

might call the Foreign Service as the Indian External Service. But if we call it the Indian External Service it will become IES, and the Education Minister may take exception to it because the Indian Educational Service will be confused with that. I think the best way out is to call the Indian Forest Service the Indian Jungle Service or IJS.

14.22 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS
MINUTES OF SITTINGS

Shri A. S. Alva (Mangalore): I beg to lay on the Table the Minutes of the Ninetieth to Ninety-fifth sittings of the Committee on Private Members' Bills and Resolutions held during the current session.

14.22½ hrs.

MESSAGE FROM RAJYA SABHA

Secretary: Sir, I have to report the following message received from the Secretary of Rajya Sabha:—

"In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 5th September, 1966, agreed without any amendment to the Punjab State Legislature (Delegation of Powers) Bill, 1966, which was passed by the Lok Sabha at its sitting held on the 1st September, 1966."

14.23 hrs.

PUBLIC ACCOUNTS COMMITTEE
FIFTY-EIGHTH REPORT

Shri Morarka (Jhunjhunu): I beg to present the Fifty-eighth Report of the Public Accounts Committee on Appropriation Accounts (Civil), 1964-65

and Audit Report (Civil), 1966 relating to Departments of Atomic Energy, Aviation, Cabinet Secretariat and Ministries of Commerce and External Affairs.

14.23½ hrs.

COMMITTEE ON PUBLIC UNDERTAKINGS

THIRTY-SECOND REPORT

Shri K. N. Pande (Hata): I beg to present the Thirty-second Report of the Committee on Public Undertakings on the action taken by Government on the recommendations contained in the Forty-ninth Report of the Estimates Committee (Third Lok Sabha) on State Trading Corporation of India Limited.

14.24 hrs.

PRESENTATION OF PETITION

श्री मधु लिमये (मुंगेर) : उपभोक्ता मूल्य में वृद्धि किये बिना परचून मिट्टी का तेल बेचने वाले दूकानदारों को पांच पैसे प्रति लिटर की दर से कमिशन देने के बारे में श्री भवनजी रामजी गाला और अन्य व्यक्तियों द्वारा हस्ताक्षरित एक याचिका मैं पेश करता हूँ।

Mr. Deputy-Speaker: He may place it on the Table of the House.

श्री मधु लिमये : इस पर 4,200 लोगों ने हस्ताक्षर किये हैं।

14.24½ hrs.

STATEMENT BY FINANCE MINISTER RE: ORR DIGNAM & COMPANY.

Mr. Deputy-Speaker: Now, the hon. Finance Minister.

The Minister of Finance (Shri Sachindra Chaudhuri): I beg to make a statement . . .

Shri S. M. Banerjee (Kanpur): What is this statement about?

Mr. Deputy-Speaker: Let him make the statement.

Shri Sachindra Chaudhuri: On the 1st September, in the course of supplementaries to starred question No. 781, the hon. Member Shri Madhu Limaye, placed on the Table of the House a certain document. . . .

श्री मधु लिमये (मुंगेर) : इसके बारे में मेरा एक प्वाइंट आफ़ ऑर्डर है...

Mr. Deputy-Speaker: How can the point of order arise? The hon. Speaker has already told him that he should make a statement, and he is making that statement now.

श्री मधु लिमये : मैं जानना चाहता हूँ कि किस नियम के अन्दर यह बयान हो रहा है? इसके ऊपर आने वाली कार्रवाई निर्भर करेगी। 372 एन्डर्स नहीं होता है। इसलिये मेरा प्रश्न है। मैं कोई वाधा डालना नहीं चाहता हूँ।

Mr. Deputy-Speaker: Does the hon. Member not want him to make that statement?

Shri Madhu Limaye: I want him to make the statement.

Mr. Deputy-Speaker: Let him make the statement. Then, he can raise the point of order.

श्री मधु लिमये : एक बात यह है कि 2 सितम्बर को अध्यक्ष महोदय ने कहा था कि मधु लिमये द्वारा जो बारह प्रश्न मेरे पास भेज दिये गये हैं वे मैंने मंत्री जी के पास भेज दिये हैं और उसके बाद मंत्री जी बयान देंगे। मैं विनती करता हूँ कि उन प्रश्नों को मुझे आप टेबल पर रखने की अनुमति दे दें। मैं समय नहीं लेता हूँ। अगर आप चाहें तो मैं पढ़ देता हूँ। बयान उसी पर आएगा। ये मैं आपकी जानकारी के लिये रख रहा हूँ। मैं पढ़ नहीं रहा हूँ। अगर आप मुझे

ऐसा करने की इजाजत नहीं देते हैं तो 372 के मातहत यह नहीं हो सकता है।

Shri S. M. Banerjee: This statement can only come under Direction 115 and not under rule 372.

