank to grant overdraft facilities to the extent of the sum of Rs. 5,00,000/- and opened the account in his name.

Under the circumstances it will not be fair and reasonable to presume ignorance of the background of the entire transaction as has been purported to be done in your letter under reply.

It may please be noted further that against this amount of overdraft for the sum of Rs. 5,00,000/- Thirty Three Jeeps were purchased for use during the last General Elections. The Raja Bahadur paid Rs. 1,00,000/- in cash and with regard to the balance of Rs. 4,00,000/- the Swatantra Party agreed to pay the sum of Rs. 2,80,000/- and the Raja Bahadur agreed to pay the remaining outstanding balance of Rs. 1,20,000/-. The Swatantra Party should therefore in all fairness pay the Bank Interest for the amount payable by the Swatantra Party.

I need not repeat here that Raja Bahadur shall of course duly pay his share of the sum of Rs. 1,20,000/-. It may kindly be noted that if the Swatantra Party had only paid the said sum of Rs. 2,80,000/- in cash atleast the interest accruing on the said amount could have been avoided. By the decision of the Parliamentary Sub-Committee in Bombay on March 14, 1962 the Swatantra Party is paying only @ Rs. 20,000/- to the Bank per month in liquidation of the aforesaid amount of Rs. 2,80,000/- payable by the Party. Raja Bahadur therefore cannot be asked in all fairness to pay the interest bills of the Bank for the amount which the Party is liable to pay that is on the sum of Rs. 2,80,000/-. Raja Bahadur is of course ready and willing to pay interest accruing on the sum of Rs. 1,20,000/- being the amount for which he agreed to stand as the Guarantor in respect of the overdraft account in question.

I am therefore surprised to find in your letter under reply several accusations that you have been pleased to make against statements made in my letter dated 23.6.62 to the Deputy Manager, Central Bank of India Limited, Bombay with a copy forwarded to you.

P.T.O.

I hope taking all the facts and circumstances into your kind consideration you will please see to it that the Party should pay all its share of the balance of the interest bills of the Bank in a very short time and inform the Raja Bahadur of such payment so that the matter could be closed to our mutual satisfaction.

With best regards,

Yours faithfully,

Bateshwar Singh

M.P.

3/9/62

(THAKUR B.P.SINGH)