

5441

phone: 251424
grams: surajyam
swatantra party
national headquarters

sassoan building, 143, mahatma gandhi road, bombay 1.

General Secretary's Letter No. 285

July 25, 1972

Dear Friend:

You must have received and read the texts of the Statement and the set of eight resolutions adopted unanimously at the General Council meeting in Madras on June 24 and 25.

I would now like to take up with you in somewhat greater detail the various matters that were discussed and in respect of which decisions were taken.

First of all you must be aware that Mr. H.M. Patel decided to step down from the Presidentship as he felt that in the present situation the Party needed a younger person who had the energy and the time to provide active leadership. He himself proposed that Mr. Piloo Mody be elected to take his place. His proposal was unanimously accepted and Mr. Piloo Mody was elected President.

Rajaji, who was present for some time at the meeting gave his blessings to the Council and to the newly elected President. The text of Rajaji's speech and a summary of Mr. Piloo Mody's acceptance speech are enclosed for your ready reference.

The General Council adopted the following resolution on Mr. H.M. Patel :

" The General Council of the Swatantra Party expresses its deep sense of gratitude and appreciation to Mr. H.M. Patel for his services to the Party as its President during a very difficult period. The Council fully endorses the sentiments expressed by Rajaji, lauding Mr. Patel's services to the country and to the Party".

Expressing views similar to those of Mr. H.M. Patel, Mr. Dandekar insisted on stepping down from the office of Vice President. Both Mr. H.M. Patel and Mr. Dandekar were later elected as members of the National Executive in place of Mr. Piloo Mody who had been elected President and Mr. Mohammed Inam who had resigned on grounds of health.

Nine-Point Programme

A Statement (also described as a Position Paper) adopted by the Council is really an effort to place party policy in the present context. Newspapers have referred to it as a Nine-Point Programme. As you will see from the Statement (extra copy attached) it enumerates a number of rights and is essentially an action oriented document.

I would like to draw your specific attention to the operative part of the Statement in the last paragraph viz., "Task of Education and Agitation". Both, at the meeting of the General Council in Bombay in April and the recent one in Madras, the point was repeatedly made that even leading members of our Party at the primary, district and State levels and our candidates in the various elections, showed a very poor understanding of the Party's policies. If our own workers and leaders do not understand Party policy, is it surprising that there is so much of ignorance about our policy among the public at large?

SWATANTRA PARTY, BOMBAY

Received on

26.7.72

Serial No.

..2..

Study Circles and Training Camps:

Our first task therefore is to train our own workers by holding study circles at regular intervals and at all levels. We at the National Headquarters are planning a week-long or ten-day camp where at least 4 to 5 leading Party workers from each State (selected in consultation with the State Executive concerned) would be invited and be subjected to an intensive refresher course on Party policies and current problems. The idea being that those who are trained at this camp will in turn return to their States and organise similar camps, initially, at the State level where the participants will be from the primary and district levels, who in turn will return to their districts and organise study circles at the district and taluk levels. A more detailed circular dealing with this matter will be issued as soon as various details are finalised.

Direct Action:

The second part of the operative paragraph in the Statement is the call for direct action - to lead the people in agitations for the relief of their legitimate grievances.

Hitherto our policy generally has been to avoid an agitational approach as far as possible. Perhaps in the pre-1967 period this policy was justified. But times have changed and today we are confronted by a party in power which shows scant respect for the law; which does not hesitate to undo judicial pronouncements by promulgating ordinances; and which has sanctified corruption at all levels and political skull duggery.

Are we prepared to take all this lying down? If not then the only course is to resort to direct action. Our Units in Tamil Nadu and Kerala have already started doing so in the Farmers agitation and the struggle of the private colleges in Kerala. A number of our members in Tamil Nadu cheerfully courted arrest.

This is what the General Council had in mind when it called for agitations. We must, whether at the primary, district or State level be prepared to take up specific issues that affect the day to day life of our people. Cases of injustices in the villages for example; the abuse of authority by those in charge of panchayats, co-operative societies, etc., harassment of harijans and other adivasis; the denial of basic necessities to people on grounds of caste, community or religion; neglect by the local authorities of the essential needs of the people. It is not necessary to wait for instructions from the National Headquarters or from State offices. Each unit must be ready to take up cudgels on behalf of the people living in its area. Cases of injustice must not go unchallenged. At the same time as a party wedded to the rule of law and to the Constitution of India of 1949, our agitations should always be non-violent.