Shri Sezhiyan (Perambalur): Let him place on the Table of the House all the questions because we would as so like to know what questions the hon. Minister is answering.

Mr. Deputy-Speaker: I am sorry. The hon. Member is making a wrong statement. The Speaker has not permitted that. I have got the note here before me and I have read it. I am sorry.

श्री मधु लिमये : यह कार्रवाई और पत्र अलग चीजें हैं। यह तारांकित प्रश्न से निकला था। वह पत्र है। प्रश्न उसी में थे, मैं डीवेल्स की रेफरेंस दे रहा था।

Mr. Deputy-Speaker: You cannot lay it on the Table.

श्री मधु लिमये : आप क्लज आफ़ प्रोसीड्यूर के अनुसार चलियें।

Mr. Deputy-Speaker: You are an intelligent man, you know the rules, there are specific rules to raise questions in this House, then their relevancy and admissibility have to be considered by the office, and then only we can ask the Finance Minister to make a reply. You cannot send half a dozen questions, in fact you have sent a dozen questions, so they do not arise now.

Shri Madhu Limaye: They are in the form of a statement.

Mr. Deputy-Speaker: You may take recourse to asking questions. If they are admissible, they will be admitted.

Let him make the statement now.

श्री मधु लिमये : मैं समय बचाने के लिये इसको टेबल पर रख रहा हूँ। आप 2

तारीख की डीबेट्स को देखिये, जबकि स्पीकर साहब ने कहा था :

"Mr. Speaker: Mr. Madhu Limaye had given another 12 questions, and I have sent them to the Minister. He will be making that statement after Question Hour day after tomorrow".

उनको समय बढ़ा कर जो 5 तारीख को, यानी आज, भ्रदसर दिया गया है, वह केवल इसलिये कि वह मेरे बयान और प्रश्नों पर विचार करें। इसलिये या तो मैं इसके पढ़ूंगा, या आप इसको टेबल पर रखने दीजिये। अगर समय बचाना है, तो इसको टेबल पर रखने दीजिये, नहीं तो माननीय सदस्य मंत्री महोदय के बयान का अर्थ कैसे समझेंगे ?

Shri Sezhiyan: We want to know what the questions are.

Mr. Deputy-Speaker: They do not arise now. The Minister will make the statement.

Shri S. M. Banerjee: I want your ruling on one point. You are allowing this statement to be made, I hope under rule 372 of the rules of procedure. This says:

"A statement may be made by a Minister on a matter of public importance with the consent of the Speaker but no question shall be asked at the time the statement is made."

Am I correct?

Shri Tyagi (Dehra Dun): This is a statement in response to a question.

श्री मधु लिमये : यही तो मैं कहना चाहता हूँ ।

Shri Sezhiyan: On a point of order.

Shri S. M. Banerjee: I refer you to Direction 115 by the Speaker, where it is said:

"(2) The member may place before the Speaker such evidence as he may have in support of his allegation."

A starred question was before the House, and while replying to supplementaries on the starred question, certain information was required by Mr. Limaye and others, and certain questions were put which were replied to by Mr. Sachindra Chaudhuri. During the Question Hour certain allegations were made.

Shri Madhu Limaye: No allegations. They are true.

Shri S. M. Banerjee: And then certain certified copies were placed on the Table of the House. So, my submission is that if an opportunity is given to the hon. Minister to make a statement *suo motu* under rule 372, it precludes the hon. Member who had the courage and conviction to place certain documents from putting any question. I know that deliberately and willfully this statement is being made on the last day of the session so as to prevent questions. You should allow it under Direction 115. Let the Minister make the statement. Direction 115(3) states:

"The Speaker may, if he thinks fit, bring the matter to the notice of the Minister . . ."

The Speaker in his wisdom brought it to the notice of the hon. Minister that certain allegations were made, and the Minister was asked to make some correction or correct his own statement or place more facts or refute the allegations of Mr. Limaye. The Direction says:

"The Speaker may, if he thinks fit, bring the matter to the notice of the Minister or the member concerned, for the purpose of ascertaining the factual position in regard to the allegation made."

