

# Jayalalithaa acquitted in 'coal import case'

By K.T. Sangameswaran

CHENNAI, DEC. 27. A Special Court today acquitted the former Chief Minister, Ms. Jayalalithaa, and nine others in the multi-crore 'coal import deal case'.

When the order was delivered, the faces of all the accused brightened. The defence counsel were jubilant and greeted one another.

In his 266-page judgment, delivered before a packed hall, the Special Judge-II, Mr. S.S.P. Darwesh, said there was not even an iota of evidence to prove that the accused had entered into an agreement or there was a meeting of minds to commit any illegal act. Criticising the prosecution (CB-CID), the court said that on the contrary the prosecution witnesses had proved that proper procedure was followed.

The prosecution case was that the accused, along with five foreign suppliers, had entered into a conspiracy for importing coal and committed irregularities because of which the Tamil Nadu Electricity Board (TNEB) suffered losses of about Rs. 6.50 crores. Besides Ms. Jayalalithaa, the former PWD Minister, Mr. S. Kannappan, the former Chief Secretary, Mr. T.V. Venkataraman, the then TNEB Chairman, Mr. N. Haribhaskar, the former Finance Secretary, Mr. N. Narayanan, the former Industries Secretary, Mr. C. Ramachandran, the TNEB Members, Mr. Rajendran, Mr. S. Ramasamy and Mr. K. Nagarajan, and the Chief Engineer (Coal), Mr. Dakshinamurthy, were cited as accused.

Expressing "happiness" at the judgment, Ms. Jayalalithaa said, "Once again it has been proved that the cases foisted against me by Mr. Karunanidhi were all false."

The court observed that the



The AIADMK general secretary, Ms. Jayalalithaa, coming out of the Special Court in Chennai on Thursday along with her companion, Ms. Sasikalaa, after being acquitted in the coal import case. — Photo: K. Pichumani

prosecution had failed to prove the charge of conspiracy against the accused. Further, there was no documentary evidence to prove the actual loss to the TNEB. "The investigating agency with its biased, half-baked,

incomplete and improper investigation roped in the Government and TNEB members... when none of the ingredients of criminal conspiracy and criminal breach of trust is there," it said.

THE HINDU

28 DEC 2001

# MOD files nail Fernandes' defence in Kargil coffins scam

By Rajesh Ramachandran  
Times News Network

NEW DELHI: Refuting defence minister



George Fernandes

George Fernandes' claim that the Comptroller and Auditor General's report on the purchase of aluminium coffins for those who died during the Kargil conflict was based on 'hearsay', sources told *The Times of India* that their finding of financial impropriety was based solely on documents contained in the defence ministry's files. Officials also dismissed the claims made by the U.S.-based casket manufacturer,

er, Buitron & Baiza, that its price of \$2,500 was high because of high material costs.

At a press conference here on Wednesday, Mr Fernandes said that the CAG's claim that similar caskets were purchased in 1994 for \$172 was based on "hearsay". In fact, the relevant MOD file contains a 1995 proposal by the Army's Western Command — whose soldiers had earlier served in Somalia — stating that the aluminium caskets cost \$172 and that the United Nations mission had paid for them.

Despite the huge discrepancy between this officially recorded price and the quoted price of Buitron & Baiza, the ministry did not even seek a second supplier to find out whether there was any alternative to paying the price asked for.

According to MOD sources, the price

negotiating committee (PNC) for the casket deal was chaired by L.M. Mehta, then joint secretary (ordnance), and had Major General S.P. Murgai as a member. Both names figure in the Tehelka tapes — in the transcript, Major Murgai is alleged to have accepted Rs 1.4 lakh from the portal's reporters who were posing as arms dealers.

Mr Mehta is alleged to have accepted a gold chain from them. According to the transcript, Major Murgai was among those who had taken the tehelka.com reporters to Mr Fernandes' house to meet the then Samata Party president, Jaya Jaitley.

While sending its formal proposal to the ministry in 1995, the Western Command

cited a letter from the 66 infantry brigade (which had served in Somalia) and attached a statement of the case in which detailed specifications, the price and sources of the coffin were mentioned.