Last weekend we at the National Headquarters organised a demonstration outside the office of a well known sugar company the Belapur Sugar and Allied Industries Limited. We were protesting against malpractices and fraud on a gigantic scale practised by the Chairman of the company, Mr. G.D. Moraria who enjoys the protection of leaders of the Congress Party in very high places. We demanded the setting up of an Enquiry Commission to go into the charges involving over 2 crores of rupees.

The effort was to spotlight the unholy alliance between corrupt businessmen, corrupt politicians in office and corrupt officials. The demonstration was successful and we hope to expose many more shady dealings involving collusion between big business and government to the detriment of the public and the tax payer.

You must similarly turn your attention to exposing corruption at all levels in your State. Before you can take up such matters publicly you must collect enough evidence so that when you demonstrate, your charges will be fully supported by facts. Just to give you an idea, I enclose herewith copy of the press handout that was issued on the occasion of the demonstration against Mr. Moraria.

Anti-Defection Week:

The decision of the Orissa Unit of the Party to organise an "Anti-Defection Week" is another important decision. A separate circular is being issued in this connection and I trust your Unit will respond by sending at least 5 to 10 volunteers to participate in the week-long demonstrations.

All this is possible if our party machine is revitalised. I am aware that in a large number of cases the Party's units are inactive. It is necessary for us to put fresh life into such dormant units by injecting in members the new spirit of determination that was evidenced at Bombay in April and again in Madras in June. Rajaji's exhortation at the Madras meeting should inspire us to be bold and fight for truth and justice. Every unit should immediately take all necessary steps to re-establish contact with the Party's workers who are either disenchanted or demoralised but whose faith in the Party's policies and principles is as strong as ever. Their membership must be renewed and encouraged to work.

Electoral Reform:

On the subject of electoral reform the General Council has appointed a 2-man committee consisting of Mr. Dandekar and Mr. Manu Amersey to examine various measures of electoral reforms and to present its report to the next meeting of the General Council. The specific action called for at your end is for you to obtain the views of your members at the district and constituency levels and also of those candidates of our Party who contested the elections in 1971-72. You could either forward views so obtained direct to us or your State Executive could examine them and based on them send us your recommendation. In any event this must be with us latest by Saturday, 19th August.

Land Reforms:

The other important resolution to which I would like to draw your specific attention is the one relating to Land Ceilings. We have specifically and without ambiguity spelt out what our attitude is to Land Ceilings. This view of the Party must be given the maximum publicity among farmers particularly the small farmers. We were founded to defend peasant proprietorship and to oppose collective farming in the guise of co-operative farming. We succeeded in blocking the latter; we must now succeed in preserving the former.

Farmers' Convention:

In this connection the President of our Mysore Unit, Mr. N.K. Ganapaiah has convened a Convention on 1st of October in Bangalore to launch the Farmers' Federation of India. You must try and see that as many farmers as possible from your State attend the Convention. It is a non-party Convention of farmers, by farmers, and for farmers. It is our duty to see that all such efforts get our unstinted cooperation. For further details please write to Mr. N.K. Ganapaiah at the following address :

Mr. N.K. Ganapaiah
Harley Estate
Sakthipur Post
Hassan District
(Mysore State)

: 4 :

I trust you will give the contents of the circular your serious attention and that I can hope to hear from you in regard to the specific steps your Unit will be undertaking to revitalise and reactivate the Party.

JAI SWATANTRA !

Yours sincerely,

Madhu Mehta

(Madhu Mehta)
General Secretary

Encls: *

Text of Rajaji's Address to the General Council in Madras on June 24, 1972

In its own way, what has happened in this General Council meeting is nearly as important as the Indo-Pak Summit meeting that is going to come. Some things are big, other things are small. But a small thing is as important as a big thing.

My blessings first of all to Mr. H.M. Patel who has really acted in an admirable manner and set an example for all men to follow.