[Shri S. M. Banerjee]

"The Speaker may then, if he thinks it necessary, permit the member who made the allegation to raise the matter in the House and the member so permitted shall, before making the statement, inform the Minister or the member concerned."

"The Minister or the member concerned may make a statement in reply with the permission of the Speaker . . ."

What I submit for your ruling is this. You may kindly give a ruling on this. Mr. Limaye raised very pertinent questions, a set of 12 questions, and I have got about 15 questions which relevantly I should ask the hon. Minister for getting certain clarifications and eliciting the truth, and I am precluded from that because of rule 372. Direction 115 of the Speaker is the proper rule, and it is sacrosanct. A Member may have said something, and if the Minister wants to make a statement refuting the allegations or make countercharges, he may do it.

I invite your attention to the incident in which Mr. Bagri made certain allegations against Mr. Humayun Kabir and produced some documents which were later on found to be factually wrong, and the Speaker directed Mr. Kabir to make a statement. Fortunately or unfortunately Mr. Bagri was absent on that day. We raised this question that the Member concerned, Mr. Bagri, should be present when the statement was made by Mr. Kabir, and it was postponed to the next day and the hon. Minister was asked to make his statement only when Mr. Bagri was present.

So, I appeal to your sense of justice to permit this under Direction 115. Otherwise, you will be setting up a bad precedent before this House.

Mr. Deputy-Speaker: Have you got to say anything?

श्री मधु लिमये : मैं यह कहना चाहता हूँ कि यह बयान नियम 372 के मातहत नहीं है।

This statement arises out of certain observations made by the hon. Speaker. This cannot be made under rule 372.

इस लिये आप मुझे यह प्रश्नावली मेज पर रखने दें।

Shri S. M. Banerjee: This is not a statement on the flood situation or the food situation.

Shri Sezhiyan: If the Minister is replying to the questions, the House wants to know what those questions are. We cannot be kept in the dark. Therefore, we want those questions to be placed on the Table of the House.

Mr. Deputy-Speaker: Direction 115 reads like this:

"(1) A member wishing to point out any mistake or inaccuracy in a statement made by a Minister or any other member shall, before referring to the matter in the House, write to the Speaker pointing out the particulars of the mistake or inaccuracy and seek his permission to raise the matter in the House.

(2) The member may place before the Speaker such evidence . . ."

No Member has given any evidence under Direction 115. This is a statement under rule 372, and no questions will be allowed.

Shri Madhu Limaye: It cannot be under rule 372.

Shri S. M. Banerjee: Read the whole thing. You have read only a part.

Shri H. N. Mukerjee (Calcutta Central): May I make a suggestion that it is in the interests of the Minister, it is in the interests of the Government, in the interests of clean administration and honest politics that we get a statement which clarifies many questions that appear to have arisen. The Minister is making a statement because exception was taken to certain matters which cropped up in the course of that question and answer. After that happened, Mr. Limaye got some information, and some of us also get some information,

right or wrong I do not know, and on the basis of that Mr. Limaye had brought a list of 12 questions to the notice of the Speaker and the Speaker intimated to him that the substance of those questions would be communicated to the Minister, and I am wishing, I am hoping, that the Minister has taken notice of those questions and is also answering them, but our difficulty is that Members of Parliament do not happen to know what the questions are which the Minister is answering. I take it that the Minister is answering those questions because, if he is not, then this miasma of suspicion will unnecessarily continue in public life. We want that to be removed. It is in the interests of the Government, in the interests of clean administration. From that point of view, whatever may be the inhibiting nature of the rule in question, it is necessary that substantially these questions are answered by the Minister, because he should have got notice of it according to the direction of the Speaker, as Mr. Limaye reports, and the House has a right also to know what those questions were which the Minister is answering.

श्री मजु लिमये : क्या वित्त मंत्री का इस कें मेज पर रखे जाने के बारे में विरोध है ?

Shri Hari Vishnu Kamath (Hoshangabad): On a point of order. I would invite your attention to this rule and implore you to scan it very carefully. Please do see that this rule 372 which you have cited is incorporated in Chapter XXVII which is captioned "General Procedure". I am sure you will recollect that this matter which the Finance Minister is at present going to deal with arose out of a question originally, initially, out of a starred question. Supplementaries were put to the main answer and in the course of the supplementary question put by my hon. friend Shri Limaye, he read out a letter from the Secretary of his Ministry, Mr. R. C. Dutt. I hope my memory serves me right. At this stage the proceedings

were interrupted, rightly so, because it was a serious matter that came up before the House. Therefore, to invoke a rule which is part of the general rules of procedure while there are specific rules dealing with questions and matters arising there from which are dealt with in a separate chapter, which come under a chapter captioned 'questions and short notice questions' is not proper. The Speaker has, rightly, held from time to time that when there is a specific provision for a particular matter, no general provision can be invoked. I suppose you agree with it. Can I take it that you agree with that position?