In fact, the Western Command mentioned that the UN and U.S. army had excess stocks of these coffins at the price mentioned. But when the MOD revived the proposal during the Kargil war in 1999, the same company quoted a price of \$2,500. Even as an emergency procurement, feel officials, such a huge discrepancy should have sounded the alarm bells.

As for Buitron & Baiza's claim that its price was in line with the high cost of raw

materials (aluminium), according to MOD files the company itself had said that 75 per cent of its price of the caskets covered the cost of the metal. Calculating the cost of the aluminium used by the company from the price of \$2,500 per casket paid by the Indian army, the CAG came to the conclusion that Buitron & Baiza was trying to say it had paid Rs 45.31 lakh per tonne of aluminium. This was 10 times more than what Hindustan Aeronautical Ltd pays for the best-grade aluminium. According to the London Metal Exchange, the price for high-grade aluminium when the deal was concluded was only Rs 63,360.

Paying such an inflated price and not getting quotations from other suppliers might have been justified if good caskets had come in time.



1 3 DEC 2001

12/11

## Opposition to press for Fernandes' resignation 12/11

By Our Special Correspondent

**NEW DELHI, DEC. 11.** The Opposition parties have decided to put pressure on the Government by demanding the resignation of the Defence Minister, Mr. George Fernandes, on the "Kargil coffins" issue.

While the Rajya Sabha members said that his resignation was a prerequisite for the conduct and transaction of normal business of the House, the Opposition leaders in the Lok Sabha too gave indications of stalling the proceedings.

In the Rajya Sabha, the Opposition's stand was fine-tuned at a meeting held in the chamber of the Leader of the Opposition, Dr. Manmohan Singh, after the House was adjourned on the "irregularities" pointed out by the Comptroller and Auditor-General (CAG) in the purchase of 'Kargil coffins' during 1999.

The Opposition leaders in the Lok Sabha would finalise their strategy at a meeting before the House assembles tomorrow.

However, there were indications that they would not allow normal functioning till Mr. Fernandes resigns.

The Opposition also sensed an opportunity for whipping it up into an issue, with some likening it to a similar indictment by the CAG over defence purchase in 1988.

On the other hand, a joint statement by the Rajya Sabha leaders noted that the CAG findings on procurement for Operation Vijay "has shocked the conscience of all patriotic citizens of India."

The statement was issued by Dr. Manmohan Singh (Congress), Mr. S. Ramchandran Pillai and Mr. Nilotpal Basu (CPI- M), Mr. J. Chittaranjan (CPI), Mr. Ram Gopal Yadav (SP), Mr. Prem Chand Gupta (RJD) and Mr. Manoj Bhat-tacharya (RSP).

THE HINDU

12 DEC 2001

# Opposition hammers govt on coffins deal

**Times News Network**  
NEW DELHI: Parliament was plunged into turmoil on Tuesday and both its houses were adjourned three times, the last time for the day, over a *Times of India* story on irregularities in the purchase of coffins for soldiers who had died during the Kargil conflict.

This then coalesced into an unprecedented and united protest by opposition MPs in the Lok Sabha, who stormed the well—for the first time after the code of conduct for legislators was adopted—to block the introduction of the controversial Prevention of Terrorism Bill by home minister L.K. Advani.

Slogan-shouting opposition MPs tore up copies of the bill and rushed into the well of the Lok Sabha when Mr Advani rose to introduce an amended version of Poto. MPs from the Congress, the Samajwadi Party, the Rashtriya Janata Dal (RJD) and the Left who stormed the well later staged a sit-in even after the house was adjourned by Speaker G.M.C. Balayogi until 2 p.m.

The emotive issue of coffins (TNN had on Tuesday reported the Comptroller and Auditor General's allegations of financial impropriety in the purchase of aluminium caskets for Kargil martyrs) allowed opposition MPs to run wild with their slogan-making, '*Kaffan chor, gaddi chhor*' (grave robbers, demit power), '*Sena khoon bahati hai, sarkar commission khati hai*' (soldiers shed blood while the government makes money) and the time-tested '*Gali, gali mein shor hain, bhajapa sarkar chor hai*'.