My blessings and good wishes are there for all of you. I do not believe that there is any Party in India which resists the trend to dictatorship except the Swatantra Party. We can be proud of our lonely glory only if we are faithful to our duty. We must realise that the desire for power and influence has been found to be the greatest obstacle to right action. From the time of the Bhagwad-Gita, throughout the ages, we have seen that when we let our desire overwhelm our mind, we generally go wrong. So let us make up our mind that our one and only function is to prevent dictatorship to take hold of India. It must be a religious sense of duty that I am appealing for. Of course, I know the difficulty. Men want some influence, want some power of some kind - at least to travel in a railway train without paying for the ticket - but we must overcome that kind of feeling; or, at least, adjust our mind in such a way that we can be both a little bit worldly but a great deal other-worldly also.

Are we going to allow Smt. Indira Gandhi or anybody else to become dictators in India and destroy democracy in South Asia? We cannot do it. When we founded this Party - myself and a few brothers here - we had imagined that we will be strong enough to fight communism, authoritarianism and totalitarianism and that we will be true to the original constitution in every respect in a real sense and not merely paying verbal homage to the Constitution. We must make up our mind - my appeal to you is only that. I am appealing as a very very old man and as a man tired of superficialities. Let us realise that it is a religious duty that we should save democracy. I bring in the word religion because that is the only thing that can save us. All other things may deceive us - it is only God and religion that can save us. Let us therefore pray that this party, even though it might look somewhat in a mess just now and somewhat weak, becomes strong because it is the only Party that fights evil which is overhanging us just now.

If you wished only to hear my voice, you have heard it. But if you see how I feel, my heart is full of admiration for Mr. H.M. Patel and the manner in which we disposed our affairs today. I want this to be an example to all Parties, to all Governments including India and Pakistan. I do hope that we will play our part in bringing about not a treaty which can be broken but at heart a friendship and goodwill which cannot be broken. We want that this will come about and we should play our part in it. Never mind authority. Smt. Indira Gandhi is changing in my opinion, is bound to change. If we believe in truth, in its potentiality, she is bound to change. She is now in the meshes of falsehood to some extent and we will have to fight hard in order to bring her back to reality.

You have given me a chance to speak to you all and when the heart is full, words fail. I have no words enough to thank you all for the great goodwill you have shown and in particular look it. Here is Mr. Lobo Prabhu, a fierce warrior. Let me tell you, I asked him to withdraw his protest and he did it. We want that kind of real devotion about one another.

Forget me. Never mind individuals. The Party will be alive and must be alive if you want India to be saved from communist dictatorship. The Party is bound to be there and let us make sure that we play our part properly.

We have done well today. I am proud of the fact that you have come all the way because I am here. I do not think there was any other reason for you to come to Madras except your affection for me. I thank you for all that. Only I am sorry I am not well enough to do better than I have been able to do. If wishes can achieve things, my best wishes to you all.

Summary of Mr. Piloo Mody's Speech to the General Council on June 24, 1972,
accepting the office of President of the Swatantra Party

Mr. Piloo Mody thanked the members of the General Council for having reposed confidence in him by electing him to the Presidentship of the Party. He said that this was a critical hour before the country. There was a crisis of confidence all round. There was a crisis in the opposition, a constitutional crisis, crisis of no confidence in the democratic norms and functioning. There was a crisis of character exemplified by bribery, corruption, nepotism, black money and political and general immorality.

What was the role of the Swatantra Party in such a crisis-ridden situation? It was to ensure the survival of constitutional government in the country and as Rajaji put it - to protect democracy.

There was a great deal of discussion at this meeting and the last one and a great deal of tortuous ruminations on the problems facing the country and the role of the Swatantra Party.

From the discussions he had come to the conclusion that the Party should demonstrate its oneness with the people, that it was with them, willing to fight and willing to sacrifice for their cause.

The Swatantra Party carried no brief for any section of the people. The Party's task was not a work for faint hearts.

We must be thankful to Mrs. Indira Gandhi for having cleansed us. In fact, she has cleansed other parties as well by collecting all the garbage and gathering them in her own Party. It was always easier to clean garbage accumulated in one place and at one stroke.

The Swatantra Party had lost everything - men, money and media - but, it had not lost honesty, sincerity and dedication. This the Party must preserve so that when an honest man walks people will automatically conclude he belongs to the Swatantra Party and when a Swatantra Party man walks, people will automatically conclude that he is an honest man.

Mr. Mody said that the Swatantra Party was fighting a cause bigger than any man, however good. The cause was to save democracy in India, to fight evil, corruption, dictatorship and communism -- a fight for liberty and justice.

