

of section 3 of the All India Services Act, 1951 :-

- (1) The Indian Administrative Service (Fixation of Cadre Strength) Fourteenth Amendment Regulations, 1981, published in Notification No. G.S.R. 788 in Gazette of India dated the 29th August, 1981.
- (2) The Indian Administrative Service (Fixation of Cadre Strength) Fifteenth Amendment Regulations, 1981, published in Notification No. G.S.R. 808 in Gazette of India dated the 5th September, 1981.
- (3) The Indian Administrative Service (Pay) Tenth Amendment Rules, 1981, published in Notification No. G.S.R. 809 in Gazette of India dated the 5th September, 1981.

(Placed in Library. See, No. LT-2830/81)

12.23 hrs

MESSAGE FROM RAJYA SABHA

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

"In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriations (Railways) No. 5 Bill, 1981, which was passed by the Lok Sabha at its sitting held on the 8th September, 1981, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

12.24 hrs

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

TWENTY-NINTH REPORT

SHRI G. LAKSHMANAN (Madras North): Sir, I beg to present the Twenty ninth Report of the Committee on Private Members' Bills and Resolutions.

12.25 hrs

ARREST OF MEMBER

MR. SPEAKER: I have to inform the House that the following wireless message dated 15th September 1981, addressed to the Speaker, Lok Sabha, has been received from the District Magistrate, Ghazipur, UP, today:

"Shri Rajnath Sonkar Shastri, Member of Parliament arrested under section 151, Cr. P.C. by police of Police Station Kotwali, Ghazipur at 2 P.M. today on 15-9-81 in Collectorate compound, Ghazipur and kept in District Jail, Ghazipur, under orders of the Sub-Divisional Magistrate, Ghazipur."

RE QUESTIONS OF PRIVILEGE—Contd.

(Interruptions)

SHRI BAPUSAHEB PARULEKAR : (Ratnagiri) You cannot deprive the House of its right. You cannot use the House as your Chamber. I am sorry to say that. Your decision is illegal...it is an *ex party* decision, it is an illegal decision...

(Interruptions)

..It is not befitting for the hon. Chair of this August House to indulge in this. Therefore, I am sorry we are walking out.

अध्यक्ष महोदय : आप कऱिए, कोई नोटिस दोजिए, मुझे कोई एतराज नहीं है ।

... (स्ववधान) ...

SHRI BAPUSAHEB PARULEKAR: Why you have not allowed us to make our submission, Sir? This is the way you are going to.....

(Interruptions)

MR. SPEAKER: I am only concerned with the privilege.

(Interruptions).

SHRI ATAL BIHARI VAJPAYEE: Sir, today I am in possession of new evidence. How do I discuss this? Will you allow us today to give notice of a new motion?

MR. SPEAKER: Now the matter is closed.

(Interruptions).

(At this stage Shri Bapusaheb Parulekar and some other hon. Members left the House)

(Interruptions).

SHRI SATYASADHAN CHAKRABORTY (Calcutta South):.. Mr. Venkataraman totally misled the House.

(Interruptions)

MR. SPEAKER: Now Mr. Tytler.

SHRI JAGDISH TYTLER (Delhi Sadar). Sir, two days back I have given a Call Attention notice on Jamshedour riots.

[Shri Jagdish Tytler]

Yesterday Mr. Deputy-Speaker said that he would give a ruling today. But we want full discussion on this.

(Interruptions)

MR. SPEAKER: Calling Attention notices are under consideration, Mr. Tytler.

(Interruptions).

श्री मलिक एम. एम. ए. खां: (एटा) :
ग्रहण महोदय, मैंने 193 और 184 के
लिए नोटिस दिया है, डिस्कशन के लिए ।

MR. SPEAKER : देखें They are also
under consideration.

SHRI MALIK M. M. A. KHAN: I
want full discussion. का:लग एटेशन से काम
नहीं चलेगा । का:लग एटेशन से काम नहीं होगा

(Interruptions).

MR. SPEAKER: I am sorry I can't
hear you.

SHRI K. MAYATHEVAR: Sir, I am
on a point of order under Rule 229. The
hon. Members of this house, Mr. Arjunan,
Mr. Palaniappan, Mr. Kulandaivelu, Mr.
Nagaratnam and Mr. Kandaswamy were
illegally arrested and detained and were
assaulted, and we do not know the wher-
abouts of these Members. I do not know
whether they are in safe custody or are dead.

MR. SPEAKER: We have already
informed the House.

SHRI K. MAYATHEVAR (Dindigul):
I appreciate that but...

MR. SPEAKER: I have already in-
formed the House about the arrest of five
Members.

SHRI K. MAYATHEVAR: Therefore,
we want to know the place of their deten-
tion and the position regarding their
safety.

SHRI INDRAJIT GUPTA (Basirhat):
Sir, you have given your ruling. There is
no question of disputing your ruling or
challenging your ruling. I wish to say one
thing.

MR. SPEAKER: About this ruling no-
thing could be done.

SHRI INDRAJIT GUPTA: Not about
your ruling. The matter on which you
have given your ruling is disposed of by
your ruling as far as the rules go. But I
want to make one submission before I
go out.

MR. SPEAKER: Why should I listen?

SHRI INDRAJIT GUPTA: This House
has been in turmoil for several days and
the leader of the House.....