Ramadas Athawale of the

Republican Party of India (RPI) came up with this creative coinage, '*Atalji dikhate ho photo, Advaniji latein hain Poto, raksha mantri kaffan bech kar janata ka gala mat ghoti, abki inhe harana hai hamara motto*.' (Atalji poses for a photo, Advaniji brings in the Poto, defence minister, please don't strangle the people by selling coffins—defeating these is our motto).

In the Lok Sabha, just before the MPs went into the well of the house, Samajwadi Party leader Mulayam Singh Yadav and Congress chief whip P.R. Dasmunshi were seen

accused the government of playing around with the dignity of the dead in Kargil and demanded that defence minister George Fernandes resign owning moral responsibility. The government, vociferously defended by the Telugu Desam party (TDP) and the Dravida Munnetra Kazhagam (DMK), tried to resume business, but the opposition, first waving copies of *The Times of India* and later the CAG report, forced the house to be adjourned without conducting any business.

Not content with the government's offer of a discussion on the CAG report, the opposition pointed out that if the government accepted the CAG report, Mr Fernandes should resign.

With the opposition demanding suspension of question hour to discuss the CAG's findings on the 'coffin scam' as soon as the house assembled, the chair allowed Arjun Singh of the Congress to raise the issue. He pointed out that the matter pertained to patriotism and could not be glossed over.

Responding to Mr Singh, external affairs minister Jaswant Singh said the government was also equally concerned about what the CAG had said.

Meanwhile, Mr Fernandes on Tuesday defended himself by terming the price difference of coffins, cited by the CAG in its report, as being based on "hearsay". After accepting that all the coffins bought for Rs 1.47 crore to transport the bodies of Kargil martyrs were useless, he declined to own up moral responsibility or even to order an internal inquiry.

## Unruly MPs may not be made to pay for their actions

NEW DELHI: Despite Tuesday's pandemonium in the Lok Sabha when almost the entire opposition trooped into the well of the house, speaker G.M.C. Balayogi is unlikely to invoke the new code of conduct to discipline members of parliament.

Although the new code stipulates a five-day suspension for any member causing repeated disruption of the proceedings, Mr Balayogi is not contemplating any action against the 40-45 opposition members who stormed the well and staged a sit-in, stalling the introduction of the anti-terrorism bill. Sources said the disruption was being seen as an "extraordinary" situation where the entire opposition had stormed the well in protest. They pointed out that if the rule was implemented in Tuesday's case, action would have to be taken against the entire opposition. Such a move, they added, would go against the spirit of the rules as the house would not be able to carry on its business. (PTI)

consulting each other.

Lok Sabha sources later said the process of introduction of the anti-terrorism bill had not been completed. A senior minister said Mr Advani had sought leave of the house to introduce the bill and the Speaker had called out the names of opposition MPs who wished to raise objections to it, but that the "process has not been completed".

In the Rajya Sabha, leader of the opposition Manmohan Singh

# Laloo, Mishra judicial remand extended

11/12  
Commyan  
SI-2  
Press Trust of India

RANCHI, Dec. 10. — The court of the designated CBI judge, Mr HC Mishra, today extended the judicial remand of the two former chief ministers of Bihar, Mr Laloo Prasad Yadav and Mr Jagannath Mishra, for another 14 days in the multi-crore fodder scam case.

The duo had been under judicial custody in the case rc47(a) of the multi-crore fodder scam since 26 November when their bail petitions in this case were rejected by the above court. On completion of the judicial remand period, the RJD chief, Mr Laloo Prasad Yadav, was produced before Mr Mishra today, who extended the period of his judicial remand for another 14 days, fixing the next date of hearing in this case on 24 December.

Mr Jagannath Mishra, who was also scheduled to be produced in the same court, however, did not appear. The case rc47(a) in which the judicial remand of Mr Yadav

and Mr Mishra have been extended for another 14 days is related to fraudulent withdrawals worth over Rs 137 crore through forged and fake allotment letters from Ranchi's Doranda treasury.

Mr Yadav's counsel, Mr Janardhan Rai, meanwhile filed a petition seeking the permission of the special CBI court to take Mr Yadav to Patna tomorrow where he is scheduled to be produced before a special CBI court on 13 December in connection with a disproportionate assets case, an offshoot of the fodder scam.