But this would remain mere words unless they were translated into a meaningful programme both in content and in quality. The Party must be prepared to fight injustice wherever it sees it or whoever was involved; it must fight for a society based on merit, for equality of opportunity especially for the backward people and the minorities, for rewarding work and efficiency and for the right of those who wish to work.

The Swatantra Party must show the way how millions of new jobs can be created through rural development, in agro-industries, how new areas can be opened up for trade and industry. This was a great task and a great cause. Mr. Piloo Mody said that he was acutely aware of how unworthy he, at any rate, was for this great task but said that one should make up in spirit what one lacked by way of skill.

He pointed out that all were agreed on the Party's principles and policies but every one felt that it required a new look or orientation. He therefore promised a new Statement of Policy worked out with the brains trust that the Party had, for the General Council's perusal and approval. He said that the present system of Party organisation was based on a hierarchical pattern which often did not work.

ional/ Mr. Mody promised to put before the General Council a new organisat/
pattern for discussion and approval. This would involve constitutional
changes in the Party and he promised to prepare a new constitution for
the General Council's consideration.

There were other changes he said he would like to make. For instance,
he would like the meetings of the National Executive and the General
Council to shed some of their order while improving their content.

The two must meet longer and oftener. Mr. Mody suggested that the
National Executive should meet once in two months - at least six times a
year and the General Council should meet three times a year. A
National Convention should be called every year except perhaps during
election years. Mr. Mody emphasised the need for communication between
the Party's ranks at all levels and for a spirit of comradeship.

Resources were needed to strengthen the Party internally. He said that
the Party should have five hundred jeeps at any given time - run garages
conveniently located. It should have printing presses large and small
in every language. There should be collection drives to collect funds
whether they were big or small.

He offered to visit a district which enrolled a minimum of a thousand
workers but he wanted their membership fees to be presented to him. He
said that they would be allowed to keep the subscription collected, less
the usual 5 % which was the Centre's quota.

He referred to a public function the day before when he was presented
with a ponnadai by the Madras District Unit in appreciation of his work
in Parliament. He felt that every Unit should similarly recognise,
applaud and encourage those of its members who had performed well in
Parliament or in the State Legislatures or done any good work so that it
would act as a spur to better performance.

Mr. Piloo Mody concluded by saying that the slogan of the Party at this
hour should be " We Shall Overcome".

Amma C

Statement Approved by the General Council

Madras, June 24, 1972

The country faces today a situation in which several unhealthy trends are compounded such as the lowering of standards of our public life, blatant corruption, economic stagnation, control over mass media of communication, tampering with Elections and detention without trial, undermining the fundamental rights of the citizen through the systematic denigration of the judiciary and Amendments to the Constitution, the absence of an effective opposition in Parliament, the concentration of power in the hands of the Union Government and the atrophy of the autonomy of the States of the Union and finally the concentration of power within the ruling Party in one pair of hands. All this is a violence on Democracy. Faced with this picture there are a large number of patriotic men and women who are greatly concerned with the future of the country but express their helplessness to do anything to counter these trends, preserve democratic institutions and further the prosperity of the people.

In such a situation, the Swatantra Party which alone stands for a clean and effective administration has an important role to play. Indeed it may be claimed that it is today the only real opposition party to the Government of the day. The Swatantra Party has always fought for the twin values of Liberty and Justice in the interests of the whole country, with malice to none and greater sympathy for those in need of it.

While reiterating its belief in the validity of the principles set out in the Statement of Policy of the Party of March 19, and 20, 1960, which has been further proved in the last decade, the General Council of the Party considers it necessary to present a simple and stimulating programme to the people in terms of their rights for which it will dedicate itself.

1. RIGHT TO MAXIMUM RETURNS TO ALL AGRICULTURISTS :

Peasant proprietors who form 49% of the population be assured of economic holdings without uneconomic ceilings, reducing production or the utility of their investment or without condemning them to a permanently low living standard unrelated to standard of living in other sectors.

Landless labour constituting 13 % of the population should have priority for all land made available by the strict enforcement of economic ceilings and from vast areas of cultivable waste land like Chambal which Government should develop and distribute without further delay.

