

[Mr. Speaker]

The motion was adopted.

12.48 hrs.

APPROPRIATION (RAILWAYS) NO.
3 BILL*, 1968

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI PARIMAL GHOSH): On behalf of Shri C. M. Poonacha, I move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1968-69 for the purpose of Railways.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1968-69 for the purposes of Railways."

The motion was adopted.

SHRI PARIMAL GHOSH: I introduce the Bill.

12.48½ hrs.

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4 BILL,* 1968

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI PARIMAL GHOSH): On behalf of Shri C. M. Poonacha I move for leave to introduce a Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services for the purposes of Railways during the financial year ended on the 31st day of March, 1966, in excess of the amounts granted for those services and for that year.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the authorisation of appropriation of moneys out of the Consolidated fund of India to meet the amounts spent on certain services for the purposes of Railways during the financial year ended on the 31st day of March, 1966, in

excess of the amounts granted for those services and for that year."

The motion was adopted.

SHRI PARIMAL GHOSH: I introduce the Bill.

12.49 hrs.

GOLD (CONTROL) BILL—Contd.

MR. SPEAKER: We shall take up the Gold (Control) Bill now. Shrimati Sharda Mukerjee was speaking yesterday.

SHRI S. M. BANERJEE (Kanpur): How will you divide the time, Sir?

MR. SPEAKER: Eight hours have been allotted. We can have four hours for general discussion, three hours for clause-by-clause consideration and one hour for the third reading.

SHRI S. M. BANERJEE: There are nearly 300 amendments.

MR. SPEAKER: Do you want three hours for general discussion and four hours for the other thing?

SHRIMATI TARKESHWARI SINHA (Barh): What you, Sir, have said is all right.

SHRIMATI SHARDA MUKERJEE (Ratnagiri): Sir, as I was saying yesterday, even the report of the informal group on gold control, that is, the Gold Control Bill, has stressed some reasons for the unsuccessful operation of the Gold Control Order. These are very valid reasons and these reasons continue to exist today. And as far as I can see, unless there is a considerable change in the social patterns and economic development of the country, these reasons will be there for many years to come.

The reasons as mentioned by the informal group are: (1) "Lack of political support". I would rather say it is lack of social sanction. Secondly, "lack of response to the legitimate complaints of thousands of small goldsmiths." In other words, lack of provision of opportunities for smaller types of craftsmen as far as goldsmiths

*Published in Gazette of India Extraordinary, Part II, section 2, dated 21st August 1968.

†Introduced with the recommendation of the President.

are concerned. Thirdly, "lack of adequate machinery for effective and equitable enforcement of the control." I do not wish to reiterate what the hon. Members before me from all sides of the House have expressed so ably and so convincingly. The question before the House is, will this Bill, in its present form, fulfil economic, social and national objectives which it seeks to attain or is it going to be another piece of legislation honoured more in the breach than in the observance?

12.52 hrs.

[MR. DEPUTY-SPEAKER in the chair.]

Is it going to clear the way for the rich and the influential and cause harassment and hardship to the poor and unprotected sections of society, and, above all, is it going to provide another easy source of corruption for the givers of licences and executors of searches? I have seen the markets of cities flooded with contraband articles, and the villages of India deprived of all the basic items of food because of foodgrain control, the fraudulent execution of authority by the smallest revenue officials in an ordinary matter of transfer of land; how then can one have confidence that this Bill will ensure justice to the goldsmiths and the villager, when there is no statutory provision for the rehabilitation of the unemployed or redress of grievances except through a court of law which is out of the question for the large majority of people who will be directly affected by this Bill when it becomes the law of the land?

I doubt whether even the States have been consulted about this Bill. That even the Members of the Joint Committee have not been unanimous in their recommendations is adequate proof that this Bill could have been presented in a more acceptable form.

The Joint Committee report also mentions that no evidence could be taken. The questions before us are, how is it possible to regulate those things and watch over every goldsmith working in thousands of places in thousands of small houses all over

India? How is it possible to deal with the social problem affecting those classes of artisans if they are deprived of their main occupation and livelihood? These problems include the transfer of their places of residence, include the question of their re-employment in a period of recession and their family problems. How, may I ask, under the present circumstances, when neither the co-operative banking system nor the State or commercial banking systems have succeeded in coping with the rural credit needs, can the habit of investing in gold be changed? I do not want to go into the complexities of the co-operative credit systems and their methods of operation, but this is a fact of life—that no legislation in itself can cure all these things unless there is a parallel method which is employed to understand and remove the causes. So, this legislation will in fact prove in operable, ineffective and untenable. It will increase the administrative costs and it will not solve the problem at all. We should have learned from the experiences of food controls, licensing of industries, prohibition and other such measures. The objectives were laudable; the intentions were super-human, but the results have been disastrous. Therefore, while I admit and recognise the economic needs of the country, I am much more concerned with the implementation of this Bill which I feel does not provide any way whereby the small man is not harassed and whereby the rich man can get away with all the things which we are supposed to stop.

When we see that in the last five years the price of gold which had come down to Rs. 90 and Rs. 95 in 1963, is today Rs. 162, when we see that everywhere the law has become ineffective, because certain people have the influence to subvert the law and that we cannot go through with it, my only submission is that there should be some guarantee that there is no harassment of the small man and the harassment will take place in regard to the small goldsmith, not the big jeweller; not in regard to the big jeweller but to the small man. So,

[Shrimati Sharda Mukerjee]

in 1963, when there was a modification of the Gold Control Order, when certain demands and certain appeals were made, various leaders even promised to see that there would be a redress of all grievances, but unfortunately we have had to go back on it. So, I would say that if there were a control on primary gold—if there was a removal of the restriction on the manufacture and trade of ornaments,—if this clause concerning possession—or clause 101—which is so wide regarding the precautions which a licensed dealer is supposed to take when he acquires gold—if all these clauses could be put right, could be put in such a way that they cannot be implemented into a harassment of the people, then I think that perhaps we would go some part of the way in reducing the distress which is bound to be caused to the small goldsmiths. We shall deal with this clause when we come to the clause-by-clause consideration of the Bill.

Finally, I would also like to submit that in the report which the Joint Committee has given, we find that the clauses are not the same, as in the Bill circulated to us. For instance, clause 17 is given as clause 16 in the Bill as presented by the Joint Committee. Clause 101 is given as clause 100. This is obviously some kind of slip-up on the part of the Secretariat, but it does make for a lot of confusion when you have clause 16 in the Bill as reported by the Joint Committee and which is given as clause 17 in the original Bill. This, I want to bring to your notice. Please kindly look up what is clause 17 here, on possession, and what is clause 16 in the Bill as reported by the Joint Committee. Such a thing goes through all the provisions of the Bill. The clauses in the Bill do not concur or do not co-ordinate with the clauses as given in the Bill that emerged from the Joint Committee.

MR. DEPUTY-SPEAKER: May I know whether the hon. lady Member would require some more time?

SHRIMATI SHARDA MUKERJEE:

I have finished. It is only a preliminary discussion; there is still the clause-by-clause consideration which is coming.

13 hrs.

The Lok Sabha adjourned for lunch till Fourteen of the Clock.

The Lok Sabha re-assembled after lunch at five minutes past fourteen of the Clock.

[MR. DEPUTY-SPEAKER in the chair.]

GOLD (CONTROL) BILL—Contd.

MR. DEPUTY-SPEAKER: Shri Dinkar Desai.

SHRI DINKAR DESAI (Kanara):

Mr. Deputy-Speaker, Sir, I rise to oppose the Gold (Control) Bill. Though I am in favour of the objectives of this Bill. I strongly feel that these objectives will not be achieved by this Bill or any Bill of this kind.

In the first place, it has been said that it is the intention of the Bill to keep the price of gold under check, that by having this legislation the price of gold will not increase. But Sir, experience has shown that price of gold has increased tremendously after the Gold (Control) Order. Then, it is expected that this Bill when it becomes an Act will stop gold smuggling in this country. But that also has not happened after the Gold (Control) Order was enforced, and this point has been very forcefully made yesterday by my hon. friend, Shri Dandeker. I fully agree with what he said yesterday to the effect that this Bill will not in any way stop gold smuggling. Then there is the question of foreign exchange. This will not solve foreign exchange, because the difficulty of foreign exchange is in no way connected with the smuggling of gold. Then, there is the question of hoarding. We find that hoarding of gold did not lessen after the Gold Control Order came into force. Considered from any point of view, it is very clear that this Bill will not achieve the objectives. On the other hand, it creates certain very serious problems. The goldsmiths, particularly those who are in the villages, numbering lakhs, will be

unemployed; they are already unemployed and this unemployment will continue and cause terrible misery for the goldsmiths.

Of course, the Deputy Prime Minister may say that there is a scheme for rehabilitation for goldsmiths. But rehabilitation will not help in any way, because after all, the rehabilitation cannot be complete. Moreover, rehabilitation is not a thing which is liked, and rightly so, by the goldsmiths. What is the idea of rehabilitation of goldsmiths? I know certain cash payments are made to them. They do not like the cash payments for two reasons: in the first place, these cash payments will not be useful to them till the end of their lives. They are very meagre. Secondly, they do not want this charity from Government or from anybody else. They want to have the right to work, and earn their livelihood. They are against this rehabilitation idea, because it is nothing but charity, and no respectable person would like to live on charity, and our goldsmiths certainly would not like that.

Then there is the question of corruption and harassment. This Gold Control Order has led to corruption and it has resulted in harassment of the poor goldsmiths, 90 per cent of whom are living in our villages. That is why this legislation will not benefit the country, but, on the contrary, it will lead to many evils.

Then, it is stated that this particular Bill will help the economy of this country. If you see the economy of this country, the greatest trouble today is the rise in prices, and in a way people want to have some gold as an insurance against inflation. Today, why do people want to have some gold, because they have no confidence in this Government because under this Government, during the last 20 years, the prices have rocketed high and whenever in a country the prices go up, the people lose confidence in the Government, and the only security against inflation is gold. That is so because gold has got a permanent value; the Governments may change but gold

never changes its value. That is the reason why our people are interested in having some gold with them as an insurance against inflation.

SHRI C. K. BHATTACHARYYA (Raiganj): The value of gold changes.

SHRI DINKAR DESAI: Not that way. It will buy still the same thing. The monetary value of gold may change under certain circumstances but not its intrinsic value. I would like to bring to the notice of this house that gold is the most important security against famine in our villages. I would like to give the example, in this connection, of the Bijapur district in Mysore State is a famine district, and that district has more gold than any other district in the Mysore State. In 1962, when China invaded our country, there was an appeal for gold donations and Bijapur district alone gave about 40 to 45 per cent of the entire gold that was collected in the whole Mysore State. We know that there is more gold in Bijapur district because it is a famine district. The kisans there will have to take some gold as an insurance against famine years. In Bijapur district, what happens is that there is a famine almost once in three years on an average: if this year is a famine year, next year is scarcity and then there is a bumper crop year. So, when they get a bumper crop, they purchase some gold, particularly some gold ornaments, and they keep those ornaments as a security against the famine years, because whenever famine appears they take those ornaments to the moneylenders, get the money and thus on their ornaments they live in the Bijapur district, for one or two years because sometimes there are no rains there even for two years together. Bijapur is a notorious famine district and that is the reason why we clearly see that in that district there is more gold than in any other district in the whole of Mysore State, because it is a question of security for our peasants. Yesterday, this point was made by my hon. friend Shri Tenneti Viswanatham and here is an example of that. That is why it goes without saying that people should have some gold with them.

[Shri Dinkar Desai]

Moreover, in the villages there are no banking facilities. Of course, the hon. Deputy Prime Minister may say, 'Why should they give the gold to a private moneylender and take money? Then can keep the money in the bank.' First of all, there are not adequate banking facilities in the villages. Further, the villagers are not also sufficiently bank-minded because it will take a lot of time.

Then, there is the question of artisan-ship. The gold artisanship has been there in our country for the last two thousand yeras. It is world famous, and if we have this legislation, then I am sure that in course of time, we shall lose this artisanship and workmanship. This gold workmanship and artisanship is such an excellent workmanship that I just want to give one example. There are some villages in my district where the goldsmiths prepare beautiful ornaments and they are exported in large quantities to America. But after the gold control order, that has practically stopped. One village called Kadwa in Karwar taluk used to export more than Rs. 5 lakhs worth of gold because the workmanship was so good, and the Americans could not have that workmanship and they have had to import the ornaments made in this country. Instead of having this gold control order, I would request the Deputy Prime Minister to devise a way how to increase the exports of our gold ornaments.

Then, there is another fundamental question. The hon. Minister thinks that everything can be improved by legislation. All things cannot be improved by legislation. We have to face the realities. I shall give just one example. The Deputy Prime Minister thought that if there would be total prohibition by law, there would be no drinking in this country. But the reality is not so. In spite of prohibition people are drinking and drinking on a larger scale. Further despite prohibition, drink has entered even in the villages to a greater extent, and illicit distillation has become a magnificent cottage industry. The

same thing will happen in regard to this Bill also. Just as drinking has gone underground, likewise, gold will also go underground.

SHRIMATI TARKESHWARI
SINHA : It has.

SHRI DINKAR DESAI : It will go underground still deeper.

SHRIMATI TARKESHWARI
SINHA : That is better.

SHRI DINKAR DESAI : I do not know how that is better. If she wants everything underground and she does not want anything over ground, then I do not know what is going to be the position. That is why I would request the Deputy Prime Minister to face the realities and see how he can reduce the lure for gold. He should try to educate our population. First, we must educate our girls. The majority of the school-going age-group girls are not going to schools today. Let us send all the children of the school-going age to schools first and educate them. When the girls are educated, they will not use so much of ornaments, or they will use ornaments only to a limited extent, as for instance, Shrimati Tarkeshwari Sinha does. She has no ornaments because she is educated. 90 per cent of our women in villages are illiterate. Let there be universal literacy in this country. Primary education must be made universal. All the girls belonging to the school-going age group must be sent to schools. If education is made universal in this country, then within our lifetime a stage will come when our women, will use very little gold.

So, I would request the Deputy Prime Minister and appeal to him to face the realities and withdraw this legislation.

SHRIMATI TARKESHWARI
SINHA (Barh) : The debate on this Bill today takes me back to the Bombay session of the AICC.

SHRI RABI RAY (Puri) : Let her stick to that.

SHRIMATI TARKESHWARI
SINHA : I would stick to it to the very last. During that session, myself and some other colleagues of mine had

moved a resolution that the gold control in the form in which it then existed should be withdrawn. Mr. Kamaraj was the Congress president then, and it is within the knowledge of everybody that he called me and some other colleagues of mine aside because he had sensed the mood of the House and found that virtually the entire House was of that opinion that the gold control should be withdrawn. He assured us that due consideration would be given to the feelings expressed in the House and action would be taken accordingly.

Therefore, it came as a surprise to us when this Bill was introduced here by the Deputy Prime Minister. Of course, he has used the argument and he has tried to explain that because the DIR was ending and the period of the ordinance was to expire, therefore, it was obligatory on his part to bring forward this Bill, because otherwise we would have been left neither this way nor that way. I do accept some reason behind this argument. But I would certainly submit to him, that he himself has been of this opinion that the truncated legislation of this form would not be conducive to meet the challenge of the problem. I think he has himself publicly expressed this kind of opinion. The Bill that he has brought forward is not a Bill which can satisfy either him or this House.

There are two purposes in view. One is to check the consumption of gold. I do not think that there are two opinions on that and we all support the Finance Minister in that respect. In one of the international conferences to which I had gone, when I had gone abroad, everyday was asking me about this. At that time, the original gold control order had come and there was a good deal of controversy on that. I was a Minister then and everybody was naturally asking me what was going on in our country. They were surprised that this country which was the poorest had so much lure for gold and was paradoxically enough paying the maximum price per ounce of gold. It is a paradox that this country is the poorest in the world and yet it pays

the maximum price for this dead-weight. Of course, my hon. friend Shri N. Dandekar may say that gold is very good as a piece of decoration. But God forbid if he advises his investors not to invest in the companies with which he is associated but to make jewellery and ornaments for their wives and children. I do not think that he seriously means that we are not indulging in any piece of decorative legislation. We cannot really argue on the basis that girls going to school should really bedeck themselves with jewellery. I think bedecking may be all right; it may satisfy the ego but it does not satisfy anything else.

Some hon. Members, for instance, Shri Yajna Datt Sharma pointed out that gold was a personal bank to every individual. It is a fact that it acts as a personal bank for the individual today. This piece of legislation does not convert that personal bank and does not divert the investment in that personal bank to any other fruitful and conducive channel of investment. This is a socio-economic legislation. We have seen the history and fate of laws passed in the past. The Dowry Act is still a dead letter. Can the Deputy Prime Minister deny it when I say that the Dowry Act is dead letter of law? But the Sarda Act did not remain a dead law. It was probably a dead law when it was passed but because of the social reform that followed, because of the social leadership that was provided by Gandhiji and many other people in this country, social reforms preceded and followed legal reforms and there was no time-lag between a piece of legal legislation and a social obligation, that is why the Sarda Act succeeded but the Dowry Act remained a dead letter. Everyday takes dowry now. Dowry, like truth, should not be spoken naked. The Dowry Act does not speak the truth. It does tell the truth in law but it does not speak the truth in substance and we are a party to it. We have passed the law but we have not seen to it that the substance of the law is implemented. We all know it. We

[Shrimati Tarkeshwari Sinha]
have failed to do anything in this matter.

The law cannot do anything in this matter because the social obligation has not been built up. Social consciousness has not been evoked. Therefore, a socio-economic problem like this should have been dealt with with this perspective in view. The Deputy Prime Minister is not only a Minister but he is also a leader of this country. I would like to ask him this question. Has he, or his colleagues and other leaders, done anything to rouse the conscience of the country in this matter? It has not been done. I am sorry to say that my own party, as well as the opposition parties, have lagged very much in this field. We have not done anything to rouse the conscience of the country that gold is a dead investment and that we should not divert our savings into gold.

Therefore, this socio-economic problem is not solved, and cannot be solved, by a piece of legislation. And if the Finance Minister believes that this piece of legislation can really solve the problem of smuggling and also the problem of reduction in consumption of gold, probably he has changed his earlier view when he himself stated that the truncated Bill as it exists today, could not do anything. This Bill is truncated; there is no doubt about it. This is not the baby which he brought in the House originally. When he as Finance Minister in the earlier government brought this piece of legislation, it became the target of severe attack, fierce attack from all sections of the House and the country and he had to modify it considerably. From that point of view of effective legislation, it could certainly not be a piece of legislation which could satisfy the hon. Finance Minister. I think it is not a Bill, but an excuse of a Bill.