The Supreme Court (coram, Thomas, Quadri, Banerjee, JJ) today deferred till 13 December hearing on petitions of two Mr Laloo Prasad Yadav and Mr Jagannath Mishra, seeking bail in the fodder scam cases at Ranchi after hearing Solicitor-General, Mr Harish N Salve, adds SNS from Delhi. The petitions challenged the 26 November order of the Ranchi Special Court rejecting their bail petitions.

THE STATESMAN

11 DEC 2001

# Court acquits Jayalalithaa

Corruption  
HC-1  
5/12

HT Correspondent  
Chennai, December 4

THE MADRAS High Court today acquitted J Jayalalithaa in three corruption cases, including the Tansi land deal case that led to her disqualification. With the convictions and the related sentences set aside, the path is clear for the AIADMK leader to become Chief Minister again.

A delighted Jayalalithaa said she "faced no legal hurdle" now to becoming Chief Minister, but was cautious about her plans. "I will take the right decision at the appropriate time. Rather an appropriate decision at the right time," she said when asked if she would take over the reins immediately.

Stop-gap Chief Minister O Panneerselvam, however, said he was prepared to make way for her return right away.

Justice N Dinakar gave a virtual carte blanche to Jayalalithaa by accepting all defence arguments and set aside the conviction and the two- and three-year rigorous imprisonments for her and five associates in the two Tansi land deal cases.

He quashed the special court's order convicting Jayalalithaa and four others in the Pleasant Stay Hotel case in which they had received a one-year RI each.

The Tansi sentence had led to Jayalalithaa's disqualification from contesting elections as per the Election Commission's order. In spite of this, she was sworn in as Chief Minister, which was later nullified by the Supreme Court on the ground that a person not eligible to become an

## 'I'll contest polls first, stake claim later'



J JAYALALITHAA on Tuesday indicated that she would stake a claim for chief ministership after being elected to the Tamil Nadu Assembly. "I'll contest the by-election from Andipatti," she said at her residence shortly after the court acquitted her.

Now that Jayalalithaa has been acquitted, the BJP could open a dialogue with her, especially if ties with the DMK are strained by disagreements over Poto and secularism, in the context of UP elections. "The DMK had used the special court verdict to paint her corrupt. By the same token Jayalalithaa will use the High Court verdict to claim innocence," a senior BJP leader said.

HTC, Chennai

MLA couldn't become a CM.

The special court had convicted her of buying lands belonging to the State-owned Tansi Corporation for a price lower than market value, thus causing the exchequer a loss of Rs 3.53 crore and Rs 66 lakh.

But the High Court judge today held "the prosecution's evidence did not establish even a link to show that the accused had purchased the property so as to cause wrongful gain or loss and that it had enabled Jayalalithaa and Sasikala to obtain property at less than its value". For, market value was only "a vague term and a matter of guesswork".

"No sinister motive could be seen in the transaction, especially when the sale was through open tender and the two companies of the accused

had quoted the highest price," the judge held. He refused to accept that Jayalalithaa had erred in buying Government land.

He said the land belonged only to Tansi and not to the Government as no individual minister or Chief Minister had direct control over Tansi.

In the Pleasant Stay Hotel case, the High Court ruled that since there was no "factual mala fide" on the part of Jayalalithaa or her then Local Administration Minister while granting exemptions to the builder, the special judge's ruling was being quashed.

DMK chief M Karunanidhi said: "I respect the judgment. The path to justice is long." Asked if the DMK would appeal to the Supreme Court against the acquittals, he said it was for legal experts to decide that.

THE HINDUSTAN TIMES  
THE HINDUSTAN TIMES

- 5 DEC 2001

# Market value is a matter of guesswork, says Judge

By K. Ramachandran

**CHENNAI, DEC. 4.** The principles laid down by the Supreme Court show that the property owned by a corporation is not government property. Thus, the purchase of the (TANSI) properties by the former Tamil Nadu Chief Minister, Ms. Jayalalitha, would neither attract Sec. 169 of IPC nor will be a violation of the Code of Conduct, which has no statutory force, ruled Mr. Justice N. Dinakar in the Madras High Court, while acquitting all accused in the TANSI land deal cases.