Mr. Deputy-Speaker: You can go on.

Shri Hari Vishnu Kamath: You agree; so far so good. When there is a specific provision for a particular matter, no general provision can be invoked. Now, Chapter XXVII is captioned general rules of procedure and rule 372 comes under this chapter while specific provisions relating to questions are given under chapter VII. So, this chapter XXVII is wholly out of place and rule 372 cannot therefore be invoked by the Minister; nor will you be right in supporting the Minister if he chose to do so.

The relevant rules in this case come under chapter VII and I request you to study it carefully; if not immediately, you may take half an hour's time. We may proceed with the other business and may take this up after half an hour. That would be helpful to you and to the House. I would leave it to you to study these rules on questions very carefully and also the relevant directions by the Speaker because it is this chapter and these are the rules that apply to the present case. The hon. Minister on that day, if I remember aright, said that he had known Mr. B. P. Ray for years and years. Later on he made matters worse by saying that he had received briefs from them for 30 or 40 years.

Mr. Deputy-Speaker: All that is not relevant.

Shri Hari Vishnu Kamath: It is all on record. Now, there was no matter of public importance in that. It is at the most a matter of private importance, as between a Minister and his friend or the firm, whoever it was, Orr Dignam and Company. How can you by any stretch of the imagination bring in rule 372? I know you have got good imagination. I have no doubt on that point.

Shri Joachim Alva (Kanara): It is mandatory.

Shri Hari Vishnu Kamath: Do you know the meaning of the word mandatory? This rule says that a statement may be made by a Minister on a matter of public importance. Can you, Sir, in all conscience say that this matter is a matter of public importance. It may be 'public importance' in some other sense but in terms of the rule is it so? Flood situation, food situation, corruption in public services—yes, it is public importance and statements are made here. But here the Minister said: I have known him for many years; I have received briefs; I know he is a good man. Now, Sir, I quoted rule 41 that day and the Speaker partly upheld me. You are in the Chair and you may even now look up rule 41. Please see rule 41. I will read out the relevant portion. When the Finance Minister rose to make that statement and give his opinion about the person and said about that company that it was a good company, I read out items (iv) and (v) of sub-rule (2) of Rule 41 and I said what applies to a Member who puts questions applies, *ipso facto*, if not a *fortiori*, equally if not with greater force, to a Minister. There cannot be two standards, one for the Minister and one for the Member one sauce for the goose and another for the gander. The rule says that it shall not ask for an expression of opinion or the solution of an abstract legal question or of a hypothetical proposition. The most im-

portant rule is that the question shall not ask as to the character or conduct of any person except in his official or public capacity. What happened that day? I think you were down below in your seat, listening to the proceedings. He said: I have known him in my personal, private capacity, in my personal relationship. I am now coming to the last stage. Out of that a situation has arisen. He is going to make a statement. That was not about the character and conduct of a person in his official public capacity but in his private capacity, not as Minister. Now, therefore, he cannot claim protection or right under rule 372. That is the essence of the argument. Even if he makes a statement ultimately, if you do allow him to make a statement, questions should be allowed because it arose as a part of the question; it was part of the question. That is the grand finale to my argument. It was a starred question and therefore we go back to the stage at which that question was left, and if he does make a statement it should be regarded as a continuation of the answer of the Minister to the supplementary question of the Member.

Mr. Deputy-Speaker: All that the Speaker had said on that day was that certain doubts had been raised and naturally they arose from the statements that were made that probably some interference was made in the process of proceedings or enquiries that were made and the Minister should make a full statement on the events that had happened and that the Finance Minister might be informed that he should make a statement on Monday.

श्री मयू लिमये : तो सोमवार को क्यों नहीं किया ?

Shrimati Renu Chakravarty (Barrackpore): There was a very clear decision. Mr. Limaye had written to the Speaker saying he wanted to ask

these supplementary questions. He had given notice of it, even at that stage. The Speaker wrote back to him saying: I am forwarding these things to the Minister. He did not at all tell him that the whole statement was going to be made under rule 372. The very fact that he had asked those questions, the very fact that he permitted him to clarify them and also the fact that he had told the Speaker that he would ask these questions shows that rule 372 could not be invoked.