Tenants constituting 9% should be confirmed in the permanent tenure of their land on fair rents without being involved in further litigation for rights which are of no real interest to them. To add to their assets, their tenancies should be made transferable by mortgage or sale.

2. RIGHT TO HOUSING :

The land with Government should be surveyed and made available for housing on the most economic pattern of construction. Secondly banks may advance loans freely for house construction. Thirdly existing tenants may be allowed to transfer their rights of tenancy, under suitable safeguards.

3. RIGHT TO PRODUCTIVE WORK :

Unemployment in India is growing, by and large, as a consequence of mistaken policies and priorities of Government. There is more unemployment at the end of every Five-Year Plan than there was at the beginning. It is authoritatively estimated that 14 million were unemployed in India in 1970 and with current policies continuing there are going to be another 23 million by 1980 thus resulting in 37 million unemployed. This shows a rise in the number of unemployed at the rate of 6,000 per day. There is no artificial method of creating jobs for the unemployed unless they are productive and the only way to secure employment is by basing the next plan on full employment opportunities to different sections of the people. For the largest section of the unemployed which is in the rural sector, a Standing Offer of Employment on minimum wages must be created. For the educated unemployed industry must be cleared of restrictive controls for expansion in itself and in the connected sectors of trade, transport and services. In addition, all employment should be based on equality of wages and qualifications in public and private sectors to ensure social justice and to stimulate full contribution by all workers. Labour should be served by increase of employment opportunities.

4. RIGHT TO PLENTY, FAIR PRICES AND GOOD QUALITY :

The consumer who in a competitive free economy should be supreme has been the forgotten factor in Indian economics and has been sacrificed. He will be served by the termination of inflation, corruption and the manipulation by licences which the Congress Party has tolerated for political reasons.

5. RIGHTS OF LABOUR :

The Swatantra Party ever since its inception has supported the workers' right to organise themselves and where necessary to strike as also to be associated with management. The Party has also sought to help in their emancipation from domination and exploitation by outside elements of a political nature. In so far as Government employees are concerned, the Party stands for freedom for them to carry on their work without interference from political pressures. The General Council feels that the Party's call given in its Statement of Policy of 1960 to its members to help workers in all possible ways for organising themselves has not been adequately responded to and it urges members of the Party to help trade unions to establish and to grow, taking care to see that these organisations are organised and controlled by the workers themselves.

6. RIGHTS OF MINORITIES

In a multi-lingual and multi-religious country like ours, maintenance of equality before the law and the protection of the minorities is a major task. The Party has pledged itself to carry out the provisions of the Constitution for the protection of the rights and interests of Muslims, Christians, Sikhs and other minorities and of those who work under economic and social handicaps such as Harijans, Adivasis and other Backward classes. There cannot be any question that the success of national integration demands that there should be no feeling on the part of minority communities of a denial of fair representation in the public services or of equal opportunities in trade, commerce and industry or of a fair deal in regard to admission to colleges and educational institutions, of facilities for the development of their institutions, languages and of some machinery for the redress of their grievances. The General Council of the Party reiterates its concern in this matter.

7. RIGHT TO FREE AND FULL INFORMATION :

The General Council is concerned at the way in which those in authority are seeking to establish a monopoly over all media of mass communications. While on the one hand they stubbornly refuse to carry out the recommendations of the Chanda Committee in regard to Radio and Television, they are now seeking to lay their hands on the Press under the deceptive slogan of "Diffusion of Ownership". The Swatantra Party stands for the fullest freedom of expression and will oppose to the bitter end measures of the nature referred to above.

8. RIGHT TO SOCIAL JUSTICE :

The Swatantra Party is strongly opposed to privileges acquired through inheritance or otherwise. The Party stands for a society based on merit. It stands for equality of opportunity and for the recognition of the workers' efficiency through promotions and increased pay, which lead to job satisfaction. The Party is strongly opposed to nepotism, push and favouritism preached by those in power without consideration of merit.

9. TASK OF EDUCATION AND AGITATION :

The Party feels that the two big tasks which it faces today are firstly the education of its members and others to an awareness of the realities and dangers that face our country and calls for a number of study circles to perform this task. The second task is to guide and lead the various sections of the people in agitations for the relief of their legitimate grievances and the achievement of their just objectives. It should be the task of the Party and others to provide to various sections of the people, guidance, help and leadership against injustice, corruption, arbitrary action and wrong doings on the part of those in the ruling party. It is only through a series of effective agitations of this nature that the present helplessness of the people can be ended and a spirit of resistance to all measures endangering liberty and justice can be generated.



swatantra party
national headquarters

phone: 251424
grams: surajyam

sassoon building, 143, mahatma gandhi road, bombay 1.

