

MR. SPEAKER: Now, nobody will speak. If you want that you should be heard, you should have to do it one by one. If all of you stand up and want to speak, nothing can be heard. May I request you to do it one by one?

(Interruptions)

MR. SPEAKER: When I am standing, please sit down. Now, I am requesting you to make your point one by one so that what you say is heard. If you do not want to be heard, all of you can stand and speak. That does not help us. So, please do it one by one. Now, Mr Saifuddin Choudhury

(Interruptions)

12.03 hrs.

RE. MORTGAGE OF GOLD

[English]

SHRI SAIFUDDIN CHOUDHURY (Katwa): Sir, I have given notice of an adjournment motion on the clandestine transfer of gold in contravention of the commitment given by the Finance Minister that after the second lot being sent out, there won't be any more such clandestine operation. The total gold transferred out comes up to 57 tonnes. This is to meet the foreign exchange crisis.

Now, Sir, if we are to mortgage gold, send our gold out to take foreign money, then what was the need to go to the IMF? And before getting the IMF loan you have accepted the conditionalities on our economy which is very harmful. It is reprehensible to act in this way to meet the crisis. Why did not they come to the House? Why did they not talk to the Opposition parties that 'we are not getting IMF money, so we are to sell our gold, mortgage our gold'? We should come to a consensus. What is this clandestine operation, I want to know, Sir. I demand that the Finance Minister or the Prime Minister should come to the House and make a statement. Let there be a discussion

on this. It is a very serious matter. What is your direction on this issue?

MR. SPEAKER: I cannot give a direction.

(Interruptions)

MR. SPEAKER: Mr. Saifuddin Choudhury, it is not like this: please take your seats. I know that many people want to express their views on this point. I have allowed you and there are other senior Members also. Let us hear what they have to say.

(Interruptions)

[Translation]

SHRI ATAL BIHARI VAJPA-YEE (Lucknow): Mr. Speaker, Sir, I am a newcomer to this House and I do not know the procedure of the House. If I get an opportunity to raise this matter during the Zero Hour, I shall avail of that opportunity. But I met you in your chamber .. *(Interruptions)*

[English]

MR. SPEAKER: I did not know that he was going to raise this issue.

SHRI SAIFUDDIN CHOUDHURY: Sir, I have given notice for Adjournment Motion.

MR. SPEAKER: Yes, you have given notice for Adjournment Motion, but I did not know that you were going to raise the issue in the House.

(Interruptions)

[Translation]

SHRI ATAL BIHARI VAJPA-YEE: Mr. Speaker, Sir, it is but natural that the hon. Members are agitated over this issue. It would have been better, had the hon. Minister of Finance been present in the House. The Parliament is in session and an assurance was given that no more gold would be sold in future. But in spite of that, we read from

newspapers that about the selling of gold. We are really shocked. Can't this House be taken into confidence? Can't the Government take the entire nation into confidence and say as to what are their liabilities and for that how much gold is required to be sold or mortgaged? The Finance Minister had himself said that when gold goes out of the country, it hurts the sentiments of the people, especially the women. Whatever Sardar Manmohan Singh has to do, he must do at one stroke and not on piece meal basis. This is the third instalment of gold that is going out. Won't more gold be sold hereafter? What were the compulsions under which this gold was sold? How much are our liabilities? If the country is facing economic crisis, the situation could be met by taking the House into confidence. It become a question of propriety also when Parliament is in session and decisions are being taken on piece meal basis. I would request you to direct the Government to place all facts before the nation even if these facts are awesome and beyond our imagination. Let the clear picture come before the people. To overcome the crisis by selling gold in instalments is not a welcome method.

SHRI RABI RAY (Kendrapada)
 Mr. Speaker, Sir, today morning when I read about it in the newspaper, I wrote to you at once. I agree with Shri Atalji that you are the custodian of our rights. The Lok Sabha is in session but the news to the effect that gold is being transported to Salar Airport in Bombay comes to us through a news report of the Indian express. This is really distressing. The photographer of the said newspaper is reported to have given a chase to the vehicles carrying gold to the airport following which he was given a warning by the security staff accompanying the vehicles. The question is what is this all about? It is just possible that the Finance Minister not being a politician or a statesman might not be aware that no policy decision could be taken without taking the Parliament into confidence

when it is in session. The news that gold is being sent out of the country comes to us through the newspapers despite the assurance by the Government that no gold would henceforth be sold. The question that arises is whether it is within the powers of the Government. If that is so, let the Finance Minister or the Prime Minister come before the House before it adjourns for the day to clarify why it is being done in a hush hush manner. They should also give a categorical assurance that such a thing would never be done in future. You have also to give your ruling after a careful consideration. The statement from the Prime Minister or Shri Manmohan Singh should come before 5.00 or 6.00 p.m.

[English]

SHRI CHITTA BASU (Barasat):
 I take strong exceptions to this action. It tantamounts to contempt of the House. I clearly remember the hon. Minister while replying to the question in this House on the very same subject raised by Mr. Unmkrishnan, made a specific commitment on behalf of the Government that there would be no further shipment of gold. In the background of having that kind of firm commitment from the Government side on the floor of the House, how is it that the Government allowed the shipment of gold in a clandestine manner?

All policy matters should be brought before the House and though it is a very important policy matter, the Government did not consider it advisable to inform the House about the Government decision far further shipment of gold. Therefore, it constitutes according to me, contempt of the House.

