

## RAJYA SABHA

(1966)

### Point of privilege

*Alleged misleading statement made by a Minister in the House.*

### Facts of the case and ruling by the Chairman

On the 7th September, 1966, Shri Bhupesh Gupta a member sought<sup>1</sup> to raise a question of privilege in the House against Shri B. R. Bhagat, Minister of State in the Ministry of Finance on the ground that Shri Bhagat, in the course of replies to certain supplementaries put on Starred Question No. 735 in the House on the 31st August, 1966 regarding the disposal of complaint filed by the Director of Enforcement, Foreign Exchange Regulations against the Laxmi Rattan Cotton Mills and its six Directors in the Court of City Magistrate, Kanpur, had given incorrect answers and thereby misled the House. In reply to a supplementary by Shri Niren Ghosh, another member, the Minister had replied: -

"The Company was proceeded against. No individual directors were involved in it. The company was penalised and a fine of Rs. 15,000 was imposed on M/s. Laxmi Rattan Cotton Mills Ltd."

2. Shri Gupta alleged that the complaint was filed against the company including also the six directors and the Minister had misled the House by saying that the company was proceeded against and no individual director was involved.

3. Shri B. R. Bhagat then stated inter alia:-

"The original question relates to the complaint made by the former Director in the court against the company and its six Directors. There is no question of my misleading the House because the question 'itself says the company and its six Directors. In the main reply I have not said that the Directors are not involved and in the supplementary I have said that the question was taken up in departmental adjudication. And my reply--this is very important--is to a specific question by Mr. Niren Ghosh as to why no action was taken by the Government against the Directors. And what I said was that the company was fined Rs. 15,000/- and as the Directors were not involved no fine was imposed on them.

4. The Chairman (Dr. Zakir Hussain) reserved his ruling.

5. On the 9th September, 1966, the Chairman observed<sup>2</sup> as follows:-

"I have carefully gone through the relevant proceedings and I am satisfied that Shri Bhagat did not Mislead the House. Shri Gupta's apprehension seems to arise out of a possible misunderstanding of the position in relation to the original prosecution in a court of law and the subsequent adjudication proceedings. I accordingly hold that no breach of privilege is involved."

1. R.S. Deb., dt. 7-9-1966.

2. R.S. Deb., dt. 9-9-1966.