I think there is not much one can talk about this Bill. My problem is very difficult because I am one of those persons who feel more embarrassed to talk about this Bill. I was a person who was all the time under the impression that this is going to be

withdrawn. So, when this Bill came before the House I was really not only surprised but a little shocked; I found the earth moving under my feet because I was not prepared for this piece of legislation. But since this new Bill has been brought forward, I can only express my opinion. I would certainly go by the mandate of the party and the discipline of the party in this matter.

An Hon. Member : Shame, shame

श्री रबी राय : बंट बिल के खिलाफ ही देना चाहिये।

SHRIMATI TARKESHWARI SINHA : It may be a matter of shame for the opposition, but I do not have to oblige the opposition in this matter. I am a loyal member of my party and even if my personal wishes and personal desires do not conform to the wishes of the party, as a loyal member of the party I will go by the mandate of the party and I would request Shri Rabi Ray to teach this lesson to his followers.

SHRI PILOO MODY (Godhra) : How do you act as a loyal citizen of this country?

SHRIMATI TARKESHWARI SINHA : Coming to the merits of the Bill, there is hardly much to talk about. I would certainly agree with those who say that arbitrary powers have been given to the Administrator. The hon. Finance Minister knows what is the present administration. He deals with administration. He is conscious of this fact that administration and red-tape have become the Frankenstein against which he has not been able to fight successfully. Does he not realise it? If wide powers are given to the Administrator, it will result in great harassment to the people. Do we not know how customs have been functioning? Do we not know how Central Excise functions? In the last budget the hon. Deputy Prime Minister was himself conscious of this fact and so he brought forward a Finance Bill, which has become the law, giving a lot of freedom to the persons operating industries and business units because

he knew that too much of interference by the excise people is not conducive to the healthy growth of industries. Therefore he himself issued a notification saying that the excise inspectors should go and do consolidated accounting and should not interfere and provide pinpricks from day to day. Therefore, I think, the Finance Minister would certainly agree that very wide powers to the Administrator whereby he can interfere in all the details will not only be cumbersome to him but will also be terribly cumbersome to the people.

Then, I understand that a large number of applications are pending. Those applicants should be granted licences and their fate should not be kept hanging in uncertainty.

I would also appeal that the Finance Minister should instruct that the forms which are to be filled up by the goldsmiths or the workers for licences should be in the regional languages also. You have provided forms only in English but there are the regional languages in the States. So why not print these forms in the regional languages also?

Then, clause 17(7) in this Bill is unnecessary and I would appeal to the Finance Minister to delete it. In the presence of clauses 34 and 25 I do not understand any reason for keeping clause 17(7). These three clauses are not complimentary to each other. If you take clauses 34 and 25, clause 17(7) is completely irrelevant.

Then clauses 18, 28 and 2(b), (c) and (d) also must be deleted because there is no purpose in keeping them. You give a licence to a person. Then, why are you looking at him as if he is a doubtful person? Every time he has to renew it, he has to give his bona fides and has to satisfy you that he is the same person. I am submitting this because I know that these Government rules and regulations sometimes are ridiculously implemented. For example, a person, who is a pensioner, would not get his pension for June and July if he submits the return that he is entitled to pension in August because he has not filed a

return for June and July. These are rules which are ridiculous. Therefore I feel that clauses 18, 28 and 2(b), (c) and (d) must be deleted.

With these words I thank you. I would have another opportunity to speak on the clauses. Then I will speak on the provision of the clauses.

MR. DEPUTY-SPEAKER: Shri Kandappan. Seven minutes only.

SHRI S. KANDAPPAN (Mettur): My party must get at least 10 minutes.

MR. DEPUTY-SPEAKER: You will get another opportunity.

SHRI SHEO NARAIN (Basti): Sir, I had given my name yesterday.

MR. DEPUTY-SPEAKER: You will get an opportunity during clause-by-clause consideration.

SHRI S. KANDAPPAN: Sir, the Bill has come with a vengeance. There is not a single measure of this Government which has been discussed repeatedly so many times on the floor of this House since 1962 or since the introduction of these provisions and there is not a single instance where the whole House stood united against a measure of the Government as it does today against this Bill. If democracy means anything, in all fairness he should bow to the wishes of the majority, rather to the wishes of the unanimity, and withdraw the Bill. That is my simple request to the Finance Minister without even going into the merits of the Bill. If he thinks that he is the only man who can arrogate to himself all the wisdom of economics and fiscal policies of this country, I am afraid, it is an insult even to the Congress Members at least some of whom, I am sure, are well versed in economics and know something about gold economics and other things.

SHRI RANDHIR SINGH (Rohtak): You are absolutely mistaken.

SHRI SHEO NARAIN: This is the DMK standard.... (Interruption).

MR. DEPUTY-SPEAKER: The hon. Member has every right to say that.... (Interruption)

SHRI KAMALNAYAN BAJAJ (Wardha) : He says, it is insult to us. This is no insult. Can't we protest? (*Interruptions*).

MR. DEPUTY-SPEAKER : Order, order.

SHRI S. KANDAPPAN : Why are they agitated?

SHRI RANDHIR SINGH : We are proud of our leaders. (*Interruptions*).

MR. DEPUTY-SPEAKER : You are wasting the time of the House.

SHRI S. KANDAPPAN : Then, there is an opinion and a suspicion in my part of the country that in order to spite a political opponent, our Deputy Prime Minister has simply brought forward this measure. The former A.I.C.C. President was totally against it and he had given his word to goldsmiths that it was not going to be brought forward. That is an opinion there. In the interest of the image of our own Finance Minister here, I would like him to clarify his stand as to why they have changed the A.I.C.C. policy that they had during its 1966 session.

Coming to the measure itself, all Members who spoke on this Bill have made it very clear that, as far as the policy or the attitude or the purpose of this Bill is concerned, that is, to wean away the lure of gold from public mind—nobody is opposed to that—the crux of the argument is that this Bill is not going to meet it. The Deputy Prime Minister, even while initiating the Bill and while referring to the dissenting notes submitted by various Members in the Select Committee, has not met that point fully. I for one would like to state categorically that as early as in 1940s, when we had started self-respect movement in Tamilnad, there were two points on which that party was agitating along with other things to have reforms, that is, about the family planning and about the necessity for the people not to feel attached towards gold. This was the programme that we had even as early as in 1940s. Since then, we have been fighting against it. I would

like to ask Government: What have you done? Have you really made an honest attempt to see that you educate the public mind?

The Deputy Prime Minister, in his preliminary remarks, while he was initiating the Bill, made an appeal that Members should exert their influence and lend their active support towards extensive public education so as to wean the public away from the habit of locking resources in gold. What is the machinery with Government? What is the guide-line that Government has formulated for us to approach, for us to work, in this direction? Rather, I should say that there is a provision in the Bill under which special attractions have been provided in case of gold which forms part of the structure of public religious institutions and in case of ornaments owned by these institutions. I have nothing against gods and goddesses. But when we allow them to be paraded on festivals and other occasions with these gold ornaments, definitely, it will go against the avowed policy of weaning away the public from gold. Definitely, this is not going to help the attitude of the Government. Probably, in deference to the wishes of religious trusts and religious-minded people, they are doing it. I would like to tell them that it is better to put them in the treasury, in the name of the particular deity or the trustee, whatever it is.

The Government should be scrupulous and they should see that they take all measures that are possible to educate the public mind and try to wean them away from the lure of gold. As already pointed out, they are just trying to treat the symptom rather than going into the root cause and analysing the disease.

Yesterday, Mr. Dandekar had very ably put forward the argument that smuggling takes place because of over-invoicing, under-invoicing and other foreign exchange anomalies that are there. So, it is rather the effect of this foreign exchange drain that comes in the shape of smuggled gold. Unless that is plugged, and unless you

take measures there, the symptoms are not going to be cured. He went on saying that, as far as gold was concerned, that was dead, when you make ornaments or other artistic things, they attract the foreigners. As another hon. member was pointing out, only from one village Rs. 5 lakh worth of ornaments are exported. There are many other places like that. If the Government takes steps in the right direction, I am sure this gold, instead of being a dead-weight on our public, can very well be utilised even for earning foreign exchange. So, that sort of constructive and positive approach must be made by Government and not this kind of thing....

MR. DEPUTY-SPEAKER: The hon. Member may please conclude.

SHRI S. KANDAPPAN: I will finish in two minutes.

MR. DEPUTY-SPEAKER: You will have an opportunity during clause-by-clause consideration.

SHRI S. KANDAPPAN: I am not very keen to speak at that time. There are more than 300 amendments; I am afraid I may not get a chance.

There is one very very important point, and I expect the hon. Minister to answer that. When this measure was brought under the Defence of India rules, Ordinance and all that, the State Governments were saying that, with regard to rehabilitation of goldsmiths, they would be facing a lot of difficulties. At that time the Government at Delhi gave a promise that this was their responsibility and that they would meet all the expenditure. Yesterday Shrimati Suchesta Kripalani was telling us that when she was the Chief Minister, she faced a lot of difficulties, she was not able to meet even a fringe of the problem. In my State and other States, there are a lot of loans advanced to the displaced goldsmiths already and there is no indication, no possibility, of recovering even 10 per cent of what has been advanced to goldsmiths, I would like to ask the hon. Minister whether it is proper that the sins of

the Centre should visit the States. This is the responsibility of the Centre, and by this measure I am sure the situation is going to aggravate, and there will be more and more problems of rehabilitation. So, whose responsibility is this? Because it is a loan advanced by the State with the concurrence of the Centre or with the advice of the Centre, it is the responsibility of the Centre to see that either they are recovered or they are written off under their accounts and not under the accounts of the State. This is a very vital matter and I would like the hon. Minister to answer to this point. This is definitely going to be a very serious problem. There are many States which are demanding that this should not be put on their accounts. When there was a question sometime back on the floor of this House about the loans advanced by the States for rehabilitating goldsmiths, the Finance Minister said that it was not his responsibility and that the States have to recover the loans. What I say is that it is none of the business of the States to do it, it is the business of the Centre to recover it; it is the Centre which has put the goldsmiths in a very pathetic situation; it is the Centre which has the moral responsibility to see that they are rehabilitated and, therefore, when it is a question of finance, it must be met by the Centre fully and totally.

श्री रवि राय : मैं एक बिनती करना चाहता हूँ —

श्री शिव नारायण : मैंने भी कल नाम दिया था । मुझे भी मौका मिलना चाहिये ।

MR. DEPUTY-SPEAKER: Mr. Nath Pai has written to me.

श्री रवि राय : उसके बारे में बताइये ।

MR. DEPUTY-SPEAKER: At the appropriate time you will get a reply.

श्री यशवन्त सिंह कुशावाह (भिड़) : उपाध्यक्ष महोदय, इस विधेयक में बहुत से दोष हैं । इस बिल को पेश करते हुए इस बात का कतई ध्यान नहीं रखा गया है कि इस देश की अधिकांश जनता गांव में रहती

[श्री यशवन्त सिंह कुशवाह]

है, अनपढ़ है और इस विधेयक से उसको कितनी असुविधा होंगी।

दूसरी बात यह है कि इस विधेयक को ड्राफ्ट करते समय एक खास भावना जो ध्यान में रखी गई है वह यह रखी गई है कि ऐसा मान कर चला गया है कि "जो स्वर्णकार हैं या जो स्वर्ण से जेवर बनाने का धंधा करने वाले लोग हैं, वे समा बर्इमान हैं और इसी लिए हमें उन सब से यह धंधा छुड़ा देना चाहिये।" किसी वर्ग-विशेष या कोई धंधा-विशेष करने वालों के प्रति ऐसी भावना रखना नितान्त अनुचित है। यह संविधान की भावना के भी विरुद्ध है कि किसी वर्ग-विशेष पर या किसी विशेष धंधे को करने वालों पर ऐसा प्रतिबन्ध लगा दिया जाये।

स्वर्ण-नियन्त्रण विधेयक लाने के ये तीन उद्देश्य बताये गये थे: "स्वर्ण के तस्करो-व्यापार को रोकना," "स्वर्ण के प्रति आकर्षण समाप्त करना," और "स्वर्ण का मूल्य घटाना" लेकिन अनुमान के आधार पर यह निश्चित रूप से कहा जा सकता है कि इस दिशा में जितने भी प्रयत्न हुए हैं, उनमें सफलता नहीं मिली है और न ही मिलने की सम्भावना है। इस का कारण यह है कि हमारा सामाजिक गठन इस प्रकार का है, हमारे सामाजिक बन्धन और विवाह-संस्कार आदि ऐसे हैं कि कुछ न कुछ स्वर्ण खरीदने की आवश्यकता पड़ती रहती है, और इसी लिए लोगों के मन में स्वर्ण के प्रति लोभ बना हुआ है। इस अवस्था में अगर हम स्वर्ण पर नियन्त्रण लगायेंगे, तो स्वाभाविक रूप से समाज में चोरी और बेईमानी की भावना बढ़ेगी। हम चाहे जितने भी प्रयत्न करें, कुछ न कुछ स्वर्ण अपने पास रखने की प्रवृत्ति आम लोगों में बनी रहेगी, विशेष रूप से महिलाओं व धनी वर्ग में।

हमारे गांवों की स्थिति यह है कि अगर किसान अपने घर में नोट रखता है, तो उनके नष्ट होने का भय बना रहता है। ऐसी बहुत

सी घटनायें हुई हैं कि नोट पानी में मिल गये या दूध में बिलो दिये गये। लेकिन अगर किसान इन वचत के नोटों से कुछ स्वर्ण खरीद कर अपने पास रखता है, तो वह आड़ वक्त उस का उपयोग कर सकता है। हमारे देश की अधिकांश जनता गांवों में रहती है और हर एक गांव में बैंक नहीं है। इस लिए स्वर्ण सम्बन्धी जितने भी नियन्त्रण लगाये जायेंगे, वे गांवों के लोगों के लिये बहुत कष्टदायक सिद्ध होंगे। इसी कारण हमारा ग्रामीण समाज स्वर्ण नियन्त्रण के विरुद्ध है।

पहले हर गांव में एक दो स्वर्णकारों के घर थे। वे लोग इस धंधे को करते थे और गांव के लोग उन पर भरोसा करते थे। इस प्रकार के नियन्त्रण से गांवों के लोग ऐसे व्यक्तियों के हाथों में फंस जायेंगे, जिन पर भरोसा नहीं किया जा सकता है और जो कभी भी उन को धोखा दे देंगे। इस लिये गांवों के लोगों की भावना इस बिल के विरुद्ध है

स्वर्ण कारका धंधा एक ऐसी कला है, जिस को जोवित रखा जाना चाहिये और जिस से हम विदेशी मुद्रा भी कमा सकते हैं। लेकिन सरकार को ओर से उस को जोवित रखने का प्रयत्न नहीं किया गया है। इस लिये मेरी अपील है कि स्वर्णकारों के संगठन ने अपने जयपुर अधिवेशन में जो मांगें प्रस्तुत की हैं, उन को बिना किसी हिचक के मान लेना चाहिये। इस से उन लोगों की जोविका भी चलती रहेगी और सरकार को इन नियन्त्रणों को सफल बनाने में उन का सहयोग भी प्राप्त हो सकता है। स्वर्णकार संघ की एक खास मांग यह है कि इस धंधे को एक कुटीर उद्योग माना जाना चाहिये और उस को उसी तरह स संरक्षण दिया जाना चाहिये। सरकार विदेशी मुद्रा कमाने के लिये अन्तर्राष्ट्रीय व्यापार में भी स्वर्णकारों की कला का अधिक उपयोग कर सकती है।

चूँकि अधिक समय नहीं है, इस लिये मैं स्वर्णकारों की माँगों के इस सारे विवरण में नहीं जाना चाहता। स्वर्णकार संघ के द्वारा जयपुर अधिवेशन में जो प्रस्ताव पास किये गये हैं, वे शासन की सेवा में भेजे जा चुके हैं। मेरा आग्रह है कि सरकार द्वारा उन्हें स्वीकार किया जाना चाहिये।

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI): I have been patiently and very carefully hearing all that has been said on the Gold (Control) Bill by hon. Members who had the opportunity to speak on it. I am afraid many more who are supporting the Bill had little opportunity to speak.

SHRI RANGA (Srikakulam): Ho!

SHRI MORARJI DESAI: It is always the vocal members who get the chance and not those who are not vocal. Therefore, it should not be assumed that the whole House is against the Gold Control Bill. There would be no greater fallacy than that.

SHRI SRINIBAS MISRA (Cuttack): Is it not an aspersion on the Members?

SHRI MORARJI DESAI: There is no aspersion on anybody.

SHRI SRINIBAS MISRA: Does it not mean that those who shout alone get their chance?... (*Interruptions.*)

MR. DEPUTY-SPEAKER: There are a number of Members who have not spoken. He is perfectly within his rights to draw an inference. He can very well presume that they support the Bill. There is nothing wrong in it.... (*Interruptions.*)

SHRIMATI TARKESHWARI SINHA: There is no voice for the persons who are not born. How can he presume the views of persons who have not spoken?

SHRI MORARJI DESAI: My hon. friend knows it very well. Still she wants to make arguable points because she is very clever in argument.

SHRIMATI TARKESHWARI SINHA: I am not clever but consistent like you.
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SHRI MORARJI DESAI: I know that. But I did not interrupt her. She can interrupt me. I have no quarrel about it. Anybody can interrupt me; 17 enables me to give an effective reply. I should like to go into the history of this Bill because I am asked: why are you particular in bringing this Bill now; it should have gone out. When the original Bill was brought in 1963, I had given the history. But hon. Members who say that I do not change and that I am very rigid are far more rigid because I hear the same arguments from that time till now. Even though the Bill has changed, I find the same sort of arguments.

SHRI S. KANDAPPAN: The same diseases, so the same diagnosis.