Setting aside the October 2000 judgment of the Special Court - III, Mr. Justice Dinakar said that in his view the approach of the trial court (in replacing the guideline value with the market value) had certainly caused prejudice to the accused. If there had been an amendment to the charge mentioning the market value as the basis, then the accused could have let in evidence to show that the market value in the charge was not correct and therefore there was a violation of the principles of natural justice.

The term market value itself was vague and uncertain and a matter of guesswork. It was also not defined in the Indian Stamp Act. It was clear that guideline value and market value were two different concepts and that the term market value was vague. The market value, "in my view, does not lie in a property contemplated to be purchased, but lies in the mind of the person contemplating the purchase," he said and added that the trial judge was not justified in taking the market value for arriving at the conclusion that there was a wrongful loss.

The prosecution charge (when the DMK was in power) pertained to the purchase of land belonging to TANSI Foundry and TANSI Enamelled Wire units by Jaya Publications and Sasi Enterprises "much below the guideline value", thereby causing a wrongful loss to the Government to the tune of Rs. 4.08 crores, including stamp duty. Ms. Jayalalitha and Ms. Sasikalaa were partners in the two firms when the transactions took place.

In October 2000, Ms. Jayalalitha and Ms. Sasikalaa, besides the former AIADMK Minister, Mr. Mohd. Asif, the then CMD of TANSI, Mr. T.R. Srinivasan, another IAS officer attached then to the CM's office, Mr. Karpoorasundarapandian and Mr. S. Nagarajan, former Special Deputy Collector (Stamps), were convicted and sentenced by the special court to three years in the 'Jaya Publications' case. In the 'Sasi Enterprises' case, the trial judge acquitted Mr. Mohd Asif and sentenced the other five to two years imprisonment. The court rejected the other charges, including 169 IPC (public servant unlawfully buying or bidding for property) as not proved.

Mr. Justice Dinakar said the trial court was not justified in rejecting the sale of a TANSI Foundry unit to the Sugar Federation and holding that the Rs. 3 lakhs offered by the Federation did not reflect the true market value.

In fact, the trial court should have considered the sale of 2.52 acres of land to the Sugar Federation which was a part of the TANSI Foundry property. This sale should have been compared with the TANSI Foundry property sale to Jaya Publications at Rs. 3 lakhs per ground. The two prop-

## THE TANSI GUIDE

The following are some of the salient features and key dates in the TANSI land deal case, which led to the unseating of the former Tamil Nadu Chief Minister, Ms. Jayalalitha.

A 3.0786-acre stretch of land was sold at Rs.1,350 per sq.m. The amount paid was Rs. 1,68,23,932 as against the guideline value of Rs. 4,42,13,533 for the land. Rs.19.20 lakhs for building as against Rs. 53,12,354. The stamp duty evasion is to the tune of Rs. 43,09,474.

■ 22.1.1990

Ms. Jayalalitha and Ms. Sasikalaa become partners of Jaya Publications.

■ 14.10.1991

Ms. Jayalalitha, CM now, presides over a meeting to review the functioning of TANSI. FIR cites this meeting as beginning of 'conspiracy'.

■ 9.12.1991

Jaya Publications offer made known. It is Rs. 1,82,13,150. That is, Rs. 1,350 per sq.m of land and Rs. 19,20,000 for the super-structure.

■ 20.12.1991

Mr. T.R. Srinivasan, TANSI CMD, sends circulation to all Directors seeking their approval for the sale of 2.98 acres.

■ 20.1.1992

Mr. Srinivasan enters into a sale agreement with Ms. Jayalalitha and Ms. Sasikalaa. 'All the three signed the agreement'.

■ 29.5.1992

Mr. Srinivasan executes a sale deed in favour of Jaya Publications for a total consideration of Rs. 1,87,43,932.

■ 9.7.1996

Ms. O.P. Sosamma, IAS, Secretary, Small Industries, lodges a complaint with the CB-CID.

■ 8.4.1997

The HC recommends setting up of three Special Courts.

■ 5.5.1997

Three Special Judges assume charge. 46 cases transferred to these courts of Mr. S. Sambandham (15), Mr. V. Radhakrishnan (17) and Mr. P. Anbazhagan (14).

■ 14.11.1996; 31.12.1996 and 2.1.1997  
Governor's sanction to prosecute Ms. Jayalalitha.