Mr. Deputy-Speaker: I am sorry; notice should be given under rule 115. No notice has been given.

श्री मधु लिमये : यह प्रश्न स्टेटमट की शब्द में है उपाध्यक्ष महोदय ।

Shrimati Renu Chakravartty: This is only an extension of the question hour.

Mr. Deputy-Speaker: I do not know whether the Minister is answering those questions. I have not heard the statement yet.

श्री मधु लिमये : उनका आपत्ति नहीं है । He has no objection.

Mr. Deputy-Speaker: Has the Minister no objection?

Shri Sachindra Chaudhuri: I have objection, unless the rules permit it.

Mr. Deputy-Speaker: The hon. Finance Minister.

Shri Sezhiyan: The rules permit it, Sir.

Shri Sachindra Chaudhuri: I certainly object to anything being placed on the Table about this. That will be most embarrassing to me.

Shrimati Renu Chakravartty: Why should he get angry about it?

Shri S. M. Banerjee: Why should he be angry?

Shri Sachindra Chaudhuri: Every body could raise his voice in this House. I cannot. (*Interruption*).

Shri S. M. Banerjee: He can.

Mr. Deputy-Speaker: Order, order. The Finance Minister.

Shri Sachindra Chaudhuri: Sir, on the 1st September in course of supplementaries to Starred Question No. 781 an hon. Member, Shri Madhu Limaye, placed on the Table of the House certain documents. This he described as a letter from my Secretary. Shri Madhu Limaye stated:

“आर० सं० दत्त की चिट्ठी है । अगर वित्त मंत्र ने नहीं पढ़ा तो उनकी खिदमत में उनके सेक्रेटरी की चिट्ठी मैं पेश करना चाहता हूँ ।”

This statement was incorrect and misleading. In fact the document was a copy of a note recorded by the Secretary, Revenue and Insurance on the 24th February, 1966 marked to another senior officer of the Department, namely, the Director of Enforcement for his information and action. It was not a letter. It was a departmental note not addressed to any outsider and I am not aware how it came into possession of any third person. The note of my Secretary was recorded after discussion with me, though the language was his own, I saw this note subsequently after action had been taken on it by the Director, Enforcement.

In exercising powers conferred by Statutes a distinction must be drawn between judicial and quasi-judicial powers on the one hand, and administrative powers on the other. In respect of the former the power is to be exercised by those on whom they are conferred without any intervention by the Executive Government except as provided by law. Powers of searches and seizures are not judicial or quasi-judicial powers. They are preliminary administrative pro-

[Shri Sachindra Chaudhuri]

cesses which impinge on the liberty of the individual and may seriously affect his reputation. It is the duty of the Executive Government to ensure that such powers are exercised with due caution and objectivity and Ministers are responsible to Parliament and citizens for the manner in which such powers are exercised. To enable Ministers to discharge this responsibility they must be allowed to and it is their duty to exercise supervision over the officers who exercise such powers. I am sure the House will agree that unfettered exercise of such powers of searches and seizures by officers of Government would be contrary to good government and the democratic principles upon which the Government of this country has been based and built. Parliament entrusts this democratic control to Ministers.

In exercising such supervision and control, a Minister must necessarily use his discretion, and to deny a Minister the right to exercise such discretion would, I submit, amount to conferring unfettered powers on certain functionaries of Government. Such control and supervision have always been exercised by Ministers and there have been cases in the past where after searches have been conducted of premises or possessions of individuals, Government on being satisfied of the circumstances of the cases, expressed regret to the parties concerned where such searches were unjustified or unnecessary. This is proper for where individuals have suffered on account of undue exercise of such powers it is proper that Government should make amends to the extent possible.

Now I come to the facts of the present case. On the 11th February, 1966 the office premises of Messrs Orr Dignam & Company, Solicitors of Calcutta, and the residential premises of two senior partners of the firm, Messrs H. J. Silverston and B. P. Ray, were searched by officers of the Enforcement Directorate with the assistance of some customs officers. I had no knowledge of these searches before they were conducted and concluded and

there was no question of my interfering with the searches. A few days later, one of the senior partners of Messrs Orr Dignam & Company, Shri B. P. Ray came to Delhi and complained both to my Secretary and to me that the searches were illegal, unwarranted, unjustified and had been initiated *mala fide* at the instance of parties interested in certain contentious issues. I asked Shri Ray to let me have the confirmation of his complaints in writing. This he did on behalf of his firm. I place a copy of the letter along with copies of the enclosures on the Table of the House.