SHRI MORARJI DESAI: If my hon. friends do not want to hear me, they can close their ears and minds. But let them not unnecessarily take the time of the House. That is my request to them. When I took charge of the Finance Ministry in 1958, many sections of this House and my colleagues and the Prime Minister were pressing me from that time onwards to bring gold control because it was harming the economy of the country. I was asked to devise some method. I did not do anything for four years because I could not find an effective way in this matter. After going through its various aspects for four years, I came to the conclusion that it was necessary and I brought in the legislation. Especially there was the Emergency and I was sure that in that emergency people would be responsive to such a measure much more than at other times because this a measure which goes against very old traditions and the love of people for gold is also ancient in this country more than in any other country. I thought that it was the best occasion to do this. Even when it was brought, it was not brought in the absolute form in which my colleagues wanted me to do. They wanted it to be made tighter. But I said that we must go step by step so that public opinion also goes with it. When our friends say that public

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opinion has not been cultivated it is these very friends who are cultivating opinion in a contrary direction and expect public opinion will be cultivated by me alone. I have been cultivating public opinion. Let me tell the House that wherever I have gone and had discussions with the people, the people have agreed with me that this should be done. I have addressed meetings and held discussions in open forums and a forum not of the ordinary villagers only but also of people who are highly educated and sophisticated in cities like Bombay. I found that they started with an opposition and at the end of the meeting they said, "You are right and you must do it and you must not bother about the opposition." Therefore, it is not that people are not prepared to understand this. If my hon. friends give up their own prejudices or their notions of popularity in this matter, I am quite sure that the people of this country will be very well educated and educated in a short time.

In any matters like this, it is necessary to have law even for public education. There have been instances of social reform which have begun only by laws and then they have come into vogue. Take the Sarda Act. When the Sarda Act was passed for years together it was not observed at all. It was in the breach, but today, it is effective, not completely perhaps; no law is completely effective at any time, and any law is not completely effective. If laws became completely effective, there would be no necessity of even Governments, because then the people will observe all of them. But that is not possible, and that is why it requires laws to be made and that is why this law was brought forward.

Now, it is said that I myself had said that a truncated law should not be brought in; that was my opposition to the truncation of it. I did not say that there should be no law. In the Working Committee also the Congress had made it very clear and it is not that anybody had given a promise that this law would not be made.

They only said that there will be changes or it will be taken into consideration. If my hon. friend withdrew her resolution, and others withdrew their resolutions, they also withdrew it not because it would have been passed but they thought it was better to leave it to the President. Otherwise they would not have withdrawn it.

SHRIMATI TARKESHWARI SINHA: I am sorry. What I had said, I must be allowed to clarify. When I went to the Congress President, Mr. Kamraj, he said that I have already observed the consensus of the House and due consideration will be given to the feelings of the House and we will be taking action on it. It is on that basis that I withdrew it.

MR. DEPUTY-SPEAKER: He said the same thing.

SHRI MORARJI DESAI: I have not said anything else. But if my hon. friend thinks that I am going against the mandate of the Congress, it is wrong to say that. That is what I am trying to point out. Whatever may have been said, this has been discussed after that in the Working Committee and there has been never any mandate not to bring it in. The proof of it lies in that fact. But I was not here in the Ministry, and this was passed again in 1966. In 1965 a law was enacted and the law was enacted after the Select Committee went into the matter, after having had two lakhs of representations, and all of them were considered. When one hon. friend said that the goldsmiths were not consulted, there can be no greater incorrect statement than that. What more statements can you have than two lakhs? And there is nothing new even today; they have all been considered; they were considered by the Select Committee. Deputations were heard and everything was done and in 1965 legislation was passed. After that also there was clamour in the House and therefore the Government made some further concessions, and in 1966 the new rules were made, because it was emergency, and therefore, there was no necessity of immediately having

any legislation. But when the emergency went out, it was necessary to have a legislation if these things are to be maintained. Therefore, it was decided to have legislation but we could not have this legislation in the last session. Therefore an ordinance was passed because one cannot allow such legislation to go out of action unless of course they were permanently to be given up. But it was nobody's case, in the Cabinet at any rate, that this should be given up, and there is no necessity of a law. It is nobody's case that it is not required to keep control over gold smuggling. It is nobody's case that gold should be encouraged more and more in this country to be possessed or to be purchased. It is nobody's case that gold should be allowed to be smuggled in from outside at the cost of our foreign exchange. I was very much surprised when such an able person like my hon. friend Shri Dandekar argued about foreign exchange having already gone and we are bringing valuable thing in. This is where I say that he wants to make the Bill absurd; therefore I would not say that he makes an argument also of that kind. Otherwise, it is nothing else than that. Foreign exchange, if it is kept outside by people here and therefore it is lost, it is done only because they can bring it through gold smuggling and other measures. Foreign exchange, when it is kept outside, cannot be brought in except by smuggling in this manner. The largest part of goods smuggled, 80 per cent of it, would be gold. If you look at the value of things smuggled you will come to that conclusion, because other things cannot be brought in to that extent as gold can be brought in. And, the amount of profit that is obtained in gold smuggling is far more than the profit in any other smuggling. Other goods are smuggled in because those things are scarce and they are required. But they are purchased only by a small section of the people. Gold also is not purchased by all the people. People talked about the masses. What percentage of people possess gold? It is

not more than 10 per cent at the most. I will say it is even less than that.

SHRI RANGA : No, no.

SHRI MORARJI DESAI : My hon. friend my say 'no', 'no', but I have gone to villages and I have enquired about it. Very few persons possess gold. Not more than 10 per cent of the people can afford to have any gold. If somebody has a little ear ring here which may be valued at Rs. 5 or Rs. 10 that is not possession of gold. Nothing like that is prohibited here. 14 ct. restriction was objected to. It has gone. I am sorry it has gone. But it has gone and I do not want to bring anything today again like that because if there is this opposition to this I certainly take note of that opposition and I would like to see that this opposition also wears out. Then one can certainly bring in stricter control. It is, therefore, necessary that this Act should remain on the statute-book so that it can be utilised gradually to see that gold smuggling is stopped and the lure for gold or attraction for gold is ceased.

My hon. friend could have been very helpful in educating the public in taking away the attraction of gold. If she had persisted in that education I am quite sure it would have been of great help. But instead of doing that she now wants that this Act should go. Of course, she will vote for it as a loyal Member of the party.

SHRIMATI TARKESHWARI SINHA : I do not wear. I myself am a living example of that.

SHRI MORARJI DESAI : I cannot say you to do not wear. That is not possible, and I do not think she will give up wearing also. Therefore, that is not the idea. After this gold control had been brought in, I saw during the next four months by the propaganda carried on that was there, by the people's opinion that was there and the emergency that was there, even at parties I did not see women putting on gold ornaments. They began to wear silver ornaments. It is not as if the goldsmith's profession is in danger. Goldsmith's profession need not deal only in gold

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ornaments. They can deal in silver ornaments also.

SHRI PILOO MODY (Godhra) :
Bhilai steel for instance.

SHRI MORARJI DESAI : My hon. friend has a steel mind. Probably his brain is full of steel and that is why he remembers only steel and nothing else. That is what will happen.

15 hrs.

When it is said that gold prices are not affected, gold prices had gone down in the next four months. But, after the 14 carat restriction was removed, they again began to go up, because that encouraged several other things. Then, after that also, if you see, even though the value in terms of rupees went up by 57 per cent as a result of devaluation and the price of gold increased in foreign countries, there was no impact of increasing price of gold in this country as a result of these things. This is a fact. It is no use saying this had no effect. If this has no effect, I would certainly give it up. But I have no doubt that this Bill, even though it is a very weak Bill, is going to help the government and it does help the government in checking smuggling, detecting these things and also confiscating the gold which is smuggled. Therefore, if it is argued that this Gold Bill will not be useful I am afraid they are completely wrong. If they argue that it should be stronger, I am one with them. Let them help me to do so; I will immediately produce tomorrow a Bill which will be helpful in doing so and it will be a simpler Bill; it will not be a more difficult Bill. Therefore, that can be done. But I see that there is not that atmosphere for it today.

Then, my hon. friend, Shri Banerjee, made certain insinuations regarding the gold received for the National Defence Fund under the Gold Bond scheme. He had never asked for an account earlier. If he had asked for an account, I would have given it even earlier.

SHRI S. M. BANERJEE : The country has asked for it and he owes it to the country to give it.

AN HON. MEMBER : Does he represent the country ?

SHRI MORARJI DESAI : That time has not yet come. And I do not think that time will come. I can claim to represent the country much more than my hon. friend.

SHRI S. M. BANERJEE : I represent my constituency which has contributed a lot of gold to the National Defence Fund. What has happened to that gold ? Who has swallowed that ?

SHRI MORARJI DESAI : I am just giving full information. The total contribution to the National Defence Fund in the form of gold and gold ornaments was 24.74 lakhs grams. Of this, 22 lakhs grams have already been melted and taken over to government stock of refined gold. A sum of Rs. 1.1 crores, representing the value at the international rate of the refined gold taken over to Government stock was credited to the National Defence Fund.

SHRI S. M. BANERJEE : Private agencies also started collecting gold and they have swallowed it. I can mention two or three names.

SHRI MORARJI DESAI : If private agencies collected gold without the knowledge of government...

SHRI S. M. BANERJEE : They were wearing Gandhi caps. They have swallowed it.

SHRI MORARJI DESAI : I do not understand what the hon. Member says.

SHRI UMANATH (Pudukkottai) : Shri Banerjee says that though these people did not wear gold they were wearing Gandhi caps and they have swallowed the gold.

SHRI MORARJI DESAI : Those who swallow always think of swallowing others. Nothing else they will think of. What can I do for them ?

SHRI S. M. BANERJEE : I want to know whether any investigation would be conducted about those private

agencies which have collected gold which has not been handed over to the Reserve Bank.

SHRI MORARJI DESAI: I do not know whether my hon. friend has given his wife's bangles to a private person who did not give him an account. He must have obtained a receipt when he handed it over to that person.

15.04 hrs.

[SHRI R. D. BHANDARE in the Chair.]

SHRI S. M. BANERJEE: I am happy that the gold which has been given to government has been melted. I know what has happened to the bangles of my wife. I am asking about the bangles of other peoples wives.

SHRI MORARJI DESAI: My hon. friend has a very convenient mind and a very convenient argument. He is always ready to oppose anything and he is always ready to argue on anything. So, I do not think I should enter into an argument with him. When I give him an account, he is not prepared to hear it. Now he says outside this something happened for which the government is responsible. Therefore when he says this, it is not true that that is so.

The gold bonds also are there and Rs. 5.4 crores worth of that gold also has been sold to the Reserve Bank. Therefore it is all there and is all accounted for.

SHRI PILOO MODY: What happened to the balance?

SHRI MORARJI DESAI: Part of the balance has been sold in foreign countries because it brought in more money and part of it is still remaining with Government. Some of it was sold here and some of it has been retained because we did not want to sell it away as it would not bring that price at that time. But it is all there and the whole of it is accounted for.

Then, it is said that gold control will progressively erode the profession of goldsmiths, cause unemployment and extinguish the art and craft of the goldsmiths. Fantastic figures of

goldsmiths have been given here. Sometimes it goes to a crore of people and it also happens to go to crores.

SHRI TENNETI VISWANATHAM (Visakhapatnam): What is the reasonable figure?

SHRI MORARJI DESAI: I had given the figure even at that time from the census as 3½ lakhs.

SHRI TENNETI VISWANATHAM: Let us have them now. How many committed suicide?

SHRI MORARJI DESAI: I am just coming to it if you have some patience but I see that he has lost his patience.

Out of the goldsmiths who were three 2½ lakhs have already taken certificates of goldsmiths. Therefore today there are 2½ lakh goldsmiths with certificates. One lakh or a little more have taken loans from Government to go to other professions.

SHRI S. KANDAPPAN: How much?

SHRI MORARJI DESAI: Rs. 10 crores. It is not less than that. We had advanced Rs. 14 crores to the States out of which Rs. 10 crores have been given. If my hon. friend thinks that that should be borne by Government he is very much mistaken. This was given to the States because they wanted to give these loans. We advanced it to the States and the States advanced it to them. We cannot deal with the goldsmiths from the Centre; it is the States which deal with them. They have to recover it and pay the money back. That is all that they have to do. There is no other liability. If the States are careless in the matter, the Government of India will lose the money.

SHRI S. KANDAPPAN: They were displaced from their profession and loans were advanced to them. They have eaten away the whole loan. I do not think any government can recover it. It is because of your legislation that they have lost their jobs and it is the business and

[Shri S. Kandappan]

the moral responsibility of the Centre to see that you bear the burden.

SHRI MORARJI DESAI: It is wrong to say that they have gone out of the profession. It is my information from some of the goldsmiths themselves, who are completely honest and who know these things, that they have done more business after the 14-carat rule had gone and when old ornaments were changed they charged any amount of money to the people. They earned more and not less. There is not less of gold ornaments today than before because today there is no restriction on people possessing gold ornaments or buying them. There is absolutely no restriction except that above 350 tolas they have got to register themselves and give an account of what they possess. That is all that they have got to do. Below that very few people will be connected with that. Others will not have to give any account. They can possess it, sell it or get new ornaments made. There is no restriction on that. Therefore gold ornaments go on being made today. Therefore there is no question of these people going out of the profession.

SHRI P. RAMAMURTI (Madurai): When the Central Government takes away the property of somebody, you are prepared to pay compensation. As far as the goldsmiths are concerned, it is their entire property. They depend upon that. When you take away their profession as a result of the legislation of the Central Government, it is your responsibility to feed them.

15.09 hrs.

[MR. DEPUTY SPEAKER *in the chair.*]

SHRI MORARJI DESAI: It is a misleading statement.

SHRI PILOO MODY: Even when Congressmen are defeated they are compensated by Government.

SHRI MORARJI DESAI: One can make any clownish remark. This is a clownish remark, nothing else. I would not say anything else. My hon.

friend has become an expert in that line. I do not want to compete with him.

SHRI NAMBIAR (Tiruchirappalli): At least will he consider the question of writing off of the loans?

SHRI MORARJI DESAI: They will not be written off but they will be recovered properly. There is no question of writing off.

SHRI NAMBIAR: They are unable to pay; they are in distress. The hon. Minister should come to their rescue.

SHRI MORARJI DESAI: I have relaxed the rules. If they would like to come back I have said that they could come back to the profession; but they have wanted some time to repay, and they have said that they would go back now and from their earnings they will repay; I have said that it is all right, and so that facility is also given. They were asking for one year, but in the Joint Committee I allowed them to extend it even to two years. I have also said that the certificate will be lifelong and would not have to be renewed every year. We have also said that the son of a goldsmith who has worked for a year previously will also be able to take to that profession. Therefore, instead of goldsmiths dwindling in numbers, they are going to increase in numbers, even if we assume that one person per goldsmith is taking another licence as his son.

Therefore, it is all wrong to say that the goldsmiths are going to dwindle in number or that the art is going to disappear and that the goldsmiths will be in the streets. It is all a wrong story. I do not understand how this story is put forward. Of course, an argument can be made at any time about anything because it does not require facts and certainly one can go about it. But let anybody refute these facts and then I am prepared to be corrected.

SHRI RANGA: Whoever has said that he should be prepared to be corrected.

SHRI MORARJI DESAI: My hon. friend thinks that it is he only who is

correct and, therefore he must correct me and he should not allow me to correct him. But if he tells me that the facts are different, then I shall certainly be corrected.

SHRI RANGA : He is incorrigible.

SHRI MORARJI DESAI : I am happy that he thinks that I am incorrigible and there is no hope for me.

SHRI RANGA : We can only throw him out some day.

SHRI MORARJI DESAI : It has also been argued that this profession will go out because there will be no gold. All of us want that there should be no gold smuggling, and if gold smuggling certainly stops there will be no gold coming from outside. There is no gold produced here in this country or only very little is produced. Even then, the goldsmiths will not go out of action. For, there are about Rs. 3000 crores worth of gold ornaments in this country as it has been estimated generally by some people. I cannot vouchsafe for these figures, but it is the contention that there is this amount of gold ornaments and it is estimated that every year out of this, Rs. 150 to 200 crores worth of gold ornaments are changed, are changing hands and are re-made. Therefore, goldsmiths will always have their profession going on, and I do not think that that is going to stop. Apart from that, they also do business in silver, diamonds, pearls and other things. Even in some hilly areas, they prepare ornaments even of brass and other things. Therefore, it is not as if they will not have anything for their profession.

I have already replied to the question of the need of consulting the goldsmiths in relation to the provisions of the Bill. As I have explained they were heard in the Joint Committee before, and all their representations had been studied, and notice had been taken of their objections, and a lot of changes have then been made in the rules as they exist in order to see that the difficulties are removed.

Now, I come to the question of the suicides of goldsmiths which also

seemed to be exaggerated so much that it lost its importance to some extent. I would be sorry ever if one has to commit suicide. Therefore, let not hon. Members think that I have any callousness in this matter. But when they say that hundreds of people died of suicide, I would submit that these suicides took place, as they were reported, only between March and August, 1963, and afterwards there has been no report of any suicide whatsoever from the goldsmiths.

श्री हुकम चन्द कछवाय (उज्जैन) :
आपके मकान पर आकर हत्या करेंगे तभी मानेंगे आप ?

श्री मोरारजी देसाई : मेरे मकान पर आकर कोई हत्या करने वाला है नहीं। मुझे मानूम नहीं था कि सम्माननीय सदस्य किसी की हत्या भी करवा सकते हैं।

श्री हुकम चन्द कछवाय : मैं नहीं, आप करवा रहे हैं हत्या।

श्री मोरारजी देसाई : आवाज में हत्या हो जाती, तं मरती ज़मी हो जाती।

Even the reports which were there indicated that only 17 suicides were reported during all those months. Out of those 17 cases, several were not due to this cause, but they were due to other reasons. There have been suicides in this country. It is not that there are no suicides. There are suicides every year, and these suicides are not due to these causes and some of them were due to other causes. There may have been less than half of it which may have been due to this. This to my mind is painful enough. But to say that there have been these suicides and this gold control has been responsible for that kind of thing, I am afraid, is only exaggerating a case and destroying it.

SHRI B. SHANKARANAND (Chikodi) : But now the smugglers may commit suicide.

SHRI MORARJI DESAI : Now, I want to give a little history of the other countries, because it is thought,

[Shri Morarji Desai]

as if we are having gold control only in this country. This is a poor country where we can little afford not to have control on gold; and yet gold control is there in many other countries. In most of the countries of the world neither free ownership of gold nor free trading anywhere within the country is allowed, and those countries are the USA, the UK, the USSR, South Africa, Nigeria, Malaysia, Viet Nam, Nicaragua, Libya, Guiana, Ethiopia, El Salvador, Cyprus, Czechoslovakia, Cuba, Ceylon, Brazil, Bulgaria, Albania, Australia and several others. Therefore, to say that this is something new is very wrong.

श्री हुकम चन्द कछवाय : बाकी देशों की अच्छी बातें भी हैं ?