■ 16.12.1997

Mr. Justice A.Raman stays all further proceedings in the TANSI cases.

■ 8.12.1998

Mr. Justice Raman directs the prosecution to give the translated copies of all case-related documents to Ms. Sasikalaa.

■ 5.7.1999

Trial begins in the TANSI cases.

■ 2.2.2000

Ms. Jayalalitha convicted in the Pleasant Stay Hotel case by the Judge, Mr. V. Radhakrishnan. One year Rigorous Imprisonment and Rs. 1,000 fine each on two counts. Sentences to run concurrently.

■ 9.10.2000

Ms. Jayalalitha and Ms. Sasikalaa convicted in the TANSI cases. Sentenced to 3 years and 2 years RI respectively.

■ 25.10.2000

Their appeals admitted in the High Court.

■ 2.4.2001

Ms. Jayalalitha moves the HC to stay the operation of the conviction, to enable her to contest the Assembly elections.

■ 11.4.2001

Her petition dismissed by Mr. Justice Malai Subramanian.

■ 2.7.2001

Three petitions in the HC seeking to appoint an 'impartial special prosecutor' to handle the Jayalalitha-related cases.

■ 24.7.2001

Mr. K.V. Venkatapathi appointed SPP to handle all TANSI-related appeals.

■ 3.8.2001

The appeals posted before Mr. Justice S. Jagadeesan but recalled at the last moment.

■ 14.8.2001

Posted before Mr. Justice R. Balasubramanian, who turns down Mr. Venkatapathi's plea for 12 weeks' time.

■ 30.8.2001

The Supreme Court stays all further proceedings before Mr. Justice Balasubramanian.

■ 20.9.2001

The new Chief Justice, Mr. B.S. Reddy, posts the TANSI appeals before Mr. N. Dinakar.

■ 1.11.2001

Judgment in the Jaya Publications and Sasi Enterprises cases reserved.



erties were parts of a bigger piece. By no stretch of imagination, could the Sugar Federation be treated as a government organisation. So, the sale of the 2.52 acres land of TANSI Foundry to the Sugar Federation was a sale to an individual and the price of Rs. 3 lakhs per ground offered by the Federation could be considered as reflecting the market value. The best benchmark could be only the Rs. 3 lakhs fixed by the Collector, which was accepted by the then Commissioner for Land Administration and if the said amount of Rs. 3 lakhs was considered, it could not be said there was a loss to TANSI.

"In view of the failure of the prosecution that the guideline value was Rs.7.32 lakhs a ground and in view of the positive evidence that the value of the TANSI Foundry land was Rs. 3 lakhs a

ground, no sinister motive could be seen in the transactions, especially when the sale was by open tender," the Judge said. Once it was held that there was no wrongful loss or gain and if the substantive offence was not made out, then there was no conspiracy.

In essence, the Judge said TANSI was not an extended arm of the Government. The sale deed was executed by the CMD of TANSI on behalf of TANSI and stated TANSI was the absolute owner of the property. If the sale deed had been executed by the Government, it could not have passed the title to the purchaser and therefore, TANSI executed the sale deed in its capacity as an absolute owner. The prosecution, Mr. Justice Dinakar said, did not let in any evidence to show that the contents were false or were not binding on the Government.

THE HINDU

- 5 DEC 2001

The Rashtriya Janata Dal chief, Mr. Laloo Prasad Yadav, at the designated court in Ranchi on Monday. — Photo: Ranjeet Kumar

# High drama as Laloo appears in court

By K. Balchand

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**RANCHI, NOV. 26.** The Special CBI Court today rejected the bail petitions of the two former Chief Ministers, Mr. Laloo Prasad Yadav and Dr. Jagannath Mishra, and remanded them to 14 days judicial custody in connection with a conspiracy angle case of the fodder scam.

Mr. Yadav and Dr. Mishra surrendered before the designated court of Mr. Harish Chandra Mishra as directed by the Supreme Court in connection with case no RC47A/96 relating to the fraudulent withdrawal of Rs. 182 crores from the Doranda Treasury, Ranchi, following the transfer to Jharkhand the trial of those cases of the fodder scam coming under its jurisdiction.