SWATANTRA PRESS RELEASE

SWATANTRA UNEARTHED MORARKA SCANDAL

Swatantra Demands High-Powered Inquiry in Belapur Sugar And
Companies in which Mr. G. D. Morarka Has Interests

At the meeting of the General Council of the Swatantra Party in Madras on June 25, the General Secretary, Mr. Madhu Mehta promised that the Party would expose the unholy alliance between corrupt businessmen and corrupt politicians in office.

The first of such exposures concerns the Belapur Sugar and Allied Industries Ltd., where there has been gross manipulation of accounts and fraud on a colossal scale resulting in the loss of crores of rupees defrauding the shareholders among whom are LIC, the Nationalised Banks, the Unit Trust of India, and the public at large.

Apart from Mr. G.D. Morarka who is the Company's Chairman, the major share-holders of the Company are the Life Insurance Corporation, the Central Bank of India and the Unit Trust of India. These three public undertakings remained silent when the audited accounts disclosed serious irregularities despite considerable agitation among the share holders at the Annual General Meeting of the Company held on 9th June, 1971. Though a poll was demanded by the share holders who were present, these three public undertakings abstained from voting on the resolution passing the accounts.

After careful inquiries into the matter, the Swatantra Party is convinced that the decision to abstain from voting was taken because of considerable pressure from the Finance Ministry.

The following are some of the highlights of the shady deals which have come to the surface as a result of the Party's investigations :

- (a) a sum of Rs 1,83,59,000 have been advanced by the Company to various concerns of the Morarka Group and to certain well-known share brokers of Bombay. Even the interest on these loans has been overdue for the last several years.
- (b) these loans aggregating Rs 1,84,00,000 exceed even the paid-up capital of the Company of Rs 1,80,00,000
- (c) with 35,000 shares in the Company, the LIC has not even bothered to inquire about the nature of these loans which the Swatantra Party

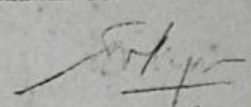
suspects were to enable Mr. Morarka cover up his own personal losses and interests.

- (d) Of this, 184 lakhs advanced, Rs 51 lakhs were advanced to four share brokers of the Bombay Stock Exchange. Why should a manufacturing Company like Belapur Sugar and Allied Industries advance such a huge amount to share brokers? Is the LIC even aware of the kind of receipts obtained from these share brokers for the loans received by them?
- (e) In 1971, Rs 7,20,000 were spent on "agricultural development", between January and September 1971. Payment was by bearer cheques. Again the LIC has not bothered to find out the nature of the "Agricultural Development" involved, why by Bearer Cheques and who entashed them? Schedule J of the Audited Accounts reveals that "agricultural development" expenses have gone up from 4,83,000 in the previous year to Rs 10,59,000 in the current year. Here again no inquiries by the LIC as to the reasons for this leap forward. An investigation into the nature of this "agricultural development" seems to indicate that this really is for the "development" of a certain political party.

Incidentally, certain subsidiary or sister companies of Belapur Sugar Mills like Chanjdeo Sugar Mills, Nasik-Deolali Electric Supply and Ganesh Flour Mills Ltd., have not published their audited accounts for the last several years.

The Swatantra Party charges the Board of Directors of the Company, including the representatives of LIC, Unit Trust and Central Bank (on the Board) of collusion in permitting large-scale defalcation and misuse of funds for the personal gain of certain top-level politicians in government and of a particular political party on the other. The Swatantra Party proposes to raise this matter on the floor of the Lok Sabha and demand the setting up of an independent enquiry commission headed by a High Court or Supreme Court Judge to look into the scandalous state of affairs of companies headed by Mr. Morarka and bring to book all those involved whether in business or Government.

The demonstration this afternoon is to focus attention of the public on how hypocritical are the professions of the socialist government which while paying lip sympathy to Garibi-Hatao and swearing at big business are all the time colluding with them for their mutual interests.


(S. V. Raju)
Executive Secretary