श्री मोरारजी देसाई : उनके बेहतर बातें भी यहां हैं और गलत बातें भी यहां हैं। मैं नहीं कह सकता। There cannot be all that comparison between all countries. मगर इस बात में तो जरूर है।

श्री रणधीर सिंह : बाकी देशों में आपके जैसे नमूने नहीं हैं।

श्री हुकम चन्द कछवाय : आपके जैसे भी नमूने नहीं हैं वहां पर।

SHRI MORARJI DESAI: I may point out that following the economic depression of 1929, in the USA restrictions were imposed on the refining, use and possession of gold which are in several ways comparable to the restrictions imposed under our law. The acquisition, holding, melting, transport etc. of gold is regulated and is subject to the conditions imposed for this purpose. The punishment again for infringement, besides confiscation, fine and penalty, includes imprisonment not exceeding ten years. Therefore, it is something far harder than what we are doing here. Therefore, it has to be realised that this is not a new thing which has come as a brainwave from me. If that is realised, then I am sure that my hon.

friends will see that there is some for them also to be corrected.

Now, I would come to the point that this would lead to a lot of harassment because powers have been given to the administrator. Powers have to be given either to the administrator or to an officer. There was a provision for giving concurrent powers to Government. But in the Joint Committee my hon. friends thought that Government should not have those powers and those powers should remain only with the administrator; therefore, I agreed to that and the Central Government did not keep those concurrent powers. But the Central Government has powers to direct and control the administrator and the powers are not such as will lead to this kind of harassment except of those who might be indulging in smuggling. It will not cause harassment to the others. For, what is the position now? Anybody can buy gold and anybody can possess gold ornaments. In the matter of gold articles also, they can possess all those articles which they have at present, but they cannot buy new gold articles. That is there no doubt. What else has to be then? Why are they harassed and for what? Anybody who does wrong will say, he will be harassed. But I do not think there will be any harassment. If there is harassment, we will, certainly, take very strong action against any officer who is responsible for it. That is how we can save it.

Of course, my hon. friend said that the administration is not yet streamlined to an extent where one can say that harassment is not there. There, I cannot say that he is quite wrong. But there can be a gradual improvement which is going on and I must admit that I have heard from many people that in these matters, there is continuous improvement going on in the Finance Ministry. It is a matter of hope that there will be more improvement in this also. I would like to be pointed out cases instead of making vague allegations of harassment. I should like to be supplied

with cases of harassment so that I can deal with them. If I do not deal with them, certainly, I should be held up and punished in whatever way my friends want to do so. But it does not mean that one should go on arguing against the administration all the while and not help it in improving it. This is what I would request my hon. friends to do. If they do so, I am quite sure, they will find full response, even more than they can expect, in this matter of improving the administration because we are very keen that the administration should be improved to an extent where there is no complaint of harassment from anybody.

On account of all these reasons, I do not see any validity in the fears of my hon. friends that this is a Bill which will not be effective at all. I am quite sure that it will be effective in the sense that it helps me to check gold smuggling to some extent and it helps me also to have it on the statute book so that I can make it tighter in future as it may permit.

MR. DEPUTY-SPEAKER: There are two amendments to the motion for consideration. I will first put them to vote. First I put amendment No. 2 of

Shri Yashpal Singh to the vote of the House.

The question is :

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st December, 1968."(2).

The motion was negatived.

MR. DEPUTY-SPEAKER: Now, I put amendment No. 3 of Shri Kanwar Lal Gupta to vote.

The question is :

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st March, 1969."(3).

The motion was negatived.

MR. DEPUTY-SPEAKER: The question is :

"That the Bill to provide, in the economic and financial interests of the community, for the control of the production, manufacture, supply, distribution, use and possession of, and business in, gold, ornaments and articles of gold and for matters connected therewith or incidental thereto, as reported by the Joint Committee, be taken into consideration."

The Lok Sabha divided :

Division No. 16]

AYES

[15.23 hrs.

Ahirwar, Shri Nathu Ram
Azad, Shri Bhagwat Jha
Babunath Singh, Shri
Bajpai, Shri Shashibhushan
Bajpai, Shri Vidya Dhar
Barua, Shri Bedabrata
Barua, Shri R.
Basumatari, Shri
Baswant, Shri
Besra, Shri S. C.
Bhandare, Shri R. D.
Bhanu Prakash Singh, Shri
Bhattacharyya, Shri C. K.
Bohra, Shri Onkarlal
Brahm Prakash, Shri
*Brij Bhushan Lal, Shri
Chanda, Shri Anil K.
Chandrika Prasad, Shri

Chaudhary, Shri Nitiraj Singh
Chavan, Shri D. R.
Das, Shri N. T.
Dasappa, Shri Tulsidas
Dass, Shri C.
Deoghare, Shri N. R.
Desai, Shri Morarji
Deshmukh, Shri B. D.
Deshmukh, Shri Shivajirao S.
Dhuleshwar Meena, Shri
Dixit, Shri G. C.
Gajraj Singh Rao, Shri
Ganesh, Shri K. R.
Ganpat Sahai, Shri
Gavit, Shri Tukaram
Ghosh, Shri Bimalkanti
Hari Krishna, Shri
Heerji, Bhai, Shri

*Wrongly voted for 'AYES'.

Himatsingka, Shri
 Jadhav, Shri Tulshidas
 Jadhav, Shri V. N.
 Jaipal Singh, Shri
 Kamble, Shri
 Karan Singh, Dr.
 Katham, Shri B. N.
 Kavade, Shri B. R.
 Khan, Shri H. Ajmal
 Krishnan, Shri G. Y.
 Kureel, Shri B. N.
 Lakshmikanthamma, Shrimati
 Laskar, Shri N. R.
 Lutfal Haque, Shri
 Mahadeva Prasad, Dr.
 Mahajan, Shri Vikram Chand
 Mahida, Shri Narendra Singh
 Mahishi, Dr. Sarojini
 Mandal, Dr. P.
 Mandal, Shri Yamuna Prasad
 Marandi, Shri
 Master, Shri Bhola Nath
 Masuriya Din, Shri
 Mehta, Shri Asoka
 Mehta, Shri P. M.
 Mirza, Shri Bakar Ali
 Mishra, Shri Bibhuti
 Mohinder Kaur, Shrimati
 Molahu Prasad, Shri
 Mrityunjay Prasad, Shri
 Mukerjee, Shrimati Sharda
 Mulla, Shri A. N.
 Murti, Shri M. S.
 Naidu, Shri Chengalraya
 Pahadia, Shri Jagannath
 Palchoudhuri, Shrimati Ila
 Pandey, Shri Vishwa Nath
 Parmar, Shri Bhaljibhai
 Partap Singh, Shri
 Parthasarathy, Shri
 Patel, Shri Manubhai
 Patil, Shri Anantrao
 Patil, Shri C. A.
 Patil, Shri S. D.
 Pramanik, Shri J. N.
 Raj Deo Singh, Shri

Abraham, Shri K. M.
 Adichan, Shri P. C.
 Amat, Shri D.
 Amin, Shri R. K.
 Anbazhagan, Shri
 Banerjee, Shri S. M.

Raju, Dr. D. S.
 Ram, Shri T.
 Ram Dhan, Shri
 Ram Sewak, Shri
 Ram Subhag Singh, Dr.
 Rana, Shri M. B.
 Randhir Singh, Shri
 Rao, Shri K. Narayana
 Rao, Shri J. Ramapathi
 Rao, Shri Thirumala
 Rao, Dr. V. K. R. V.
 Reddy, Shri P. Antony
 Roy, Shri Bishwanath
 Sadhu Ram, Shri
 Sankata Prasad, Dr.
 Sapre, Shrimati Tara
 Savitri Shyam, Shrimati
 Sen, Shri Dwaipayana
 Sethi, Shri P. C.
 Shah, Shri Shantilal
 Shambhu Nath, Shri
 Shankaranand, Shri B.
 Sharma, Shri Naval Kishore
 Shashi Ranjan, Shri
 Shastri, Shri Sheopujan
 Sheo Narain, Shri
 Shinde, Shri Annasahib
 Siddayya, Shri
 Siddheshwar Prasad, Shri
 Singh, Shri D. N.
 Sinha, Shri R. K.
 Snatak, Shri Nar Deo
 Solanki, Shri S. M.
 Sonar, Dr. A. G.
 Sonavane, Shri
 Supakar, Shri Sradhakar
 Suryanarayana, Shri K.
 Tiwary, Shri D. N.
 Tiwary, Shri K. N.
 Tula Ram, Shri
 Verma, Shri Balgovind
 Virbhadra Singh, Shri
 Yadav, Shri N. P.
 Yadav, Shri Chandra Jeet

NOES

Basu, Shri Jyotirmoy
 Berwa, Shri Onkar Lal
 Bhagaban Das, Shri
 Chakrapani, Shri C. K.
 Chandra Shekhar Singh, Shri
 Chauhan, Shri Bharat Singh

Dandeker, Shri N.
 Dange, Shri S. A.
 Deb, Shri D. N.
 Deo, Shri P. K.
 Deo, Shri R. R. Singh
 Desai, Shri Dinkar
 Devgun, Shri Hardayal
 Digvijai Nath, Shri Mahant
 Durairasu, Shri
 Esthose, Shri P. P.
 Fernandes, Shri George
 Gopalan, Shri P.
 Gowder, Shri Nanja
 Goyal, Shri Shri Chand
 Janardhanan, Shri C.
 Jha, Shri Bhogendra
 Jha, Shri Shiva Chandra
 Joshi, Shri S. M.
 Kachwai, Shri Hukam Chand
 Kalita, Shri Dhireswar
 Kandappen, Shri S.
 Khan, Shri Zulfiquar Ali
 Kothari, Shri S. S.
 Koushik, Shri K. M.
 Krishna, Shri S. M.
 Kuchelar, Shri G.
 Kunte, Shri Dattatraya
 Kushwah, Shri Y. S.
 Lobo Prabhu, Shri
 Madhok, Shri Bal Raj
 Madhukar, Shri K. M.
 Maiti, Shri S. N.
 Mangalathumadam, Shri
 Masani, Shri M. R.
 Mayavan, Shri
 Meena, Shri Meetha Lal
 Menon, Shri Viswanatha
 Misra, Shri Srinibas
 Mody, Shri Pилоo

Mohammad Ismail, Shri
 Muthusami, Shri C.
 Naik, Shri R. V.
 Nair, Shri Vasudevan
 Nambiar, Shri
 Nayar, Shrimati Shakuntala
 Nihal Singh, Shri
 Pandey, Shri Sarjoo
 Patel, Shri J. H.
 Patil, Shri N. R.
 Ramamurti, Shri P.
 Ramani, Shri K.
 Ramji Ram, Shri
 Ranga, Shri
 Ranjit Singh, Shri
 Ray, Shri Rabi
 Reddy, Shri Eswara
 Saboo, Shri Shri Gopal
 Sait, Shri Ebrahim Sulaiman
 Samanta, Shri S. C.
 Satya Narain Singh, Shri
 Sen, Shri Deven
 Sen, Dr. Ranen
 Shah, Shri T. P.
 Sharda Nand, Shri
 Sharma, Shri Beni Shanker
 Sharma, Shri Yogendra
 Shastri, Shri Prakash Vir
 Shastri, Shri Ramavatar
 Shastri, Shri Raghuvir Singh
 Singh, Shri J. B.
 Suraj Bhan, Shri
 Tapuriah, Shri S. K.
 Umanath, Shri
 Viswambharan, Shri P.
 Viswanatham, Shri Tenneti
 Xavier, Shri S.
 Yadav, Shri Ram Sewak

MR. DEPUTY-SPEAKER : The result* of the Division is : Ayes : 126; Noes : 89.

The motion was adopted.

Clause 2—(Definitions)

MR. DEPUTY-SPEAKER : Now we take up clause-by-clause consideration. There are amendments to

Clause 2 by Shri Suraj Bhan, Shri Hukam Chand Kachwai, Shri Kushwah and Shri Fernandes. Are they moving?

SHRI SURAJ BHAN (Ambala) : I beg to move :

Page 5,—

for lines 1 to 3, substitute—

‘(r) “primary gold” means gold including ingots, bars, blocks, slabs, billets, shots, plates and rods;’.(4).

*The following Members also recorded their votes :

AYES : Sarvashri Kamalnayan Bajaj, Mudrika Sinha, T. M. Sheth, and B. P. Mandal.

NOES : Sarvashri Abdul Ghani Dar, Bhajohari Mahato, K. Lakkappa, Muhammad Ismail, Kamalanathan, Om Prakash Tyagi, Ram Gopal Shalwale and Brij Bhushan Lal.

श्री हुकम चन्द कछवाय : मैं यह प्रस्ताव करता हूँ :

अनुच्छेद 2 (प) का स्पष्टीकरण लुप्त किया जाए । (141)

अनुच्छेद 2 (फ) में ये शब्द निकाल दिये जाएं ।

“तराशा हुआ या आधा तराशा हुआ किसी भी रूप का सोना ”

तथा

“चादर, लच्छी तथा तारें” (142)

SHRI GEORGE FERNANDES (Bombay South) : I beg to move :

Page 5,—

for lines 1 to 3, substitute—

“(r) “primary gold” means gold including ingots, bars, blocks, slabs, billets, shots, pellets and rods;” (233)

MR. DEPUTY-SPEAKER : Have they any submission to make? Otherwise, I will put them to the vote of the House.

श्री हुकम चन्द कछवाय : उपाध्यक्ष महोदय, खंड संख्या 2 पर अपने दोनों संशोधनों को सदन की स्वीकृति के लिये पेश करता हुआ मैं कहना चाहता हूँ कि एक तो अनुच्छेद 2 (प) का स्पष्टीकरण लुप्त किया जाय और दूसरे अनुच्छेद 2 (फ) में ये शब्द निकाल दिये जाएं :

“तराशा हुआ या आधा तराशा हुआ किसी भी रूप का सोना ”

तथा

“चादर, लच्छी तथा तारें” ।

यदि ऐसा नहीं किया जायेगा तो उस से स्वर्णकारों को काफी परेशानियां होंगी और उनके सामने अनेकों प्रकार की दिक्कतें पेश होंगी । इस लिये मेरा वित्त मंत्री महोदय से अनुरोध है कि मेरे द्वारा सुझाये गये संशोधनों के अनुरूप खंड संख्या 2 को संशोधित कर लिया जाये ।

यह ठीक है कि हमारे श्री मोरारजी भाई शासन चलाने में बड़े कठोर हैं और मैं उन की दृढ़ता का स्वागत करता हूँ लेकिन मैं उन से इतना अवश्य कहना चाहूंगा कि जैसे वह शासन चलाने में बड़े कठोर हैं और सोना भी बड़ा कठोर है लेकिन कभी कभी अधिक कठोर होना भी देश के लिये हानिकारक सिद्ध होता है और मैं उन से पुनः प्रार्थना करूंगा कि वह मेरे संशोधनों को स्वीकार कर लें ।

SHRI MORARJI DESAI : I do not accept it because it cannot, on the very face of it, be accepted.

SHRI S. M. BANERJEE : I would only request the Finance Minister to tell us what is his specific objection to accepting amendment No. 4 and why he insists on letting the clause as it stands in the Bill remain unamended. We had also argued this in the Joint Committee. I would like him to throw some more light on it.

SHRI MORARJI DESAI : I cannot accept it because it changes the whole concept of it.

MR. DEPUTY-SPEAKER : I shall put all the amendments together to vote.

श्री हुकम चन्द कछवाय : इन को अलग अलग लिया जाय ।

MR. DEPUTY-SPEAKER : If he wants any particular amendment to be selected for division, I will put it separately. Otherwise, why take the time of the House?

श्री हुकम चन्द कछवाय : सब एक साथ लेने का क्या सवाल है । आप अलग अलग खण्डों को लीजिये । क्योंकि हम अनग अलग विचार कर के अपना मत देंगे । हम यहां पर सामूहिक रूप से विचार करने के लिये नहीं आये हैं ।

SHRI LOBO PRABHU (Udipi) : You must give us a chance to speak. If you do not do that, we shall challenge a division on every clause.

MR. DEPUTY-SPEAKER: I have given opportunity. I was actually inviting their comments. Let the lobbies be cleared—Lobbies have been cleared.

The question is:

'Page 5,—

for lines 1 to 3, substitute—

'(r) "primary gold" means gold including ingots, bars, blocks, slabs, billets, shots, plates and rods;' (4).

The motion was negatived.

MR. DEPUTY-SPEAKER: I shall put all the other amendments together to the vote of the House.

Amendments Nos. 141, 142, and 233 were put and negatived.

MR. DEPUTY-SPEAKER: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

Clause 4—(Appointment and functions of Administrator and Gold Control Officers.)

SHRI N. DANDEKER (Jamnagar): Sir, I have an amendment to clause 4. The number of my amendment is 200. I move:

Page 6, line 14,—

after "Act" insert—

"other than the powers under sub-section (6) of this section or under clause (a) of sub-section (1) of section 80 or under section 81" (200).

MR. DEPUTY-SPEAKER: There should be less noise in the House.

SHRI TENNETI VISWANATHAM (Visakhapatnam): On account of the Czechoslovak troubles, we are agitated. I think this must be postponed.

MR. DEPUTY-SPEAKER: It is coming at 5 O'clock.

श्री मधु लिमये: (मुंजेर): फिर इस पर बहस का मौका कब मिलेगा? यह तय हो चुका है कि इस पर बहस का मौका

मिलेगा। इसी आधार पर हम लोग अलग हुए थे।

MR. DEPUTY-SPEAKER: There is one hour after 5 O'clock.

SHRI N. DANDEKER: My amendment is concerned with sub-clause (4) of clause 4. This sub-clause permits the Administrator to authorise such persons as he thinks fit to also exercise all or any of the powers exercisable by him under this Act. This is a remarkably wide clause. My amendment is designed to limit his power to delegate his powers in three respects. In the first place, the power to delegate itself must not be delegated. That is, sub-clause (6) should be taken out of the purview of it. Secondly, clause 80(1)(a) is concerned with the appellate powers of the Administrator. He ought not to delegate the powers of appeal to anybody else. Clause 81 is concerned with revisionary powers. The Administrator cannot obviously delegate his revisionary powers.

SHRI MORARJI DESAI: There will be no such delegation. The amendment restricts this clause but I shall certainly see there is no such delegation.

SHRI N. DANDEKER: I really can not allow the Administrator to have power to delegate his appellate powers, revisionary powers and also the power to delegate. This is an extra-ordinary power. Sub-clause (4) says that the Administrator may authorise such person as he thinks fit to also exercise all or any of the powers exercisable by him under this Act and different persons may be authorised to exercise different powers. That is to say, any power under the Act which the Administrator may himself exercise, he can authorise somebody else, that somebody else being any person.