MR. SPEAKER: No, Sir. Nothing about
this. Not allowed. Now Mr. Wasnik.

(Interruptions)**.

(Shri Indrajit Gupta then left the House)

SHRI K. LAKKAPPA (Tumkur): While
he is going out he is making certain remarks
It amounts to contempt of the House.
Will you kindly initiate proceedings against
the Member? I want categorical reply
from you. It is a contempt of the House.
Is it not derogatory to the ruling of the
Speaker? There is a convention. They are
not expected to defy the ruling of the
Speaker.

(Interruptions)

SHRI JANARDHANA POOJARY
(Mangaloe): On the Ruling an Opposition
Member walked out. The same position
also occurred in 1958. I may be permitted
to read out:

"Mr. Speaker: Order, order. I am going
to charge him for contempt of this
House. The hon. Member may take
care, I warn him. Hon. Members
evidently think they can do anything
with me. Hon. Members must know
that I have got the right to decide one
way or the other; whoever sits in this
Chair has got that right under the
Constitution. He hears both sides, and
after hearing both sides he must say
'yes' or 'no'. Hon. Members who want
to say "I do not agree"—they may or
may not agree—may keep that to them-
selves. He cannot protest like that.
If he protests it is contempt of the
House, contempt of the Speaker. I
am giving this warning. This is the
first impression Hon. Members can go
out of this House if they like; I have no
objection and I cannot prevent them.
But if, while going, they say "I do
not agree with your order; your order
is illogical or improper, I protest"—
this is an absolute violation of the
Rules or Procedure, it is a contempt
of the House and the Speaker, and I
cannot tolerate it (interruptions) Hon.
Members can go if they so like."

So, this is very clear. Hon. Members can go if they so like. But they have made some aspersions.

MR. SPEAKER: It is all right. They have gone already.

There is nothing on record. Without my permission there is nothing on record.

Mr. Wasnik.

12.27 hrs

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

Governments reported decision on Shri K.R. Pur's reported on sale of Gold by auction in 1978,

SHRI BALKRISHNA RAMCHANDRA WASNIK (Buldhana): I call the attention of the Minister of Finance to the following matter of urgent public importance and I request that he may make a statement thereon:

"The reported decision taken by the Government on the Report of Shri K. R. Puri on the sale by auction in 1978 of gold held on Government Account."

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): I do not know whether they have walked out on this item. (Interruptions)

SHRI ERA MOHAN (coimbatore:) I have given a Call attention on the subject.....

MR. SPEAKER: That is under my consideration. Call attention motions are not discussed here.

(Interruptions)

MR. SPEAKER: No. We shall see.

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN) : Mr. Speaker, Sir, Pursuant to the then Finance Minister's Budget announcement on 28-2-78, the Reserve Bank sold on behalf of the Government a total quantity of 12.956 tonnes of gold in 14 auctions between May and October, 1978 for Rs. 86.5 crores.

Several allegations had been made on the Floors of both the houses, in respect of these auctions and there had been persistent demands for an enquiry into the sale of gold by the Government in 1978. Accordingly, the Government appointed on 17-5-1980, Shri K.R. Puri, former Governor, Reserve Bank of India, to examine the various policy and procedural aspects relating to the sale by auctions in 1978 of gold held on Government account and to advise the Govern-

ment as to the further course of action to be taken in the light of his findings. Shri Puri's Report was received on 3-2-81.

On a preliminary examination of the Report, it was seen that it covered a wide area and there were a few aspects on which clarifications had to be sought from the persons concerned. A Group of Cabinet Ministers consisting of the Finance Minister, Minister of External Affairs, Minister of Commerce and Minister of Law, Justice & Company Affairs, was constituted to go into the matter and indicate the course of action to be taken on the Report. The Cabinet Group has had a number of meetings and the Report is under active examination.

In para 1.5 of Shri K.R. Puri's Report, it has been stated that in view of the inherent limitations under which he had to work, the Government may like to pursue the matter indicated by him in para 14.7 of the Report through the concerned authorities.

In paras 14.5 to 14.7, it is stated that on enquiry it has been noticed that the sale of 5.6 tonnes of gold valued at Rs. 37.4 crores had been shown against 1101 bidders out of the above mentioned quantity of gold around, 4 tonnes of gold valued at Rs. 26.7 crores was financed by a group of 20 individuals/firms (in the report referred to as syndicate). The balance of 1.6 tonnes of gold valued at Rs. 10.7 crores was purchased by the bidders through finances procured by them. The syndicate made a direct purchase of 0.17 tonnes of gold valued at Rs. 1.14 crores by participating in the auctions. It has been observed that the financing by the syndicate was made possible by the active connivance and assistance of a group of financially strong and powerful bullion merchants of Bombay. It is accordingly stated that a prima facie strong suspicion is created that the 1101 bidders had been mere name lenders in relation to the purchase of around 4 tonnes of gold valued at Rs. 26.7 crores and the above mentioned quantity of gold can be said to have been concerned by the syndicate.

To enable the Government to make further investigations, Shri Puri forwarded a secret note on 20th April, 1981 containing various details. The information furnished in this note has been passed on to the investigative Agencies of the Department of Revenue for further action. Appropriate action would be taken under the respective laws on the basis of the results of these investigations.

The Report of Shri Puri is still under the examination of the Group of Cabinet Ministers and no final decision has yet been taken on it, whereas the secret note