On an earlier occasion, it was said that the gold was sold on a buy back basis. Now I also want to know whether it has been finally sold or it would be bought back: If so, whether the Government has got the

[Sh. Chitta Basu]

financial capacity of buying back the gold. But it appears to me that the Government has gone completely bankrupt.

Therefore, the Government owes an explanation to the House. You may direct the Government to make a statement during this day itself.

SHRI K. P. UNNIKRISHNAN (Badagara): When I raised this question last week, in this House, I had an opportunity to observe that it was not mortgaged as the Government spokesman would like us to believe, but it was nothing short of sale with a re-purchase option within 90 days or 180 days on payment of interest differentials. And then, the hon. Finance Minister tried to wriggle out by saying that the sale for which I have given notice referred to the sale from the Government stocks, from the confiscated gold. He was not prepared to say anything about the sale by the RBI. He went on as a matter of righteous indignation to say that RBI was a great institution—please do not cast aspersion. We were not casting aspersion. We were alarmed, we were concerned about what was going on because it is again this very RBI that backs currency reserve. It is not done by anybody else. It is not done by the Ministry directly. Therefore, when that issue was raised, we have drawn your attention through several notices, to the need to raise the issue and we demanded a White Paper on this. Nothing has been done so far. On the contrary, we find this sale, which I allege, is a continuous process as a result of conscious policy of the Government. That is the most important thing. The policy is to sell gold. First it was 25 tonnes, then it was 21 tonnes; now it is 9 to 12 tonnes. We do not know. The House is sitting but kept in the dark. Therefore, I would demand:

(1) It calls for immediate statement from the Finance Minister. You please be kind enough in your wisdom to ask the Finance Minister that before the House adjourns today that he should make a statement.

(2) A White Paper be brought out next week on all aspects of these gold transactions.

MR SPEAKER: Shri Chandrajeet Yadav. You have to be very brief please.

SHRI CHANDRA JEET YADAV (Azangarh): I am on another point.

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): Sir, the point I want to make is, it may be necessary, I am prepared to concede that gold needs to be sold in order to overcome our foreign exchange crisis. I am prepared to concede that gold needs to be sold in order to achieve our targets in time. The point that is relevant is we are not yet told what is the depth and extent of the crisis.

The second point is, they are keeping the measures they are adopting close to their heart and they are not telling them to anybody.

MR SPEAKER: Let this not become a debate on economic condition. We are going to do that in this particular Session.

SHRI NIRMAL KANTI CHATTERJEE: We may be told tomorrow that the most valuable of movables is being secretly sent outside the country. The time may come to sell out immovable property also. I will not be surprised, if I am told tomorrow, that the city of Calcutta has been sold out to some other party. If the Government which is in the minority will behave in this manner, what is the future of the country? I request you to accede to the request of the former Speaker Mr Rabi Ray and ask the Finance Minister himself to come and answer this question today itself.

SHRI MANORANJAN BHAKTA (Andaman-Nicobar): The apprehensions of the Members on the other side is understandable. But the point is that Government should come with a White Paper on what is the state of economy that is left by the earlier

Government in this country and the remedial measures to be taken by the present Government. Whatever newspaper reports are published, the accuracy of those reports is also not known. It is absolutely necessary that Government should come out with a White Paper on what is the state of the economy. The statement regarding the gold sales policy should be made today itself and the earlier statement made by the Finance Minister should be in conformity with the present action taken. (*Interruptions*)

SHRI SOMNATH CHATTERJEE (Bolgpur): They are taking the House very casually.

SHRI SAIFUDDIN CHOUDHURY: We want the Prime Minister to come.

SHRI BASU DEB ACHARIA (Bankura): You ask the Finance Minister to tell this House why gold is sent in a clandestine manner. He must tell this House. He has come.

SHRI MUKUL BALKRISHNA WASNIK (Buldana): What is this? We are not aware of any decision taken. We are not aware of the actual position. What is the decision that is going to be taken? I request through you that the hon. Finance Minister should make a statement today and now itself whether the reports which have appeared in the Indian Express are true or false.

Secondly, if this type of things are going to take place repeatedly and frequently, I request the hon. Finance Minister to come out with a specific gold sale or gold mortgage policy. (*Interruptions*)

MR. SPEAKER: Mr. Basu Deb Acharia, please take your seat. Now the Finance Minister is here I would like to know whether he is interested in responding.

AN HON. MEMBER. It is better to mortgage Andaman & Nicobar Islands also!

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): I would be happy to make a statement to the House this very day. I have nothing to hide and I want to come clean before this House and the country. (*Interruptions*)

MR. SPEAKER: Please don't do like this.

(*Interruptions*)

MR. SPEAKER: Mr. Finance Minister, would you like to make a statement today?

SHRI MANMOHAN SINGH: Yes, Sir

MR. SPEAKER: O.K. Since you have demanded a statement today, the Finance Minister is ready to make a statement today. I will give him time.

SHRI SOMNATH CHATTERJEE: When?

MR. SPEAKER: Before the House rises.

SHRI SOMNATH CHATTERJEE: No further clandestine operations should be done (*Interruptions*)

[*Translation*]

SHRI RAM VILAS PASWAN (Roscra): Mr. Speaker, Sir, I have given notice of an adjournment motion and I wanted that the Question Hour should be suspended and the matter be taken up straightaway. This is a very serious matter. Yesterday, we raised the issue of Mandal Commission Report and said that the Government was not sincere in its implementation. Shri Arjun Singhji, you are the leader of the House and I do not want that we should give a notice on this issue. But yesterday, he said that he would clarify the details in respect of the implementation only in the Supreme Court. The result is that the Judge of the