SHRI MORARJI DESAI: I accept the amendment.

SHRI K. NARAYANA RAO (Bobbili): I also want to make a submission.

MR. DEPUTY-SPEAKER: He has accepted the amendment.

SHRI K. NARAYANA RAO: I want certain views to go on record. Extensive powers are given to the Administrator. Under the Bill, he is going to be appointed by the Central Government. And the person to whom the powers are being given exercises coeval powers. And this power is being conferred on the administrator. In view of this thing, I submit that instead of giving this power of delegation to the administrator, to exercise such powers, this power should be reserved by the Central Government, and the Central Government should have the power to confer such powers to any other person. That seems to be more logical. Otherwise, it will be unusual.

SHRI NAMBIAR (Tiruchirappalli): Here, clause 4(1) reads as follows:

"The Central Government shall, by notification, appoint an Administrator for carrying out the purposes of this Act."

This particular administrator will have the final say on this matter and there is no provision for even an appeal to the Government. That is as it stands. And as Mr. Dandekar has said, the sub-clause says that the "Administrator may also perform all or any of the functions of, and exercise all or any of the powers conferred by this Act." and so on. That means he is going to delegate the powers to somebody else.

SHRI MORARJI DESAI: I have accepted his amendment.

SHRI NAMBIAR: What is it that he has accepted?

SHRI MORARJI DESAI: I have accepted Mr. Dandekar's amendment.

MR. DEPUTY-SPEAKER: He has accepted the amendment.

SHRI NAMBIAR: It is very difficult to believe that Mr. Morarji Desai accepts something! That is the difficulty.

SHRI MORARJI DESAI: Clear your own mind now.

MR. DEPUTY-SPEAKER: I shall put the amendment to the vote:

The question is:

Page 6, line 14,—

after "Act" insert

"other than the powers under sub-section (6) of this section or under clause (a) of sub-section (1) of section 80 or under section 81". (200).

The motion was adopted.

MR. DEPUTY-SPEAKER: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Clause 5—(Power of Administrator to issue directions and orders).

SHRI SRINIBAS MISRA (Cuttack): I move:

Page 6, omit lines 31 to 33 (60).

SHRI LOBO PRABHU: I move:

Page 7, omit lines 1 to 3. (126).

SHRI SRINIBAS MISRA: Mr. Deputy-Speaker, Sir, I shall be brief. I think these are simple matters regarding drafting and the meaning. Against the force of the majority, which is a sort of despotism, we can not fight but this question has a reason behind it, and I think you will see reason. I shall refer to clause 115 which says:

"The Central Government or the Administrator, to make any authorisation or exemption or to make any order or direction...."

That being so, why give another power to the Administrator here? This is redundant. Clause 5(1) gives power: "Administrator may, if he thinks fit, to make orders, not inconsistent with the provisions of this Act, for carrying out the provisions of this Act."

Then comes clause 115 which gives the same powers. The Administrator takes powers here also. It need not be repeated in so many clauses and the Administrator need not be given that power again. I think, therefore, that sub-clause (1) should be deleted.

SHRI LOBO PRABHU : One of my objections has already been voiced by Shri Srinibas Misra. You are giving unlimited powers to the Administrator, not simply giving him power at one place, but in this section and that section. I am particularly concerned with clause 5(2)(b) which says :

“...regulate by licences, permits or otherwise, the manufacture, distribution transport, acquisition, possession, transfer, disposal, use or consumption of gold.”

This clause consumes all the fundamental rights detailed under article 19 of the Constitution. The point was raised yesterday that if we go on transgressing the fundamental rights, it is for this House to take care and not for the court of law. As far as I have heard, the Deputy Prime Minister has not made this point. He had not met the point that this House should not put on the Statute-Book a law which is on the face of it unconstitutional. A provision like this which consumes all the fundamental rights is unconstitutional and his explanation or excuse that it is open to a party to go to the Supreme Court is particularly harsh and cruel in this case, because the parties concerned are small goldsmiths. I would, therefore, request him first not to give these powers to the Administrator. Secondly, he should not take this blanket permission and wipe out article 19 of the Constitution.

SHRI MORARJI DESAI : May I say, Sir, that 5(i) is not redundant, it is necessary and therefore I cannot accept the hon. Member's amendment.

As regards (b) my hon. friend says that it is against the fundamental rights. It is completely wrong. In my view and in the view of the Ministry of Law and Government lawyers it is perfectly within the Constitution. If he has another view, I cannot say his view may not be upheld by a court. That is why I say that it can only be decided by the court and not

by the House. I oppose his amendment.

SHRI LOBO PRABHU : Can you say how it is constitutional? Just saying that it is not unconstitutional is not consistent with the opposition in this House. Let us have your arguments, let us have your reasons.

MR. DEPUTY-SPEAKER : If the hon. Member had advanced arguments to make a *prima facie* case then alone I could have asked him to reply. Otherwise, this is a presumption on his side or his opinion. Yesterday I have ruled on this point and I do not want to repeat that ruling. I now put the amendments to clause 5 to the vote of the House.

Amendment 60 and 126 were put and negatived.

MR. DEPUTY-SPEAKER : The question is :

“That clause 5 stand part of the Bill.”

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6— *Power of Administration to call the returns as the receipt or sale of hypothecated gold.*

MR. DEPUTY-SPEAKER : We now move on to clause 6. There is one amendment. Is the hon. Member moving it?

श्री हुकम चन्द कछवाय : मैं प्रस्ताव करता हूँ कि :

‘अनुच्छेद 6 (1) तथा (2) हटाए जाएं’ (143)

यह अनुच्छेद हिसाब-किताब रखने के बारे में है। मैं चाहता हूँ कि इस में से (1) और (2) को निकाल दिया जाये क्योंकि इससे स्वर्णकारों का बहुत ज्यादा असुविधा होगी। जब अफसरों को ज्यादा अधिकार मिल जाते हैं तो वे नाना प्रकार से लोगों को तंग करते हैं, परेशान करते हैं। बहुत से उदाहरण हमारे सामने हैं जिन में जहाँ अफसरों को अधिकार ज्यादा दिये गए हैं

[श्री हुकम चन्द कछवाय]

तो उन्होंने अपने उन अधिकारों का दुरुपयोग किया है और नाना प्रकार से लोगों के लिये परेशानियां पैदा की हैं। यहां भी ऐसा ही होने की आशंका है। इसलिये मेरा कहना यह है कि ये तो जो गरीब लोग हैं ये अपना हिसाब किताब नहीं रख सकते हैं और इस प्रकार की व्यवस्था कर देने से उनको काफी दिक्कत होगी। उनमें से अधिकांश लोग मुनीम नहीं रख सकते हैं। आप अनुमान लगा सकते हैं कि जिस व्यक्ति की सौ या डेढ़ सौ या दो सौ रुपये मासिक आमदनी है वह कभी भी मुनीम रखने की स्थिति में नहीं हो सकता है। आप जानते ही हैं कि पन्द्रह बीस रुपये में कोई मुनीम नहीं मिलता है। डेढ़ दो सौ रुपये माहवार से कम में मुनीम नहीं मिलता है। न केवल वह मुनीम नहीं रख सकता है बल्कि वह स्वयं भी अनपढ़ होने की वजह से हिसाब किताब नहीं रख सकता है। इस वास्ते मेरी आप से प्रार्थना है कि आप इस में से (1) और (2) को निकाल दें।

SHRI NAMBIAR: Sir, this is a very sweeping clause. A reading of it makes it very clear. It reads like this:

"The Administrator may, if he is of opinion that it is necessary in the public interest so to do, require any person who lends or advances money on the hypothecation, pledge, mortgage or charge of any article or ornament to make to him, in such form and within such time...."

In the villages we know that poor peasants and other ordinary people who do not have any money may have some ornaments which they would like to pledge and get some money. That is considered to be a safety valve of these people so far as day-to-day needs are concerned. If they mortgage these ornaments to some person in the village and receive money and if the Gold Controller feels that that particular man who has received the ornaments should reveal all the facts of the receipt of the mortgaged property it becomes very cumbersome. You cannot go on extending and stre-

ting the Gold (Control) Order for searching the gold used by villagers for a temporary purpose. Not only the population in cities will be harassed but even the villagers will be harassed. Those who are disliked by the Gold Controller or his agents will be harassed and this clause can certainly create havoc in the villages. Such a sweeping clause should not be allowed to remain in the Act. There must be some restrictions on this. Therefore, the amendment which Shri Kachwai has very correctly suggested must be accepted. I strongly support it.

SHRI MORARJI DESAI: This is a restriction which will apply to a money lender and not to every person in the village. If that man wants to take hypothecation or mortgage for giving money this restriction will apply to him. He is not man who does not keep any account. I do not see what inconvenience will be there for him.

श्री हुकम चन्द कछवाय : आमने इस में कोई सीमा नहीं रखी है। अगर आपने बड़े व्यापारियों के लिये यह व्यवस्था की होती तो मुझे उस में कोई आपत्ति न होती। परन्तु आपने कहा है कि हर व्यक्ति को हिसाब किताब रखना पड़ेगा, छोटा हो या बड़ा हो, उसको हिसाब किताब रखना पड़ेगा। मैं चाहता हूँ कि आप सीमा बांध दें कि इस हस्ती का व्यक्ति हिसाब किताब खेगा।

श्री भोरारजी देसाई : स्मगलिंग में कोई सीमा नहीं होती है।

SHRI P. RAMAMURTI: The Deputy Prime Minister seems to be under the impression that everybody is a money-lender.

SHRI MORARJI DESAI: I have not said that.

SHRI P. RAMAMURTI: Please listen to me. You have not said that but that is the presumption. When a man takes some jewels on hypothecation and gives some money, he has to keep an account. My contention is that he cannot do that. Between ordinary people, peasants, one peasant and another peasant, such transactions

take place. I can very well understand your saying that all those money-lenders who are taking these gold ornaments on hypothecation must keep accounts. But to say that every individual, every peasant who accepts jewellery to advance cash to a colleague of his who is also a peasant, he must keep accounts that is not fair. Any peasant who is in need of money goes to another peasant, hypothecates his gold and gets money. If that person has to maintain accounts, it will amount to harassing him. That is the only difficulty.

श्री क० ना० तिवारी (बेतिया) :

उपाध्यक्ष महोदय, उप प्रधान मन्त्री को इस एमंडमेंट को एकसेप्ट कर लेना चाहिये। हम देहात के रहने वाले हैं। जिस किसी छोटे आदमी के पास दस, पचास, सौ रुपये का सोना है और वह उसको किसी के पास रखता है, तो अगर आफिसर चाहेंगे, तो वे उसको हैरास कर सकेंगे। इसलिये जैसा कि श्री कछवाय ने कहा है, एक सीमा बांध दी जाये कि अगर अमुक मात्रा से ज्यादा गोल्ड होगा, तो यह क्लज लागू होगी, वर्ना नहीं।

श्री अब्दुल गनी डार (गुड़गांव) :

डिप्युटी स्पीकर साहब, इस वक्त लाखों की तादाद में किमान कर्ज की वजह से बुरी तरह से तबाह हो रहे हैं। कई शरीफ आदमी और बहनों जरूरत पड़ने पर मनीलेंडर के पास नहीं जाते हैं, बल्कि वे अपने किसी रिश्तेदार के पास जेबर रख कर रुपया लेते हैं। इस क्लज को मौजूदा शकल में पास करने से उन शरीफ आदमियों, देवियों और बहनों के लिये बड़ी मुश्किल पैदा हो जायेगी। मैं समझता हूँ कि जैसे उनकी तकलीफ को हम लोग महसूस करते हैं, वैसे ही श्री मोरारजी भाई भी महसूस करेंगे और इस एमंडमेंट को मन्जूर करेंगे।

[श्री عبدالغनी डार (गुड़गांव) :

डिप्युटी स्पीकर صاحب - اس وقت کی تعداد میں کسان قرض کی وجہ

سے بری طرح تباہ ہو رہے ہیں - کئی شریف آدمی اور بہنیں ضرورت پڑنے پر منی لینڈر کے پاس نہیں جاتے ہیں - بلکہ وہ اپنے کسی رشتہ دار کے پاس زیور رکھ کر روپیہ لیتے ہیں - اس کلاز کو موجودہ شکل میں پاس کرنے سے ان شریف آدمیوں - دیویوں اور بہنوں کے لئے بڑی مشکل پیدا ہو جائیگی - میں سمجھتا ہوں کہ جیسے ان کی تکلیف کو ہم لوگ محسوس کرتے ہیں - ویسے ہی شری مورارجی بھائی بھی محسوس کریں گے اور اس ایمنڈمنٹ کو منظور کریں گے -]

SHRI NAMBIAR : Sir, on a point of order. It is the fundamental right of every member to have freedom of speech in the House. It cannot be restricted or prevented by anybody, even by a Minister.

MR. DEPUTY-SPEAKER : There is no point of order. He may resume his seat.

SHRI MORARJI DESAI : What is it about ?

MR. DEPUY-SPEAKER : The suggestion is that you were bringing pressure on some Congress members.

SHRI MORARJI DESAI : I am bringing no pressure on anybody. I am being pressed upon. I do not want to bring pressure on anybody and I do not accept anybody's pressure. Both things I will have to say. If there is anything which is reasonable in my view—it may be reasonable in their view, but it will have to be reasonable in my view—I will accept it immediately. That my hon. friends have already seen. But when I cannot accept it, I will not accept it. There is no use of pressurising me by saying "you do not hear; if you hear; you will accept it"; that sort of pressure would not work.

In this particular matter, no such orders have been issued so far

[Shri Morarji Desai]

and they will not be issued on a large scale or generally except when it is found that in a particular locality a person or some people are indulging in this kind of thing. Then only the orders will issue. And it is not a question of a poor peasant being involved. We are not going to punish or harass peasants. But if there is a peasant who does this as a business, he will certainly not be excluded.

श्री अब्दुल गनी दार : मैं अर्ज करना चाहता हूँ कि इस वक्त श्री मोरारजी भाई बड़े प्यार से कह रहे हैं, लेकिन जब यह कानून पास हो जायेगा, तो मामला उनके हाथ में नहीं रहेगा, बल्कि आफिसरों के हाथ में चला जायेगा। श्री मोरारजी भाई ने श्री दांडेकर को यह एशोरेंस दी है कि आफिसरों को बहुत बड़े पैमाने पर पावबंद डेलीगेट नहीं की जायेगी, लेकिन मैं समझता हूँ कि इस प्राविजन से शायद मुश्किल पैदा होगी। श्री कछवाय ने सीमा बांधने की बात कही है। मैं चाहता हूँ कि श्री मोरारजी देसाई को चाहिए कि वह इस क्लॉज को स्पष्ट करें, ताकि जब यह हथियार दूसरों के हाथ में जाये, तो सफेदपोस शरीफ आदमियों के लिये मुश्किल न पैदा हो, जिन की आमदनी कम है, चाहे वे क्लॉक, बाबू, पेजेंट या लेबरर हों। अगर वह खुद कोई ऐसी एमेंडमेंट लायें, जिस से शरीफ आदमियों की इज्जत बच सके, तो हमें कोई एतराज नहीं है।

[श्री عبدالغनी डार : मैं इस عرض करना]

चाहता हूँ कि इस वक्त श्री मोरारजी भाई बड़े प्यार से कह रहे हैं - लेकिन जब यह कानून पास हो जायेगा - तो मामले में उन के हाथ में नहीं रहेगा, बल्कि आफिसरों के हाथ में चला जायेगा। श्री मोरारजी भाई ने श्री दांडेकर को यह एशोरेंस दी है कि आफिसरों को बहुत बड़े पैमाने पर पावबंद डेलीगेट नहीं की जायेगी, लेकिन मैं समझता हूँ कि इस प्राविजन से शायद मुश्किल पैदा होगी। श्री कछवाय ने सीमा बांधने की बात कही है। मैं चाहता हूँ कि श्री मोरारजी देसाई को चाहिए कि वह इस क्लॉज को स्पष्ट करें, ताकि जब यह हथियार दूसरों के हाथ में जाये, तो सफेदपोस शरीफ आदमियों के लिये मुश्किल न पैदा हो, जिन की आमदनी कम है, चाहे वे क्लॉक, बाबू, पेजेंट या लेबरर हों। अगर वह खुद कोई ऐसी एमेंडमेंट लायें, जिस से शरीफ आदमियों की इज्जत बच सके, तो हमें कोई एतराज नहीं है।

اس پورا وزن سے شائد مشکل پیدا ہوگی - شری کچھوائے نے سیما باندھنے کی بات کہی ہے - میں چاہتا ہوں کہ شری مورار جی دیسائی کو چاہئے کہ وہ اس کلاز کو سپسٹ کریں - تاکہ جب یہ ہتھیار دوسروں کے ہاتھ میں جائے - تو سفید پوش شریف آدمیوں کے لئے مشکل پیدا نہ ہو - جن کی آمدنی کم ہے - چاہے وہ کلرک - بابو - پیزینٹ یا لیبرر ہوں - اگر وہ خود کوئی ایسی ایمینڈمنٹ لائیں - جس سے شریف آدمیوں کی عزت بچ سکے - تو ہمیں کوئی اعتراض نہیں ہے -

श्री बेनी शंकर शर्मा (वांका) : उपाध्यक्ष महोदय, जब बीमारी, बाढ़ या सूखे आदि के कारण लोगों को आवश्यकता पड़ती है, तो वे अपने गहने गिरवी रख कर रुपये उधार लेते हैं। जाहिर है कि गवर्नमेंट हर जगह उन की मदद करने के लिये नहीं पहुंच सकती। इस वक्त अगर कोई अपने गहने गिरवी रखता है, तो वह उनकी रसीद लेता है। लेकिन इस क्लॉज को वर्तमान रूप में पास कर मंत्री महोदय स्वार्थी एवं अनाचारी लोगों के हाथों में एक और हथियार दे देंगे। अपनी आवश्यकता के मुताबिक लोगों को रुपया तो उधार लेना ही पड़ेगा, लेकिन इस प्राविजन से बचने के लिये अनस्क्रूपुलस मनीलेंडरों उनको उनके गहनों की रसीद नहीं देंगे, जिसकी वजह से उनके गहनों के ही जब्त होने का खतरा रहेगा। इसलिए मैं प्रार्थना करूंगा कि मंत्री महोदय शहरी इलाकों के लिये चाहे जो कुछ करें क्योंकि वहां के लोग पढ़े-लिखे हैं और समझ सकते हैं, लेकिन देहातों में, जहां लोग दस, बीस, पचास रुपया उधार लेते हैं, इस क्लॉज को लागू न करें।

SHRI SONAVANE (Pandharpur) :
On a careful reading of the

wording of clause 6, I think, it is very clear that the clause authorises the officer to "require any person who lends or advances money". The wording does not say, "who usually lends or who carries on a business of lending".