An enquiry was made about the complaint and it revealed that the search at the residence of Shri B. P. Ray had yielded no incriminating material. It was also found that the searches had been conducted on information supplied by an individual with some interest in certain contentious matters in which Messrs. Orr Dignam & Company was acting as Solicitor for one of the parties. On consideration of the then available information, I came to the conclusion that there was no justification for the searches of the residence of Shri B. P. Ray. I, therefore, instructed my Secretary to ask the Enforcement Directorate to write to Shri B. P. Ray expressing regret at the inconvenience caused to him. On consideration of the circumstances I felt it was necessary to call for the papers seized from the office of Messrs Orr Dignam & Company and from the residential premises of Mr. Silverston, as well as to get the explanations of the Deputy Director, Enforcement and the Additional Collector, Customs, to satisfy myself what steps should be taken after the other searches. On consideration of all such materials subsequently received, I came to the conclusion that though contrary to information received nothing incriminating had been found at the residence of Shri B. P. Ray and that, therefore, the search of his residence was a matter of regret, the searches were not illegal, unwarranted, unjustified

or mala fide as contended by Messrs Orr Dignam & Company. I came to the further conclusion that the proceedings against the firm should continue. My secretary replied accordingly to Messrs Orr Dignam & Company on the 5th March, 1966. A copy of this letter is placed on the Table of the House. [Placed in Library. See No. LT-7077/66]. The proceedings are still in progress.

I submit that the facts narrated clearly indicate that there has been no interference with the processes of law. It is also not correct that I had acted in this case on the basis of my subjective impressions, as had been suggested by one hon. Member. On the contrary, on the basis of a complaint of alleged misuse of powers of search, there has been a careful scrutiny of the facts and circumstances of the case in accordance with the normal practice of the Ministry, and while regret has been expressed for a search which was unnecessary, the case has been proceeded with on the basis of the results of the trials?

श्री मधु लिमये : उपाध्यक्ष महोदय, मैं प्रश्न पूछना चाहता हूँ।

Mr. Deputy-Speaker: I am not allowing any supplementary question. I have read rule 372.

श्री मधु लिमये : क्यों इजाजत नहीं दे रहे हैं। (व्यवधान)

Shri Kapur Singh (Ludhiana): It is our right, Sir, to ask a few questions by way of clarification?

श्री मधु लिमये : मेरा प्वाइन्ट आफ़ आर्डर है, स्पष्टीकरण मांगने का मेरा पूरा अधिकार है।

Mr. Deputy-Speaker: Order, order. I am not allowing any questions now.

Shri Kapur Singh: No one wants to ask questions. We want to ask a clarification. They are two different things.

Mr. Deputy-Speaker: If I permit one Member, then I will have to permit every other Member.

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श्री मधु लिमये : उपाध्यक्ष महोदय, स्पष्टीकरण मांगने का मेरा पूरा अधिकार है। आप सब नियमों को तोड़ रहे हैं, संविधान की धारा को तोड़ रहे हैं।

Mr. Deputy-Speaker: One or two, I can allow. I will allow only a few questions for clarification.

श्री मधु लिमये : मैं केवल स्पष्टीकरण चाहता हूँ।

Mr. Deputy-Speaker: Only a clarification.

श्री मधु लिमये : आपने कहा कि एक प्रश्न पूछ सकता हूँ, अतः मेरा प्रश्न इस प्रकार है—

At the point of time when the note of Mr. R. C. Dutt to the Enforcement Directorate came to be written, had the documents seized from the premises of Orr Dignam & Co. been seen by the Finance Minister or the Finance Secretary? Obviously not, as is evident from the note itself which calls for these documents. How then did the Minister and the Secretary come to the conclusion that the documents seized in the office premises of Orr Dignam & Co. do not justify the search which has been conducted in this office? Will the Minister, on the basis of his not inconsiderable legal experience, state whether it was proper to arrive at the conclusion he did without studying the relevant materials?

Shri Sachindra Chaudhuri: That is a matter of opinion that he is asking me. He is asking me to give my legal opinion. I refuse to do it.

श्री मधु लिमये : श्रोपीनियन नहीं, आपको कुछ प्रकल भी होनी चाहिये। न इन में आत्म-सम्मान रहा है न शर्म। इसलिए मैं अपना कास्पलीमेंट वापस लेता हूँ।

Shri S. M. Banerjee: We want a clarification.