Rejecting their bail petition, the court, however, directed the Jharkhand Government to provide all security and medical help to Mr. Yadav and ordered that he be lodged at the Beacon Factory Guest House, which had earlier been notified as a camp jail for such an eventuality.

This is the fifth time that Mr. Yadav has been remanded to judicial custody in connection with the fodder scam and its offshoot, the Disproportionate Assets Case, but the first time outside the Patna Central Jail, Beur, and the first time here in the new State.

The Bihar Chief Minister, Mrs. Rabri Devi, is arriving here tomorrow to visit her husband at the camp jail.

Mr. Yadav said he would consult his lawyers on his next course of action. Even though he said that he had full faith in the judiciary, the RJD president said justice had never been rendered to him. The former Union Minister and leading lawyer, Mr. Ram Jethmalani argued Mr. Yadav's brief for bail before the designated court.

The man who left the masses spellbound and his adversaries flabbergasted by his show of strength, today, as promised, entered the court accompanied by party spokesman and Excise Minister, Mr. Shivanand Tiwari. A tight security cordon was thrown around the court premises and one had to pass through no less than four barricades to reach the court room. Only lawyers and

journalists were allowed inside the court premises. But reporters were not allowed inside the court room to cover the proceedings. But the vigil at these barricades slackened and a host of outsiders who had gathered outside the court premises entered the premises. As news spread of the rejection of the bail petitions, senior RJD Ministers and functionaries trooped in.

## Mediapersons injured

For no apparent reason, police twice resorted to a lathicharge in the court premises injuring several mediapersons and RJD workers, one of whom suffered a serious head injury, while senior RJD Ministers were jostled by police and had to run for cover.

The infuriated journalists later entered into a tussle with police, blaming top civil and police officials of the district for the disorder.

The RJD leaders accused the BJP-led Government of behaving like a fascist outfit subverting democratic processes.

The lathicharge, however, did not dampen the spirits of the RJD workers and Ministers who expressed their solidarity with their leader and rushed in front of his car as Mr. Yadav was escorted into it from the court room. They raised slogans in favour of Mr. Yadav and prevented his car from proceeding towards the Birsa Munda Jail, Ranchi, where he was taken first before being lodged at the camp jail.

Mr. Yadav was taken to the camp jail under heavy police escort, but his car moved at a snail's pace with the RJD workers refusing to budge and allow the car to proceed. As it turned out, all the Ministers and senior leaders joined the cavalcade in yet another show of strength.

Mr. Yadav, who arrived here on Sunday, addressed party workers late in the night and charged the CBI with double-standards. He said the agency was being misused as a political tool by the BJP. He, however, asked the cadres not to turn up at the court premises. He described as sad and unnecessary the police lathicharge on journalists.

THE HINDU

27 NOV 2001



*Comm*  
*Si-8*

## Tehelka panel to get extension

23/11  
**STATESMAN NEWS SERVICE**

NEW DELHI, Nov. 22. - The tenure of the Justice K Venkataswami Commission, probing into the Tehelka tapes expose and 15 other arms deals, is being extended.

The decision is likely to be announced tomorrow. The commission was initially allowed four months time and has already been given two extensions. Normally, the period of extension is the time initially allowed to the commission. Though government sources said the Centre was likely to give as much time as needed, commission officials felt another three months time is necessary. The commission's tenure will run out tomorrow unless the Centre allows an extension. If there is no extension, the commission would become a "functus officio".

The commission's secretary, Mr SK Dasgupta, had written to the department of personnel on 16 October asking for more time. Normally such commissions are under the home ministry, but the Venkataswami Commission was placed under the department of personnel as certain vigilance issues were involved.

Mr Justice Venkataswami found it difficult to complete his task on time and has asked for three extensions.

THE STATESMAN

23 NOV 2001

# CBI lassos Big Bull Harshad, brothers again

Times News Network

MUMBAI: Big Bull Harshad Mehta and his two brothers, Ashwin and Sudhir, were remanded by a special court to two weeks' police custody on Friday for alleged fraudulent transactions of 27,48,500 shares belonging to the Mehta group companies and their associates. The approximate value of the shares is pegged at about Rs 100 crore.