Similarly, sub-clause (2) of the same clause says :—

"sale of any gold, of any person who advances any money on the hypothecation, pledge, mortgage or charge" etc.

It does not say, "usually carries on business". That wording is not there specifically. Therefore if any officer takes into his head to ask any person who on one occasion or on two occasions has lent money or advanced it against gold, that officer will be justified. Because it is in the discharge of his office he will not even be hauled up in a court even after harassment. The promise was made by the hon. Minister that he would be dealt with strictly. That is correct but the strict dealing would come afterwards, after the harassment of the person who is involved has ended. Therefore I think that the hon. Finance Minister will consider and bring forward an amendment. If such words like "who carries on business or holds a licence to carry on business" are added, I think, things will be more clear.

श्री शशि मूषण (खारगोन) : उपाध्यक्ष महोदय, सब जानते हैं कि हमारे देहात का समाज बहुत बुरी तरह से मनीलेंडर्ज की गिरफ्त में है। मनीलेंडर्ज हमेशा सोने के बारे में धोखा करते हैं और जो लोग उनके घरों में सोना रखते हैं, उनको नुकसान उठाना पड़ता है। अगर इस क्लाइज में थोड़ी भी शिथिलता बरती जायेगी, अगर गिरवी रखे गये सोने का रिकार्ड किसी सरकारी अधिकारी के पास नहीं रहेगा, तो मनीलेंडर्ज को देहात के लोगों को और एक्सप्लायट करने का मौका मिलेगा और देहात के लोगों को नुकसान होगा। मैं चाहता हूँ कि मनीलेंडर्ज को खत्म किया जाये। लेकिन अगर यह नहीं हो सकता है, तो उनके यहां जो भी सोना देहात के आदिवासी लोग रखें,

उसका रिकार्ड पुलिस के यहां रखा जाये, ताकि मनीलेंडर्ज धोखा न दे सकें। (अब-बखान) इसका नतीजा यह होगा कि मनीलेंडर्ज खत्म हो जायेंगे। (अब-बखान) मैं जानता हूँ कि यह मनीलेंडर्ज की पार्टी है। यह समाजवादी व्यवस्था नहीं है। मैं श्री मोरारजी देसाई से दरह्वास्त करूंगा कि इस क्लाइज को इसी तरह पास किया जाये।

SHRI SONAVANE : I think, he has no knowledge of any village.

श्री श्रीचन्द्र गोयल (चण्डीगढ़) : उपाध्यक्ष महोदय, वित्त मंत्री जी से मैं नम्रत-पूर्वक यह निवेदन करना चाहूंगा कि मुझे इस प्रकार के अधिकारों के दुरुपयोग का कुछ अनुभव है। जहां तक इनकम टैक्स ऐक्ट का ताल्लुक है, जहां तक सेव्ज टैक्स ऐक्ट का ताल्लुक है उसमें कुछ नियम बने हुये हैं कि एक व्यापारी को या एक डीलर को तीन महीने के अन्दर अपना रिटर्न दाखिल करना पड़ता है। इसी प्रकार से इनकम टैक्स के अन्दर एक साल के बाद रिटर्न दाखिल करना पड़ता है। परन्तु इस प्राविधान के द्वारा तो अधिकारी को पूरी छूट दी जा रही है कि जिस वक्त उसका जी चाहे, जो समय भी वह निर्धारित करे उस समय में हिसाब किताब उसके सामने आना चाहिये। इसमें कोई भी मर्यादा नहीं रखी गई कि वह जो रिटर्न है वह साल में एक बार देनी है, दो बार देनी है, चार बार देनी है, जब भी वह अधिकारी चाहे उसको इस बात के लिये विवश कर सकता है कि अगले दिन रिटर्न दाखिल करे या एक सप्ताह के अन्दर दाखिल करे। कोई मर्यादा इस के अन्दर नहीं रखी गई है। जहां तक जेवर रखने के हिसाब किताब का ताल्लुक है इसमें उसको छूट दी गई है कि वह चाहे जिस प्रकार से उसके हिसाब किताब की जांच पड़ताल करे। मैं समझता हूँ कि जब सेल्स टैक्स के अन्दर, इनकम टैक्स के अन्दर और दूसरे टैक्सों के अन्दर निश्चित अवधि तय किया है और पद्धति तय

[श्री श्रीचन्द्र गोयल]

किया है तो इसके अन्दर यह सब कुछ उसी के ऊपर छोड़ना किसी तरह उचित नहीं है। मैं मन्त्रा पूर्वक निवेदन करूंगा वित्त मंत्री जी से कि वह कम से कम इस बात को अवश्य स्वीकार करें कि यहां पर जो छोटे तबके के लोग हैं, छोटे सोनार हैं, वह पड़े लिखे नहीं होते, हिसाब किताब रखने की योग्यता उन में नहीं होती, न ही वह किसी दूसरे व्यक्ति को कर्मचारी के रूप में रख सकते हैं, इसलिये कुछ न कुछ मर्यादा जैसे सेल्स टैक्स में है 30 हजार से ऊपर वालों को रिटर्न देनी पड़ती है, उसी तरह इसमें होना चाहिये। लेकिन इस में तो एक ही लाठी से सब को हांकना चाहते हैं। वह ठीक नहीं है। इसलिये मैं प्रार्थना करूंगा कि वह इसके अन्दर संशोधन को स्वीकार करें।

श्री चन्द्रिका प्रसाद (बलिया) :
उपाध्यक्ष महोदय, मैं उत्तर प्रदेश के पूर्वी इलाके से आता हूँ। वहां पर बेकारी की समस्या बहुत अधिक है। यह हमारे जो गरीब सोनार थे वह इस रोजगार से बहुत कुछ अपनी रोटी कमा लेते थे। लेकिन जब वह यह गोल्ड कंट्रोल का आर्डिनंस आया तो हम ने देखा कि हमारे छोटे-छोटे सोनार जो थे वह तो बेकार हो गए थे और बड़े-बड़े शर्माफ लोगों ने बहुत पैसा कमा लिया। जो इसका उद्देश्य था सोने के मोह को छुड़ाना और भाव कम करना, तो भाव भी बढ़ गया और गरीबों की रोजी भी मारी गई। वहां के गरीब लोग इन सोनारों के यहां अपने गहने बनवा कर काम चलाते थे और उससे उनको रोजी मिल जाती थी। हमारे यहां गहने का रिवाज बहुत ज्यादा है। हरिजन लोग भी छोटे मोटे गहने बनवा कर काम चलाते हैं लेकिन गोल्ड कंट्रोल आर्डिनंस जो आया उससे मैंने देखा कि मोटे और मोटे हो गए और गरीब और गरीब हो गए, खाने बगैर मरने लगे इसलिये यह बिल जो है, इसका

में स्वागत तो करता हूँ लेकिन चैप्टर 12 जो है इसमें जो अधिकार दिए गए हैं अधिकारियों को.....

MR. DEPUTY SPEAKER: We are on clause 6 only. That is all.

श्री चन्द्रिका प्रसाद : ठीक है, तो वह जब आवेशा तो मैं बोलूंगा।

16 hrs.

SHRI K. NARAYANA RAO: Mr. Deputy-Speaker, Sir, let us look to the objective of this provision. It is not to regulate the lending operations of certain business people. That is not the objective. This appears to be a collateral measure to plug smuggling. As an indirect means to detect and check smuggling, this very onerous obligation has been imposed upon our people all over the country both in rural areas and urban areas. We have not fixed any norm for the lending operations. The only thing which they are expected to do is to maintain an account and to show that from what person what amount has been taken only to make the business of the Government very easy.

So, I think, the entire provision is totally unnecessary. What is more is that this also incorporates presumption. Supposing by any chance, by a mere forgetfulness, there is an entry omitted, if there is gold in his possession, it is presumed that he is in the possession of gold in contravention of the law. It does not end there. Once that presumption has been attracted, the entire provisions are there and it can be confiscated, and punishment inflicted. Not that he has done anything with reference to gold as such; not that he has done anything against the lending operations; it is only to see that he can be an instrument for the Government to see that smuggling or malpractices are not there. Is it necessary to inflict such a penalty on a person who makes the job of the Government easy? This is my submission which, I hope, the hon. Minister will ponder over.

श्री तुलसीदास जाधव (बारामती) : उपाध्यक्ष महोदय, पहली बात तो यह है कि जो हम को अमेंडमेंट्स दिए गए हैं वह कन्सालिडेटेड फार्म में नहीं हैं, अलग-अलग फार्म में हैं। इससे बड़ी असुविधा होती है।(व्यवधान).... आप कृपा कर के सुन लीजिए।

दूसरी बात यह है कि क्लोज के बारे में जो यहां है सैकेंड लाइन में एनीपरसन ऐसा कहा है तो इसमें ल्याइसेंस परसन मनी लेंडर ऐसा शब्द होना चाहिये। नहीं तो कोई भी आदमी इसके अन्दर आ जायेगा। देहात में तो एक आदमी किसी के पास जा कर अपने जेवर रखता है और वह उसे दस बीस या सौ रुपये दे देता है तो उसका कोई एकाउंट नहीं रहता और ऐसा न होने से कोई भी आफिसर वहां चला जाय चेक करने के लिये तो कोई एकाउंट वहीं नहीं पायेगा। इसलिए यह जो मनीलेंडर हैं वह जो लाइसेंस हों ऐसे लोगों के बारे में यह क्लोज होना चाहिये। दूसरे, जहां किसी के भी पास कोई एकाउंट अपने जेवर का नहीं रहता तो इसमें यह कहा है :

“which is in excess of the quantity shown in such accounts, and which is not otherwise accounted for to the satisfaction of such officer..”

अब उसके सेटिस्फैक्शन का जहां तक सवाल है वह तो दूसरे ही तरीके से होगा जो यहां बताने की जरूरत नहीं है। तो उसको सेटिस्फैक्शन हो जाय तो यह चीज खत्म हो जाय, यह चीज नहीं होनी चाहिये। और जैसा कि मोरारजी भाई ने कहा कि रूल में, कहां-कहां इसका इम्प्लीमेंटेशन वह करें, इसके बारे में सोचने वाले हैं तो हम जो यह सुझाव दे रहे हैं उस समय इसको भी खयाल में रखें कि हैरेसमेंट किसी का न हो। यह न हो कि छोटे-मोटे जो इस तरह अपना जेवर रखते हैं और उसके ऊपर वह सौ पचास रुपये दे देते हैं उनको हैरेस किया जाय जिस तरह

कि शराब के मामले में या और दूसरे मामलों में होता है। ऐसा न हो जाय, इतना ही मेरा सजेसन है।

SHRI SHANTILAL SHAH (BOMBAY—NORTH-WEST) : The point about money-lending in rural areas has some validity. If the word ‘any person’ is changed to any other phrase, it will lead to many complications. The intention is to stop smuggling. Smuggling of gold takes place between Bombay and north of it upto Vapi. There are areas where it is easy for a smuggler to find an accomplice who will lend him money and then the accomplice will sell the gold. Therefore, the gold which is smuggled is brought into the market through the device of pledge. The remedy seems to be to frame rules whereby areas near the border where smuggling is rampant can be demarcated, and where these provisions could operate, so that areas like Sholapur need not suffer. Ratnagiri is a place where smuggling takes place—Mr. Jadhav knows about it. Therefore, the areas near the border ought to be earmarked. The word ‘money-lender’ should not be substituted because the money-lending certificate can be claimed by anybody. This clause should not be changed. Administrative instructions and rules should take care of this. My suggestion is that areas near the border ought to be demarcated. In other places, these need not operate.

श्री ओम प्रकाश त्यागी (मुरादाबाद) : उपाध्यक्ष महोदय, मैं मंत्री महोदय से प्रार्थना करना चाहता हूं कि “एनी परसन” शब्द से बहुत बड़ी भ्रांति फैलेगी, इससे लोगों को हैरेस किया जायेगा। आज कोई भी गरीब आदमी जरूरत पड़ने पर अपने पड़ोसी के पास जेवर रख कर अपना काम चला लेता है या किसी रिश्तेदार के पास रख कर काम चला लेता है—लेकिन “एनी परसन” शब्द के रखे जाने से उसमें दिक्कत आयेगी। इसलिये मेरा सुझाव है कि “एनी परसन” की जगह प्रोफेशनल मनीलेंडर रख दीजिये या लाइसेंस मनीलेंडर रख

[श्री ओम प्रकाश त्यागी]

दीजिये, जिस से कि जो उसका व्यापार करता है वही पकड़ में आये, हर आदमी इसकी पकड़ में न आये। इसमें ईमानदारी का कोई सवाल नहीं है, आपने जो कानून बनाया है वह देहात के लोगों की सहायता नहीं कर सकेगा, बल्कि गरीब लोगों की बरबादी का कारण बनेगा। इसलिये मेरा आप से अनुरोध है कि "एनी परसन" की जगह पर "लाइसेंसड डीलर या मनीलेंडर" रख दीजिये।

श्री रणधीर सिंह : उपाध्यक्ष महोदय, मैंने इस क्लॉज को बार-बार पढ़ा है और मुझे अफसोस के साथ कहना पड़ता है कि मेरे दोस्तों ने जो बहस की है, मुझे उसमें कोई वखन नखर नहीं आता है कि यह किसान के खिलाफ है या देहात की जनता के खिलाफ है। अगर ऐसा क्लॉज इसमें न हो तो शहर के जो बड़े-ठेकेदार हैं, वे देहातों में चले जायेंगे और जितना स्मर्गलिंग बांडर पर नहीं होता, उस से ज्यादा स्मर्गलिंग गांवों में शुरू हो जायगा। जब किसान को अपनी पैदावार के लिये एकाउन्ट रखना पड़ता है तो यह आदमी क्यों नहीं रखे। आज किसान को अपने यहां हिसाब रखना पड़ता है कि गेहूं इतना पैदा हुआ, जौ इतना पैदा हुआ, चना इतना हुआ तो यह मनीलेंडर हिसाब को क्यों न रखे।

इसमें यह जो बेसिक आइडिया है कि गांव में जाकर कोई किसान को एक्सप्लायट न करे, वहां एक्सप्लायटेशन के अड्डे न खुल जायें—वह ठीक है, उससे मैं एग्री करता हूं, लेकिन उस दिक्कत को रूल्ज की मदद से हल किया जा सकता है। रूल्ज में ऐसा प्रावीजन किया जाय कि गांव में अगर किसी गरीब आदमी को 100-200 रु० की जरूरत पड़ती है तो अपने पास पड़ोस के आदमी से उसके पास जेबर रख कर रुपये ले ले—इस किस्म के जो बोनाफाइड लोग हैं, उनके लिये इसमें एक्सेप्शन होनी चाहिये।

वे लोग अनपढ़ आदमी हैं, वक्त पर एक दूसरे का काम निकाल देते हैं—मगर इसके तेहत जो बड़े-बड़े मगरमच्छ हैं, वे शहरों से जाकर देहातों में अपना धन्धा शुरू कर दें, गरीबों को लूटना शुरू कर दें, उनका इलाज जरूर होना चाहिये और यह उनका सही इलाज है। लेकिन जो दूसरे लोग हैं जिन से किसान जरूरत पड़ने पर, ब्याह-शादी के मौके पर या बिजार्डे के मौके पर 100-200 या 500 रुपये ले लेता है, उनके लिये इसमें एक्सेप्शन होना चाहिये। ऐसे लोग जो बोनाफाइड हैं, उनके लिये इसमें ऐसी रेमिडी होनी चाहिये ताकि वे अपना धन्धा चला सकें।

श्री स० मो० बनर्जी : उपाध्यक्ष महोदय, मैं समझता हूं कि हमारे चौधरी साहब ने शायद इसके सीरियस इम्प्लीकेशनज को समझने की कोशिश नहीं की है। अगर उन्होंने समझ लिया है तो मैं समझता हूं कि उन्होंने समझ कर भी नासमझी का इजहार किया है।

मैं यही अर्ज करना चाहता हूं कि इसम—

'The Administrator may, if he is of opinion, that it is necessary in the public interest so to do, require any person...'

एम्फेसिस "एनी परसन" पर है। आप को मालूम है कि मैं खुद एक मध्यम वर्ग के खानदान में पैदा हुआ हूं और मुझे मालूम है कि मेरे बड़े भाई जब डाक्टरी पढ़ रहे थे, तो मेरी माताजी के तमाम जेबरात मेरे एक रिश्तेदार के यहां गिरवी रख दिये गये थे और उस पैसे से मेरे बड़े भाई पढ़े। अब मान लीजिये अगर मैं अपने किसी रिश्तेदार से कहता हूं कि आप ये जेबरात रख लीजिये और मुझे कर्जा दे दीजिये, तो वे भी इस मिसचिफ में आ जायेंगे। इस लिये मैं आपसे निवेदन करना चाहता हूं कि इसमें इस तरह का संशोधन कीजिये, जिससे ऐसे लोगों को एक्सेप्शन मिल सके। "एनी परसन" की जगह मनीलेंडर रखने

का सुझाव दिया गया है, हम तो मनीलैंडर के भी खिलाफ हैं, कोई आदमी अगर हैबिचुबली मनीलैंडिंग करता है तो हम उसके इशारों पर क्यों चलें। इसलिये "किसी आदमी" शब्द को इसमें नहीं लेना चाहिये।

SHRI MORARJI DESAI: I can understand and appreciate the anxiety of the hon. Members to see that there is no harassment to any person as a result of any provision made here. This provision is here from 1-11-1956 till now. Yet no orders had been issued in this matter for any person. It is required in order that orders may be issued to persons if we find any person doing this kind of thing and is covering or helping smuggling; he must send reports of the articles, the persons from whom they were taken and when they were taken. I do not know what harassment is there. As I have said, it is not the intention nor would there be any order passed in respect of a neighbour or a friend doing this. Nobody is going to do such a thing.

SHRI S. M. BANERJEE: Your interpretation is correct. But unfortunately, the officers may interpret it differently. Why keep it vague?

SHRI MORARJI DESAI: How can it be done? It is again in public interest. We will have proper rules to see the circumstances under which this should be issued so that there will not be any harassment. Government have powers to give guidance and directions to the Administrator. As I have said, there will be sufficient safeguard in the rules. If a friend or neighbour lends, it is not done on hypothecation of articles or mortgage of things. All these requirements, documents and other things are in respect of other persons; he will have sufficient accounts. What he has to give is a return as to the receipt, delivery or sale of such article and as to the persons from whom they were received or to whom they were delivered or sold as the case may be. This is the only information to be given. What is the scope for

harassment even to these persons?..
...(Interruptions.)