Mr. Deputy-Speaker: Clarification may be for information; not opinion.

Shri Surendranath Dwivedy: He wants information.

श्री मधु लिमये : अगर मैं य १२ प्रश्न पूछता, तो एक भी नहीं काट सकते थे, पहले प्रश्न में ही खत्म हो गया। कुछ शर्म आना चाहिये, कुछ सम्मान होना चाहिये।

Shri H. N. Mukerjee: When the hon. Member asks a question, the Minister parries. (*Interruption*). I am not asking any question. You, as Deputy-Speaker, permitted Mr. Limaye to ask a clarificatory question, rightly or wrongly, I do not know. But the Minister, instead of answering it objectively parried it by referring to the last portion of the question, which was not part of the objective element in his question. The question was, did he consider the report of the search before passing this order? He has not answered it. I want him to reply to this question so as to enable the House to give him a good chit. (*Interruptions*).

श्री मधु लिमये : अगर डिग्नाम उन को पैसे से खरीद लेता है।

Shri H. N. Mukerjee: If the Minister refuses to answer a question about the morality of the administration, to hell with this administration; to hell with these Ministers.

Shri Kapur Singh rose—

Mr. Deputy-Speaker: Shri Limaye.

Shri Kapur Singh: I have stood up 17 times since this morning and you have not allowed me to speak. If you do not want to identify me, I will walk out.

Mr. Deputy-Speaker: I will call him.

श्री मधु लिमये : मेरे प्रश्न का उत्तर आना चाहिये। मैं लीगल ओपीनियन नहीं मांग रहा हूँ। मुझे उनकी लीगल ओपीनियन की जरूरत नहीं है। वह दो कोडी की है। वह खरीदी जाती है। मैं जानकारी चाहता हूँ कि

How then did the Minister and his

Secretary come to the conclusion that the documents seized in the office premises of Orr Dignam and Company do not justify the search which has been conducted in this office?

आप ने मैटिरियल देखा नहीं था, फिर इस निष्कर्ष पर कैसे पहुंचे मैं यह जानना चाहता हूँ। आप की लीगल ओपीनियन की वैन्यू मेरे लिये दो कोडी की भी नहीं है।...
(*व्यवधान*)

Mr. Deputy-Speaker: In his statement, he has already stated that there was nothing incriminating which was found.

Shri Vasudevan Nair (Ambalapuruzha): The impression should not be created that the Chair is not allowing facts to be elicited.

Mr. Deputy-Speaker: He has already said that nothing incriminating was found.

Shri Surendranath Dwivedy (Kendrapara): He also said that proceedings are going on against this firm. The relevant question is, did he go into the reports of the search and then pass this order?

Mr. Deputy-Speaker: Did you go into the documents? You can say yes or no.

Shri Sachindra Chaudhuri: I will have to explain again. (*Interruptions*). The search took place on the 11th February, 1966 and documents were seized in the office of Messrs Orr Dignam and Company. After that, the Director contacted the Calcutta office on telephone, on the 11th or thereafter, and having contacted the Calcutta office on the telephone, he had been informed about the documents seized in the office of Orr Dignam and Company and what was the substance of those documents. The opinion I formed was based on what has been informed to me by the Director and my Secretary about their conversation with Calcutta.

Shri Madhu Limaye: You asked whether he has studied the material and the documents. (*Interruptions*).

उसका जवाब पाना चाहिये ।

Mr. Deputy-Speaker: Order, order. **Shri Hem Barua.**

Shri Hem Barua (Gauhati): May I draw the attention of the Finance Minister to section 19 (d) (1) of the Foreign Exchange Regulation Act, 1947, which reads as follows:

"If an officer of enforcement not below the rank of Assistant Director of Enforcement has reason to believe that any documents which in his opinion will be useful for or relevant to any proceeding under this Act, are secreted in any place, he may authorise any officer of Enforcement to search for and seize or may himself search for and seize such documents."

If his attention has been drawn to this, while asking his Secretary to ask the Director of Enforcement to express regret to Mr. Ray, a partner of Messrs Orr Dignam and Company because no incriminating document was found with him, may I know whether Government have made it a special case or Government propose to offer apology or regret to any party whose premises or office is searched and nothing incriminating is found? If so, may I know whether this is going to be extended to those people who have been arrested under DIR, as some people were arrested under DIR during the Pakistani aggression simply because they are Muslims and nothing could be established against them? Are you going to express regret to them?