Even though the controversial transactions had taken place in 1992, the custodian appointed by the special court had sought a CBI inquiry only last year.

Earlier in the day, the CBI arrested the Mehta brothers at 1.30 p.m. pursuant to arrest warrants issued by special judge S.H. Kapadia, who is presiding over the securities scam case. The investigating agency alleged that Harshad Mehta and his brothers had fraudulently diverted and sold

the shares in the open market in 1992.

CBI counsel Vishwas Gupte submitted that the brothers were involved in committing serious offences, such as forgery, to transfer the shares. The CBI accused the trio of offences under Section 467 (forgery), 468 (forgery for the purpose of cheating), 471 (using a forged document as genuine) and 120(b) (conspiracy) of the Indian Penal Code. Punishment could extend from ten years' imprisonment to life sentences.

Harshad Mehta, who was arrested in 1992 after the Rs 3,500 crore securities scam was unearthed, claimed that these shares belonging to his group companies were found missing after his release from jail in late 1992. His lawyers Mahesh Jethmalani and Pranav Badheka said he had



Harshad Mehta is led out of the CBI office at Walkeshwar in Mumbai after his arrest on Friday.

written to the custodian appointed by the special court in 1993 to inform him that the shares of about 90 companies belonging to him were either missing or stolen between June and October 1992.

Mr Jethmalani argued that the CBI allegations were not substantiated and that the CBI had nothing to indicate that the companies named by it were 'benami' companies of Mehta.

In 1999, the Mehta group had requested the custodian appointed under the Special Courts Act to locate the shares. However, in response to a plea made by the custodian, a CBI investigation was directed last April into the circumstances under which the shares were found missing.

The CBI was directed to find out whether the shares were missing, stolen, misappropriated or wilfully diverted, and by whom, to the open market after being attached under the Special Courts Act in 1992.

THE TIMES OF INDIA

10 NOV 2001

# SC asks Laloo to surrender before Jharkhand court

By Our Legal Correspondent

**NEW DELHI, NOV. 5.** Refusing to give a blanket bail to the Rashtriya Janata Dal president and former Bihar Chief Minister, Mr. Laloo Prasad Yadav, the Supreme Court today asked him to surrender before a special court at Ranchi, in Jharkhand, on November 26 in connection with the fodder scam cases.

When Mr. Kapil Sibal, senior counsel, told a three-judge Bench, comprising Mr. Justice K.T. Thomas, Mr. Justice S.S.M. Quadri and Mr. Justice U.C. Bannerjee, that if bail was not granted to Mr. Yadav, the special court would put him in jail, the Bench said he could apply for bail after surrendering.

The Bench, however, said that the CBI should not arrest Mr. Yadav till he appeared before the special court. When counsel said that if the special court did not decide on the bail application on the same day of his appearance it would create difficult circumstances for Mr. Yadav, the Bench ordered it to do so the same day.

When Mr. Sibal told the court that the allegations made in all the 36 cases transferred by the Supreme Court to Jharkhand were identical to those before a special court in Patna (where Mr. Yadav has been granted bail) and pleaded for grant of bail, the court said no blanket bail could be granted and asked him to move the trial court.

The apex court had on October 5 directed the transfer of all 36 fodder scam cases, including those against Mr. Yadav, from Bihar holding that the courts in Jharkhand alone had jurisdiction to try them. It passed similar orders with regard to cases in which the former Chief Minister, Mr. Jagannath Mishra, was cited as an accused.

**K. Balchand** reports from Patna:

Mr. Yadav said that he would abide by the Supreme Court directive and surrender before the special court on November 26. Expressing the hope that he would be able to secure bail from the designated court, he stressed that he had served more than sev-

en months in jail in connection with similar cases.

He argued that the investigation into the fodder scam had been completed. Hence, the special court should have no reservation in granting him bail.

Mr. Yadav said that the transfer of the cases to Jharkhand would help him visit the State more frequently and serve his party's interest. He dismissed speculation that the court ruling and his surrender would adversely affect his party or the coalition Government headed by his wife.

Mr. Yadav is required to surrender after the puja vacations, allowing him the opportunity to celebrate both Diwali and the 'Chhat' festival with his family.

THE HINDU

6 NOV 2001