श्री अब्दुलगनी दार : क्या मोरारजी भाई इस बात को मान लेंगे कि कोआपरेटिव बैंकों को इजाजत दे दी जाय कि वे उनको रूपया दें दे.....(व्यवधान).....

[شری عبدالغنی ڈار - کیا مورار جی بھائی اس بات کو مان لینگے کہ کوآپریٹو بینک کو اجازت دے دی جائے کہ وہ انکو رویہ دیدیں -
[.....(ویودھان).....]

MR. DEPUTY-SPEAKER: We have spent more than half an hour on this. I shall put amendment No. 143 to the vote of the House.

श्री हुषम चन्द कछवाय : मैं मोरारजी भाई से कहूंगा कि कोई सीमा बांध दें। अगर यह क्लज इसी तरह से पास हो गई तो कल से ही आपके अफसर लोग दमन शुरू कर देंगे। देहातों में लोग कानून को नहीं जानते हैं। इसलिये आप कोई सीमा बांध दें कि कितनी मालियत तक के व्यक्ति से हिसाब लिया जायगा या कितनी मालियत के व्यक्ति को हिसाब रखना होगा—इसमें आपको क्या आपत्ति है?

SHRI MORARJI DESAI: As I have said, here will be definite rules and regulations which will be prescribed. There is no question of putting any limitation. It is only a question of asking people who are suspected of doing these things and it will be utilised for those purposes. It is not as if the Administrator is working somewhere else; he does not work anywhere else except in the Finance Ministry.

श्री रवि राय (पुरी) : इसमें आप छोटे सुनार को भी सस्पेक्ट कर सकते हैं।

SHRI MORARJI DESAI: The Administrator is working in my Ministry in Delhi. He is not living outside, anywhere, so that he is not within immediate control. That is not the case at all. Therefore, this is required only in places where some people are likely to do this. Therefore, it is said,

[Shri Morarji Desai]

"a person"; it is not even that the whole area will be included. It is not so.

श्री श्रीचन्द्र गोयल : रूल्स में इसका प्राविजन कर दिया जाय ।

MR. DEPUTY-SPEAKER : I shall now put the amendment to the vote.

Amendment No. 143 was put and negatived

श्री रवी राय : उपाध्यक्ष महोदय, मेरी एक बिनती है। आप जानते हैं कि आज सुबह जैकोस्लोवाकिया के सम्बन्ध में यहाँ पर चर्चा हुई थी और यह तय हुआ था कि आज बहस होगी लेकिन अभी तक हम को यह नहीं मालूम हो सका है कि प्रधान मन्त्री महोदय किस समय अपना बयान देंगे। इसलिए आप प्रधान मन्त्री को आज्ञा दीजिए कि वे इस सदन के सामने आयें क्योंकि यह सबसे महत्वपूर्ण सवाल है ।

MR. DEPUTY-SPEAKER : Already, I have communicated. At about 5 O'Clock the Prime Minister is going to make a statement about it.

SHRI NATH PAI (Rajapur) : May I ask you this? It was very clearly understood between us and the Speaker in the morning that the House will be given an opportunity today itself to express what it feels. It was a categorical understanding between the leaders of the Opposition and the Speaker. Now, we met the Prime Minister, as it was suggested by a veteran leader of the ruling party, for consultation. It is nearly three hours. Certainly, calling a spade a spade does not take that much time. After all, if they are trying to postpone or avoid a debate we are not going to acquiesce in it. We are going to sit all night. We do not want to have a post-mortem or put an obituary notice on Czechoslovakia's freedom. We want to convey India's feelings on it today and we want to have the right of debate today.

SHRI MORARJI DESAI : Nobody objects. It will come up at 5 O'Clock.

MR. DEPUTY-SPEAKER : Yes; I said it will come up at 5 O'Clock.

MR. DEPUTY-SPEAKER : Now, I shall put clause 6 to the vote of the House. The question is :

"That clause 6 stand part of Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7 was added to the Bill.

Clause 8— (*Restriction regarding acquisition, possession and disposal of gold.*)

SHRI SRINIBAS MISHRA : I beg to move :

Page 8, line 15,—

after "control of" insert—

" , except by way of succession intestate or testamentary" (61).

Page 8, line 17,—

after "receive" insert—

" , except by way of succession intestate or testamentary" (62).

SHRI VISHWA NATH PANDEY (Salempur) : I beg to move :

Page 9, line 9, line 8,—

for "five" substitute "ten" (75).

Page 9, line 11,—

for "fifty" substitute "hundred" (76).

SHRI N. DANDEKAR : I beg to move :

Page 8, line 11,—

after "ornament" insert "or article". (86)

Page 8, line 13,—

after "shall not" insert "except by succession, intestate or testamentary". (87)

Page 8, line 20,—

after "ornament" insert "or article". (88)

Pages 8 and 9,—

omit lines 24 to 41 and 1 to 5 respectively. (89)

Page 9, lines 8 to 11,—

omit "if, together with the gold coins received by way of gift or exchange, the total holding of gold coins of the donee or transferee, as

the case may be, does not exceed 'fifty grammes'. (90)

Page 9, line 5,—

for "authorised by" substitute "intimated to". (201)

SHRI LOBO PRABHU: I beg to move:

Page 7,—

omit line 31. (127)

SHRI TENNETI VISWANATHAM: I beg to move:—

Pages 7, 8 and 9,—

omit lines 30 to 33, 1 to 41 and 1 to 5 respectively. (234)

Page 9, line 17,—

after "article" insert "or ornament". (235)

SHRI TULSHIDAS JADHAV (Bara-mati): I request you to kindly mention the serial number of the amendments in every case, so that we can know what is the amendment.

MR. DEPUTY-SPEAKER: Perhaps you were not attentive. Every time I am reading out the serial number.

SHRI TULSHIDAS JADHAV: Every time, the serial number of the amendments may kindly be read. You were mentioning only the Members' names sometimes.

MR. DEPUTY-SPEAKER: I am reading out the serial number also.

SHRI SRINIBAS MISRA: In the scheme of this Bill, there are three types of things, rather, three types of gold although gold will include everything which has got not less than nine carats. But in clause 8, everybody is prohibited from owing primary gold. Under sub-clause (2), regarding permission, everybody can own ornaments if they are not to be entered in the declaration. Sub-clause (2)(b) says: "A person shall not acquire or agree to acquire the ownership, possession, custody or control of, or buy, accept or otherwise receive, or agree to buy, accept, buy or otherwise receive, or sell, deliver..." etc." "any ornament which is required to be included in a declaration" and so on. Selling is an

act of the person but reception or receiving and possessing may not be the act of a person who sells. Supposing somebody received gold by way of succession, by way of a gift, if by succession somebody receives it, it is involuntary. He is not responsible for it. But still he is prohibited from receiving it. (*Interruption*)

Then, sub-clause (4), refers to articles. An article is a different thing which is not an ornament. Primary gold, article, and ornament are three different things. In the scheme of the Bill, regarding an "article", there is this provision which says, "...except by succession, intestate or testamentary."

SHRI RANDHIR SINGH: Article means gold article.

SHRI SRINIBAS MISRA: No; he has not read it. Article is defined as something which is not ornament made of gold. Ornaments are those things which people wear according to the custom of the State and locality in which they are. Primary gold is primary gold. Therefore, regarding articles which are not used by ladies or gentlemen, whatever they are, they can receive them by way of succession intestate or testamentary. Why do you take away this privilege in the case of ornaments. People get less articles than ornaments. Ordinarily ladies get by inheritance articles from their parents. That is why I have suggested that in this clause after "acquire or agree to acquire the ownership, possession, custody or control of" we may add "except by way of succession intestate or testamentary" which the Minister has himself added so far as sub-clause (3) is concerned. I am suggesting that these words may be added to sub-clause (2)(b)(i) and (ii). I do not suggest that to (2)(b)(iii) because that is an act of the person. I may not agree to give it to anybody. If I give it to anybody and I have not put it in the declaration I may be hauled up and punished. So far as acceptance which may be involuntary without any intention on my part—I may accept it by inheritance—I suggest that these words may be added. My

[Shri Srinibas Misra]

suggestion is a very genuine one and I hope the Minister will accept it.

श्री बिश्वनाथ पाण्डेय : उपाध्यक्ष महोदय, मेरा संशोधन बड़ा सरल है, मैं मन्त्री महोदय से अनुरोध करूंगा कि वे इसे स्वीकार करें। क्लॉज 8 के सबक्लॉज (5) में यह है :

"a person may accept or transfer, by way of gift or exchange, gold coins, not exceeding five in number, if together with the gold coins received by way of gift or exchange, the total holding of gold coins of the donee or transferee, as the case may be, does not exceed fifty grammes."

सबक्लॉज (5) में जो दिया गया है वह बहुत कम मालूम होता है जो गोल्ड क्वाइन्स दिये गये हैं, ट्रान्सफर, गिफ्ट, एक्सचेंज में जो एक आदमी लेगा और एक आदमी देगा, वह मेरा संशोधन यह है कि पांच क्वाइन्स की जगह पर 10 कर दिया जाय और टोटल 50 ग्राम की जगह 100 ग्राम कर दिया जाए।

SHRI N. DANDEKAR : Sir, I would like to deal with my amendments in groups. The first one I want to take is amendment No. 87 which is concerned with precisely the point my hon. friend Shri Srinibas Mishra made here, that whereas one can acquire an article by succession intestate or testamentary apparently one cannot acquire ornaments by succession intestate or testamentary. I am sure that is an omission. Because of its being there in relation to articles and its not being there in relation to ornaments I am quite certain that it is an omission. Whether the omission is rectified by the way suggested by my hon. friend or as suggested by me in my amendment No. 87 I would leave it to the Minister to decide, but that is a point which to my mind seems to be very clear.

The second group of amendments I want to take up together are numbers 86 and 88 on the one hand and number 89 on the other. Under the scheme of this clause, under sub-clause (2), sub-clause (3) and sub-clause (4) a clear

distinction is attempted as to the manner in which ornaments may be acquired, transferred, sold or disposed of as compared to the manner in which articles may be acquired or sold etc. There was considerable discussion on precisely the same amendment when I suggested it in the Joint Committee; but I nevertheless feel that there is a point here that I would like the Deputy Prime Minister to consider again very seriously because here we are not concerned with professional people like refiners or dealers or goldsmiths or anybody of that kind. These sub-clause are specifically concerned with ordinary persons. Just now, for instance, my hon. friend over there did not realise that there was a clear distinction made here between an article and an ornament, because he took the ordinary meaning of the word "ornament" which is an article made of gold. But, in point of fact, under the Gold Control Bill there is a very clear distinction between "primary gold", which everybody understands, and an "article" made of gold, which most of the people do not understand, as distinct from an "ornament" made of gold. That distinction is carried forward, even in relation to an ordinary person, by the way in which articles made of gold may be transferred or acquired under sub-clause (3) and (4), as compared with the manner in which ornaments may be acquired or disposed of.

Now my submission is that these provisions, separate specific provisions relating to articles which are contained in sub-clauses (3) and (4) be deleted and that articles be made subject to exactly the same kind of procedure as ornaments by accepting my amendments which say: on page 8, in line 11 after "ornament" insert "or article" and again in line 20 after "ornament" insert "or article". The consequence will be that sub-clause (2) will stand as it is,—subject to the change which my hon. friend and I have suggested about succession,—but it will take in its ambit both articles and ornaments, which makes it intelligible to ordinary persons; and I include in that class my friend over

there, because I do not think many of them will appreciate the distinction between "an article" and "an ornament".

Next I want to take my amendment No. 201, which is an alternative suggestion. I know the Deputy Prime Minister was very strong in declining to accept these changes which I am now suggesting. I am, nevertheless, suggesting them for his consideration. But if, for any reason, he still feels he cannot have the same procedure for articles as for ornaments, then he will at least accept my amendment No. 201, which is concerned with the sale, delivery, transfer or disposal of an article under part (ii) of the second proviso which reads :

"where such article is not required to be included in a declaration, unless the sale, delivery, transfer or disposal thereof has been authorised by the Administrators."

16.32 hrs.

[SHRI R. D. BHANDARE *in the chair.*]
I am suggesting that for an ordinary person to have to part with an article only *after* obtaining an authorisation from the Administrator, would not be the kind of thing one is expected to know and my suggestion, therefore, is that he should merely intimate the fact to the Administrator. There was a similar suggestion I made in another connection which the Deputy Prime Minister was good enough to accept in Joint Committee, in connection with weddings and so on. I would suggest and I would earnestly request him to accept my amendments, which would bring about "article treatment" to exactly the same procedure as "ornaments treatment". But if he finds it difficult to do so, then I would say that instead of the words "authorised by the Administrator" the words "intimated to the Administrator" might be accepted.

Then I come to a very important amendment relating to sub-clause (5). Sub-clause (5) is an exception to the rigidity of the procedure for the transfer of articles. It is concerned with the transfer of coins. It says :

"Notwithstanding anything contained in sub-sections (3) and (4), a person may accept or transfer, by way of gift or exchange, gold coins, not exceeding five in number"

Up to that, it is a concession and I have no quarrel with it. Indeed, I am delighted to agree with a proposition of that kind. But the difficulty comes later. It goes on :

"...if, together with the gold coins received by way of gift or exchange, the total holding of gold coins of the donee or transferee, as the case may be, does not exceed fifty grammes."

The deletion of these words was also discussed by the Joint Committee and at that time I accepted, somehow, the explanation that here the obligation was only on the acceptor of the sovereigns, in which case, I was asked, what objection could I have? I am sorry, at that time I did not read the clause carefully and I took back my amendment which I had then given notice of. Now I find the obligation is both on the acceptor and on the transferor. A person may transfer by way of gift or exchange gold coins up to a certain number provided the person receiving the gold coin does not, as a result of this transfer, have, together with the gold coins that he might already have, more than 50 grammes.

I suggest that this is putting an impossible burden upon the giver at weddings and other functions and ceremonies and so on. If I went to a friend's house when his daughter was getting married and thought that it would be a good idea if I gave a sovereign that I had to the son-in-law of my friend, am I supposed to ask him, "Look, Chum! will you tell me how many sovereigns or grammes you have already got before I give you one more?" It would create a commotion in the house where my friend's daughter was getting married. I would have insulted the son-in-law, the bridegroom.

MR. CHAIRMAN : It is a question of the point of time.

SHRI N. DANDEKER : Precisely, Am I to have the burden of finding out whether the donee has already got more than 50 grammes? That is the question. If I was the recipient, I would have no difficulty. In so far as the recipient is concerned, there is no difficulty in imposing an obligation on him not to receive gifts of gold coins if, together with what he has got already, the total exceeds 50 grammes. But it may lead possibly to more domestic disputes if I were to ask the son-in-law or the bridegroom of a friend of mine, "I would like to give you a sovereign but, chum, tell me how much you have got already." Therefore I suggest the latter part of this sub-clause, namely, "if, together with the gold coins received" etc., be dropped.

SHRI LOBO PRABHU : This particular clause is not against goldsmiths but is against 528 million people of this country.

SHRI VASUDEVAN NAIR : (Peer-made) : 528 million ?

SHRI LOBO PRABHU : 528 million, unless you have a more recent figure.

This imposes on these people various liabilities arising from their ownership, acquisition and sale. I need not repeat in this House the ordinary legal dictum that ignorance of the law is no excuse. If all these people, in respect of all these different kinds of transactions, are ignorant of this law which runs to 117 clauses... (*Interruption*). I would like the hon. Minister to consider whether the common man should be compelled to know this Act in all its intricacies and to understand the distinction between ornaments, primary gold and articles. I would, therefore, suggest that the whole of this clause and at least those portions which do not relate to primary gold should be eliminated.

The Deputy Prime Minister may realise that though a law like this is enforced only in part, the power it gives to the officials is very considerable. In 1966 when the statistics were given, of the prosecutions under this Act, it was found that in the whole of

this country only 97 persons had been convicted during the course of three years. You have an elaborate law and a very large staff and they exercised this power only in respect of 97 persons! The relevant question is: Have they exercised this law in respect of a very much larger number of persons in their own interest for corruption or for extortion? It is not proper to put on the statute book a law which is not simple, which is capable of being misunderstood and which is a ground for corruption. I would, therefore, say that whatever reasons there may be for gold control, these reasons are not good enough for placing the people at the mercy of these officials.

SHRI P. RAMAMURTI : I would like to point out to the Deputy Prime Minister clause 8, sub-clause 2(b) :—

"A person—

shall not,—

acquire or agree to acquire the ownership, possession, custody or control of, or

buy, accept or otherwise receive, or agree to buy, accept, buy or otherwise receive, or

sell, deliver" etc.,

"any ornament which is required to be included in a declaration unless such ornament has been included in a declaration" etc.

I can very well understand his asking the seller of an ornament who knows whether that particular ornament has got to be included in a declaration or not that he should see to it that it is included in the declaration. But how is the buyer to know whether a particular ornament that is being offered for sale is an ornament which has got to be included and whether it has been included? After all, a small person has got a ring and he just comes and sells it to somebody. How is the man who buys that ring to know whether this ring is a particular ornament which has got to be included and whether it has been included? How is he to find that out? Is he to go to the Controller and find out whether it has been included in the declaration? How are all these things to be

[Shri Srinibas Mishra]
done? Therefore, the responsibility that an ornament has been included in the declaration must be cast on the seller. No responsibility should be cast on the buyer who does not know anything about it. I should think that the Deputy Prime Minister should try to amend this clause and leave out the provision relating to the buyer because the responsibility is on the seller. Let him punish the seller if he does not do that. Why should he punish the buyer who does not know anything about it.

SHRI TENNETI VISWANATHAM :
Sir, this is one of the clauses which most of us consider as a very obnoxious one. Sub-clause (1) of clause 8 prevents any person from having in his possession gold which is now called primary gold and it prevents a man from buying, accepting or, otherwise, receiving or agreeing to buy or accept or acquire or possess or dispose of gold. Now, as I said yesterday, in the garb of controlling gold in the hands of artisans and dealers, this Bill goes to the extent of saying that nobody in India shall possess gold. That is the first objection.