Mr. Deputy-Speaker: It does not arise out of this.

Shri Hem Barua: At least this question can be answered as to whether this has been made a special case or it is going to be a policy with the Government to express regret to all

those whose premises or offices are searched and nothing incriminating is found?

Shri Kapur Singh: The hon. Minister must have guessed by now that what we really want to know is whether the letter of regret which was sent to a certain party has been made an exception or a practice. This is the question over which this side of the House feels concerned. I, therefore, would like to know whether in a particular case—it was mentioned by the Minister himself on the floor of the House—the case of Messrs Chaman Lal and Company whose premises were searched on the allegation that they had been sending some illicit black pepper to Kabul, now that the Government has come to the conclusion after enquiry that the allegation was wholly false and baseless, whether they have in this case also communicated their regrets to the aggrieved firm.

Mr. Deputy-Speaker: It is not relevant.

Shri Kapur Singh: From this we will know whether it is a practice or exception. It is very relevant.

Shri Ranga (Chittoor): It contains two parts. One refers to Messrs Chaman Lal and Company.

Mr. Deputy-Speaker: We are not concerned with Messrs Chaman Lal.

Shri Ranga: The other part is whether there had been precedents before and whether Government would make it a practice to see that people are not unnecessarily harassed; insulted and blackmailed and whenever they find that there is no incriminating evidence or anything like that, they would make it a policy and practice to express regret.

15 hrs.

Shri Sachindra Chaudhuri: Sir, I can answer only one question at a time. If you will permit me, Sir, I will answer this question. As I have al-

[Shri Sachindra Chaudhuri]

ready said in the written statement that I have made, there have been cases in my own Ministry where letters of regret have been sent out. Whenever the case justifies certainly it is done.

Shrimati Renu Chakravarty: Sir, we are worried because it is so difficult to find out black money. It is from that point of view that we are asking these questions. It is very clear from the Foreign Exchange (Regulations) Act, that nothing shall lie against any officer who does anything in good faith or who intends to do it in good faith under this Act. If that is the position, if in the Orr Dignam Company's case incriminating things were found in Mr. Silverston's residence, one of the directors—about Mr. B. P. Ray, another director, sufficient information was there but for some reason or the other nothing was found—if we allow that officers are made to apologise when they conduct searches for these evaded things, will it not completely undermine their effort and sap the morale of the services who are doing this difficult job (*Interruptions*)?

Shri Sachindra Chaudhuri: This is a matter where the hon. lady Member is seeking my opinion. I have said that I can answer questions which do not seek my opinion, but since she has asked me to give my opinion I will answer her. In this particular case there was no apology offered by the particular officers who were concerned. The authorised officers did not make the apology.

Shri Surendranath Dwivedy: You asked them to explain their conduct.

Shri Sachindra Chaudhuri: I asked them to explain to me, for the information of myself. The hon. lady Member is right in saying that there is a provision in the Act that no proceedings will be taken for things done in good faith. At the same time, no proceedings have been taken against

them at all. I as the administrative head, I hope, am entitled to find out whether the administration of the law, the administration of the Government, is properly conducted or not. To that purpose I am entitled to find out what the things are. I am entitled to form some opinion. I may be wrong. I do not say that I am correct. I have to ask somebody who is responsible to me, as I am responsible to this Parliament and to the country, to tell me in their own terms whether or not my understanding is right or wrong. That is the reason why I asked him. No punishment was given, no steps were taken, no prosecution was launched. Nothing of the kind was done.

Shri Surendranath Dwivedy: The officers have done a creditable job.

Shri Sachindra Chaudhuri: So far as the other thing is concerned, as to whether there should or should not be, undoubtedly, I have got to balance between the need of the country to pursue every person who is an evader of the law in the matter of evasion of tax and so on and also, at the same time, see that every citizen has got a right to have himself held inviolable when he has not done anything wrong. Therefore, while it is the intention of this Government to see that no wrongdoer, whatever his position may be, shall be spared the utmost rigour of the law, at the same time, it is also my concern to see that no person, no innocent person shall suffer. There may be a difference of opinion between me and my hon. friends opposite as to how that is to be done, but I believe this Government is not a God of wrath, but is also a God of justice if not clemency.

Some hon. Members rose—

Shri S. M. Banerjee: Sir, I rise to a point of order.

Mr. Deputy-Speaker: No point of