

[Mr. Speaker]

So the Members will be informed that they have been granted leave as recommended by the Committee.

STATEMENT RE CERTAIN TRANSACTIONS REFERRED TO IN FOURTEENTH REPORT OF P.A.C.

The Minister of Defence (Dr. Katju): On the 21st of December, 1954, my colleague, the Minister of Finance (Shri C. D. Deshmukh) made a statement before the House in regard to certain comments made in the 9th Report of the Public Accounts Committee on matters arising out of certain orders placed for some jeeps in London and for certain defence stores on the Continent in 1948 for the Defence Services. My colleague mentioned the action which the Government had taken upon criticism levelled on these transactions and stated that the matters had been fully enquired into in 1952 by a high level committee presided over by the Prime Minister himself, and that that committee had come to the conclusion that while there had been technical and procedural irregularities no particular officer was in any way blame-worthy, and, therefore, Government did not propose to take any further action in the matter, nor to appoint a Committee of Inquiry as suggested by the Public Accounts Committee in their 9th Report.

When the Finance Minister made the statement before the House, Government also laid on the Table of the House a copy of the statement sent earlier to the Public Accounts Committee in this connection.

Government now note that the Public Accounts Committee have referred to these transactions again in Chapter V of their 14th Report and have stated that they are unable, in spite of the views of the Government of India, to deviate from the conclusions to which they had given expression in the 9th Report. Naturally, Government attach the greatest weight to any observations made by the Public Accounts

Committee and treat them with the greatest respect. Nevertheless, I submit that in the 14th Report the Public Accounts Committee have disclosed no new facts or figures nor have they given any new reasons. They have merely reiterated their views as expressed in the 9th Report. Government have already considered these views on the previous occasion with the utmost care and it was after the fullest deliberations that they had come to their own conclusions. The matter is now seven years old and as no new facts have come to light either through the Public Accounts Committee or otherwise, Government feel unable, under the circumstances, to alter their previous decision not to re-open this matter. They feel that any further independent enquiry will, under the circumstances, be of no use whatsoever. The matter has been fully investigated at the highest level and should, in the public interest, be now considered closed.

Government have conveyed their decision to the Public Accounts Committee in a Note of which I beg to lay a copy on the Table. [See Appendix XI, annexure No. 75].

Shri Kamath (Hoshangabad): Has not this House the last word on the subject? You will remember, Sir, that when the statement was made last year, you said that it was rather improper for Government to have made a statement without sending it to the Public Accounts Committee first. Will Parliament not have a discussion on this matter?

Mr. Speaker: I think that that question really does not arise at all. When the Public Accounts Committee has submitted a Report to the House, the Government is making a statement of its position. That is the only thing now. Whatever the procedure or other things may be, I think the matter will be referred to the Speaker finally. A copy of the statement has already been sent to the Public Accounts Committee. Whatever the Government says about the procedure will

be laid before me. It is a proposal of the Government which I shall take into consideration.

**Shri T. B. Vittal Rao (Khammam):** Cannot we have a discussion on this matter, since a great controversy has arisen out of it, and also about procedural matters? Will it not be better if we have a discussion on the whole thing?

**Mr. Speaker:** I do not think any discussion will be useful. Hon. Members will remember that in parliamentary democracy one has to go by mutual discussions, agreements and settlements by give-and-take. It is not as if everything can be governed by rules. The Government do realise the fact, I am sure, as has been stated in the statement itself, that they look upon the Public Accounts Committee as a very important Committee of Parliament—or any Committee for that matter—and they give as much consideration as they can under the circumstances. It is not that the Government are not entitled to differ from the views of the Committee. But if there are differences, instead of discussing them in the House it is better that they are discussed elsewhere—in the Committee or any other place. They can informally meet and discuss and try to understand the points of view of each other and then try to come to some agreed solution. It is no use having a discussion here and making speeches. That will not help the running of parliamentary democracy. It can only be by give-and-take. Matters relating to procedure will, as I said, finally come to me, in case the differences between the Government and the Public Accounts Committee persist. That is the only thing I can say. There is no use having discussions over such matters here.

**Shri U. M. Trivedi (Chittor):** Sir, the statement made by the hon. Minister ought to have been communicated to the Speaker first before its being read in the House or sent to the Public Accounts Committee.

**Mr. Speaker:** The hon. Member is presuming something which is not a fact, and that shows the dangers of discussing these things in this House in the absence of a proper knowledge of facts.

**Shri U. M. Trivedi:** I am sorry I have not made myself quite clear.

**Mr. Speaker:** He is quite clear to me, and I would ask him to hear me. A copy of the statement was forwarded to the Public Accounts Committee and to the Speaker simultaneously and the statement is made with the permission of the Speaker. All points have been carefully looked into and it is carefully seen that no privileges of the House are lost or damaged in any manner. At the same time, we must evolve a better method of procedure rather than mere discussions and rancorous statements and arguments made in this House.

Now, we go to the further business.

#### CORRECTION OF ANSWERS TO STARRED QUESTIONS

**The Minister of Commerce and Industry and Iron and Steel (Shri T. T. Krishnamachari):** Sir, on behalf of my colleague the Minister of Industries, I make the following statement.

In connection with Starred Question No. 785 answered on the 16th August, 1955, Thakur Jugal Kishore Sinha asked my colleague a supplementary question as to what steps are being taken to increase production to full capacity and he replied, "The production of Ammonium Sulphate would be increased when the demand for it increases". What he had actually in mind was Superphosphate and not Ammonium Sulphate. I regret the error that has crept in the earlier statement and seek your permission to correct that answer and substitute it by the following:

"So far as Ammonium Sulphate is concerned the factories were producing to full capacity during the first half of the current year. The production of Superphosphate will increase as the demand grows."