This is far beyond the purview of this Bill. The purpose of this Bill is to see that gold is not smuggled, that smuggling is reduced and to see that those who make ornaments, that is, goldsmiths and others are not utilised for smuggling gold. But this goes beyond that purpose. It says that no person can have primary gold or acquire primary gold. That is a very objectional part. At the same time, in sub-clause (6) there is a very peculiar exception that the Administrator may exempt any person or class of persons. I can understand class of persons because you can have a classification and say, although others cannot hold gold, this particular class of persons will hold gold. Put here sub-clause (6) authorises the Administrator to exempt any individual person. That is to say, there is no classification. It depends upon the whim and fancy of the Administrator that he may have at the moment. Therefore, this clause is objectionable from all points of view.

MR. CHAIRMAN : It is to lessen the rigours.

SHRI TENNETI VISWANATHAM :
It is not to lessen the rigours that the Administrator has been given the power to allow any person, without any classification or classified persons, to have gold. I can understand the Administrator giving a guide-line and saying that these classes of persons shall hold gold although the original clause is against it. He should not have the power to exempt a particular person. That simply kills the entire Bill. Here, the Administrator can allow whomsoever he likes to have gold and, otherwise, he can prevent him. That is another objection.

Then, this clause makes a distinction between primary gold and ornaments which are required to be included and ornaments which are not required to be included in the declaration and other articles not to be held, except by succession, intestate or testamentary. But in India, there is a law like the Joint Hindu Family law. There is devolution of property. There need not be succession, intestate or testamentary. It comes merely by devolution. This clause has, therefore, got several inner contradictions and certain lacunae. The fundamental objection is that this prevents the ordinary man from possessing gold which is not the object of this Bill.

It is also not clear to any layman as to which article is to be included in the declaration and which is not to be included in the declaration. Clause 16 prescribes only the form and the procedure. But, actually, to the ordinary layman in this country, where a distinction is made between primary gold and ornaments which are to be included and ornaments which are not to be included and other articles, which are the subject matter of succession, intestate or testamentary, I submit that Clause 16 is too complicated. Clause 16, as you may see, runs to 4½ pages of this book. Look at the enormous difficulties for an ordinary man. If the law is to be there with many sections

[Shri Tenneti Viswanatham]

which impose punishments also, it must be simple, it must be very brief, and it must be clear even to an ordinary layman. You cannot expect every goldsmith or a small buyer who purchases small gold articles to know whether it is to be included in the declaration or not. The hon. Minister might say that this thing has been in force for the past three years and, therefore, people are accustomed to it. I may tell him from my own experience that the experience of the people has been most miserable; people have not known exactly what to include, what forms are to be filled in and what forms are not to be filled in; particularly the smaller goldsmiths and the small people who purchase gold on festive occasions or some other occasions if the son-in-law comes or the daughter goes, do not know, and there is the fear of an officer visiting their house at any odd time and asking for these or other particulars. This has been the experience. In three years the people have not grown wiser. I may say that on account of these rules having been in force for three years, people have not grown wiser; on the other hand, there is more confusion in these three years. As a matter of fact, people had been expecting that once the Defence of India rules go, the Gold Control Order would also go, but, on the other hand, it has come because the Finance Minister thinks that this is the only way to save the economy of this country. Even assuming that it is a way of saving the economy of this country, what I submit is that the law must be made very clear, it must be made applicable only to the dealers and not to the ordinary citizens, and even then, the distinction between ornaments which are to be included and those which are not to be included, the distinction between articles and primary gold, should be made more clear, and the ordinary people should not be visited with these various kinds of punishments.

With so many punishments in it, the clause is very bad and that is the reason why I say that this clause is

really not necessary. The real Act begins only with clause 11 or 12. Clauses 8, 9 and 10 really do not serve the purpose of this Bill; they do not in any way further the purposes of this Bill but only cause troubles. That is why, I submit that these clauses may be deleted altogether.

SHRI MORARJI DESAI: This clause was very much discussed in the Select Committee and after a very careful consideration, I could not accept the suggestion. Even today after hearing all that has been said, I am not able to accept the suggestion. The scheme is that nobody should possess primary gold and if that clause is there where the Administrator has been given powers to allow under special circumstances any case or class of cases to have it, it is only because primary gold is required sometimes for industrial purposes and sometimes for medicinal purposes. For such people it is necessary for the Administrator to give permission so that it is properly utilised and under that cover it is not misused. It is, therefore, that clause is necessary. It is not as if it is redundant or without any purpose or that it is sought to make any discrimination between any people. Fresh articles cannot be acquired by anybody. But that is not the restriction for ornaments. The same treatment cannot be given to ornaments. Succession has been allowed in the case of articles because they cannot otherwise be acquired. If they are in family, they can remain there. We do not want that at every succession they should be sold away. Therefore, they are kept there. In the case of ornaments, there is no restriction on exchange, sale or otherwise. Therefore, it is not necessary to apply this.

SHRI N. DANDEKER: As (2) stands, it would be unlawful to acquire an ornament by succession.

SHRI MORARJI DESAI: It has only to be declared. Where the ornaments are not to be declared, there is no bar. Where they are to be declared, if they go by succession, they will only be declared.

SHRI N. DANDEKAR : A persons may not have a quantity that is declarable or may have a quantity that is declarable. Just as an article can be obtained by succession, why is there are no similar provisions that an ornament can be obtained by succession? Why should this difficulty be there in this case? If an article about which the clause is so careful and in regard to which the possibility of acquisition through somebody dying is provided for, either testamentary or, intestate, I do not know why such a thing is not provided for in the case of ornaments.

SHRI K. NARAYANA RAO : The difficulty is this. A person has got certain ornaments. He has not declared them. Can they pass on to the children? If not, what is going to happen to those ornaments? Is the State going to confiscate them simply because somebody's father has not declared them?

SHRI MORARJI DESAI : It will be confiscated, if not declared. That is why this provision is there. There are ornaments which have to be declared, and if they are not, I cannot legalise it by succession. That is, really speaking, the main purpose of this. My hon. friend has just hit the nail on the head.

SHRI K. NARAYANA RAO : Why should the sin of the father be visited on the children? Why should the children's interest suffer on this account? Why not rectify that position?

SHRI MORARJI DESAI : By succession a child cannot be allowed to condone the fault of the father and inherit it for nothing. They would have been confiscated if that had not been done. Why did he during his lifetime not declare them? If they were not declared, I do not know why the child should be allowed to inherit it.

Then here the same thing is said. If an ornament which has to be declared is not declared and then it is allowed to be sold, what happens? It would be wrong to do that. It will lead to a chain of transactions which will

defeat the very purpose of this legislation. It is therefore that I cannot accept the amendments which have been moved.

MR. CHAIRMAN : With your permission, I will put all the amendments together to vote.

Amendments Nos. 61, 62, 75, 76, 86 to 90, 201, 127, 234 and 235 were put and negatived.

MR. CHAIRMAN : The question is :

"That clause 8 stand part of the Bill".

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9 was added to the Bill.

Clause 10—(Loans not to be obtained on hypothecation of primary gold or undeclared gold).

SHRI SRINIBAS MISRA : I beg to move :

Page 10,—omit lines 1 to 4. (63).

SHRI LOBO PRABHU : I beg to move :

Page 9,—omit line 32. (128)

SHRI SRINIBAS MISRA : Clause 10 is a prohibitory clause : "No person shall obtain...unless such article or ornament has been so included". I have no quarrel with this. But there is a proviso. Perhaps the Deputy Prime Minister and Finance Minister wants to have everything within his CLAWS. It says that in the case of an article which is not required to be included in the declaration no transfer of delivery thereof shall be made unless such transfer or delivery has been intimated in writing to the Administrator.

16.56 hrs.

[MR. DEPUTY-SPEAKER in the chair.]

Everybody knows that twenty per cent of our people are literate; the rest are not. Anybody who pledges or hypothecates his ornaments must give in writing to the Administrator. Why should he do it? Will the hon. Minister help the illiterate people with a clerk. It says everybody—a farmer, or even a beggar anybody who sells his little nugget to anybody or hypothecates or pledges it must give in

[Shri Srinibas Misra]

writing to the Administrator—not to any officer. Clause 16 excludes certain articles from the declaration. If it is excluded why do you want to take it in writing.

SHRI P. VENKATASUBBIAH (Nandyal): We are not able to hear anything.

MR. DEPUTY-SPEAKER: There is a loud whispering noise. Whatever happens outside we must carry on our business. You continue.

SHRI SRINIBAS MISRA: I must be heard. Or, I shall continue tomorrow. The article may be a small nugget or a little piece of gold which is not an ornament. We should not deprive poor and illiterate persons who possess small bits of gold from going and getting some money by pledging them. I have therefore suggested that lines 1 to 4 should be omitted.

SHRI LOBO PRABHU: Sir, knowing that the Deputy Prime Minister was not prepared to accept the distinction—the culpability of the giver as distinct from the culpability of the taker of the loan, I say that he has no reason to put a burden on a person who may be incapable of knowing whether an article has been declared or not. Whatever opinion the Deputy Prime Minister may have for the intelligence of our people, he should understand that. (Interruption).—There is lot of noise, Sir. I would request the hon. Finance Minister to consider the clause in this light, and to exempt those who are not capable of knowing whether an ornament or an article has been declared or not. (Interruption).

MR. DEPUTY-SPEAKER: May I request hon. Members to be calm? We are carrying on our routine business.

SHRI LOBO PRABHU: My next objection is that the Finance Minister is not aware of the simple facts of life. He is not aware that 80 per cent of the credit in the villages is not from the co-operative banks or the scheduled banks but it is from the common money-lender and that the common

money-lender in most instances has to insist on the deposit of gold. Now, is it the intention of this Bill not only to cripple the goldsmiths but to cripple the whole economy by prescribing these very onerous conditions?

17 hours.

[MR. DEPUTY-SPEAKER in the Chair.] I would like the Deputy Prime Minister to realise that this country depends on the credit furnished by money-lenders and this credit cannot be abridged in the way it is posed in this particular clause.

SHRI NAMBIAR: Sir, I want to speak on this clause. This is a very, very bad provision. It reads like this:

“No person shall obtain from any other person any loan or advance on the hypothecation, pledge, mortgage or charge of any primary gold, or any article or ornament which is required to be included in a declaration unless such article or ornament has been so included.”

Who knows whether this particular ornament which is being pledged is included in the declaration or not? This is an absurd provision. There is no meaning in it whatsoever. How is it possible for anybody to know that this particular ornament is included in the declaration or not? How can you say that you should not accept as pledge an ornament which is not included? Whether it has to be declared or not is not known. Therefore, this provision is vague in the sense that it is a senseless provision. The Deputy Prime Minister who is piloting this Bill must have sufficient knowledge to remove this senseless provision. Therefore, my humble submission to him is that he should accept the amendment or at least delete this clause 10 which is absolutely senseless.

श्री तुलशीदास जाधव : अध्यक्ष महोदय, क्लॉज 10 के प्रोवाइजो में यह व्यवस्था की गई है कि जो आर्टिकल या गोल्ड आर्नामेंट्स डिक्लैरेशन में दर्ज नहीं होंगे, उनकी बिक्री या ट्रांसफर एडमिनिस्ट्रेटर

से पूछ कर ही की जा सकेगी। इसके मानी ये हैं कि हर एक आदमी को अपने आर्नामेंट्स बेचने या ट्रांसफर करने के लिये एडमिनिस्ट्रेटर के पास जाना होगा। मैं समझता हूँ कि हर बात के लिये एडमिनिस्ट्रेटर के पास जाना एक प्रकार से गुलाम बनाने जैसी बात है। जो आर्टिकल डिक्लेरेशन में हैं, उनको तो एकाउन्ट रखा जायेगा, लेकिन जो आर्नामेंट्स या आर्टिकल डिक्लेरेशन में शामिल नहीं हैं, उन के लिये यह बन्धन नहीं चाहिये। यह ठीक नहीं है कि उन की बिक्री या ट्रांसफर बगैरह के लिये एडमिनिस्ट्रेटर के पास जा कर पूछना पड़े। इस लिये इस प्रोवाइजो से मेरा विरोध है।

SHRI TENNETI VISWANATHAM : Sir, provision will bring very innocent people into the clutches of the law, because it is a penal clause, and there is no machinery provided whereby this man can know whether the article has been declared or should be declared or not. These are two fundamental objections, and I feel that the Finance Minister will be careful to see these points. That is to say, he should not bring innocent people within the clutches of this measure. There is no machinery by which these people can know the declaration; it is not a public document. These people cannot go to the Administrator and ask at that moment, and that man also does not publish that the following articles are already declared and therefore one can purchase or one can take this and so on. There is no machinery and there is no obligation upon the other man to so declare. In those circumstances the other person is liable to be harassed. Therefore, the clause has got to be modified or altogether dropped. This is my humble submission.

SHRI K. NARAYANA RAO : Sir, according to clause 10 an obligation is imposed on the person who wants to take a loan on the basis of golden ornaments or articles. So it has nothing to do with the lender as such. Let us be clear on that issue.

If a person fails to make a declaration he will be hauled up and penalised. My difficulty is, under clause 16 there are certain exemptions made. Then it becomes very difficult to find out which ornaments will come within the purview of exemptions and which do not. According to clause 16 a family can hold 4000 grammes. To have a weight of 4000 grammes several ornaments will be there. In a case like that how can one know that a gold ornament hypothecated or sold is an exempted article or not. I feel there is a certain amount of difficulty in operating this provision.

SHRI MORARJI DESAI : May I say, Sir, that the scheme is that primary gold should not be possessed by anybody. Therefore, how can any person obtain from another person a loan on the hypothecation, pledge or mortgage of primary gold? He cannot do it. That is why this is provided here. It was asked, how does a person who takes it know whether it is to be included or not. He should ask the person from whom he takes it. He should verify.

SHRI TENNETI VISWANATHAM : The Act does not impose any obligation.

SHRI MORARJI DESAI : This imposes. My hon. friends know the law very well. If there is a stolen property and if it is taken by somebody unless he proves it to the satisfaction of the law that he did not know at all and there was no reason for him to know that it was stolen property he will be liable for it. This is very necessary. The proviso was amended in the Joint Committee. Previously the provision was that it should be with the previous permission of the Administrator. Now it is said that he should have intimated only in writing to the Administrator. So there is no harm caused and I oppose the amendments.

MR. SPEAKER : I shall put amendment No. 128 by Shri Lobo Prabhu to the vote of the House.

Amendment No. 128 was put and negatived.

MR. SPEAKER: I will now put amendment No. 63 of Shri Srinibas Misra to the vote of the House.

Amendment No. 63 was put and negatived.

MR. SPEAKER: The question is:

"That clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

MR. SPEAKER: We will now take up clause 11.

AN HON. MEMBER: The Prime Minister has come.

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY, MINISTER OF PLANNING AND MINISTER OF EXTERNAL AFFAIRS (SHRIMATI INDIRA GANDHI): I am sorry, I was under the impression that this would be taken up at 5.15 p.m. So, I shall be grateful if it is taken up at 5.15. But if you insist, I can make the statement now:

SHRI HEM BARUA (Mangaldai): We were thinking that after the meeting there would be a discussion here today at 4 p.m. Therefore, we have been waiting since then.

MR. SPEAKER: I do not know anything. I knew that the leaders of all the parties were meeting. I was not aware of what has happened. To this minute I do not know what has happened, what discussion they had between themselves. I am in the dark. But if the Prime Minister wants another five minutes, we should give it. In the meanwhile, we will continue with the Gold Control Bill.

Clause 11— Prohibition regarding making, manufacturing, etc. of primary gold, articles, ornaments, etc)

SHRI LOBO PRABHU: I beg to move:

Page 10,—

Omit lines 8 to 16. (129).

When I raised a constitutional objection to clause (4) and I demanded that the Deputy Prime Minister should explain the position without merely

saying that he is not prepared to accept it, the Deputy Speaker said, or asked me, to lay down specifically the grounds on which the particular provision was unconstitutional. That is a task which demands a different atmosphere from this, a task which requires also more time than the five minutes you have allotted to me just now. But I would say this. Clause 11 seeks to control completely what the goldsmiths and others engaged in the profession do. It is completely against article 19(g). I have to read that article even at this time, because unless the Deputy Prime Minister and the House know what the Constitution says and what this provision means, I do not think any of us shall be discharging our duties properly. Article 19(1)(g) says:

"All citizens shall have the right—
....(g) to practise any profession, or to carry on any occupation, trade or business."

This is subject to the exception contained in clause (6) which says:

"Nothing in sub-clause (g) of the said clause shall affect the operation of any existing law in so far as it imposes, or prevent the State from making any imp-law, imposing, in the interests of the general public, reasonable restrictions on the exercise of the right conferred by the said sub-clause....."

Now, two important conditions are prescribed. Firstly, it should be in the interest of the general public and, secondly, the conditions should be reasonable. One has to go through the whole Act to understand, to search and find out, how this particular Act is in the interests of the general public. Three reasons have been given for the Act—it would check smuggling, it would check the lure of gold and it would increase the financial resources of the government. All the three reasons have been completely refuted by experience.

It was found that in the first three years of the operation of the Act the price of gold rose and correspondingly the smuggling increased. That pur-

pose has not been served even if that was in the public interest.

The second purpose, that the lure of gold would be reduced, has also been falsified by the fact that people are willing now to play nearly 70 per cent more for gold than they did in 1963.

MR. SPEAKER: You speak on the amendment.

SHRI LOBO PRABHU: I was asked by your predecessor to give the grounds.... (Interruption).

The third ground, that the financial resources of the Government and foreign exchange will be helped, is something so fantastic that it has been proved by my colleague that in spite of the financial position improving, in spite of the foreign exchange increasing, smuggling has increased and to that extent both those purposes have not been served.

Now I must ask the Finance Minister what is the interest of the public which has been served. This is a challenge to him. Has the interest of the public been served by making loans more secretive? Has the interest of the public been served by increasing the rate of interest? Has the interest of the public been served by these officials being able to exploit the ignorance and the helplessness of the people? Has the interest of the public been served by suicides which have been taking place? If it is not so, this exception does not arise.

The next provision is about the reasonable restriction.

SHRI BAL RAJ MADHOK (South Delhi): Sir, it is a quarter past five o'clock.

SHRI LOBO PRABHU: I am only filling up the gap.

MR. SPEAKER: You may now sit down. You have done it successfully.

17.15 hrs.

STATEMENT RE: SITUATION IN CZECHOSLOVAKIA

THE PRIME MINISTER, MINISTER OF ATOMIC ENERGY, MINISTER OF PLANNING AND MINISTER OF EXTERNAL AFFAIRS (SHRIMATI INDIRA GANDHI): Mr. Speaker, Sir, it is with a heavy heart and with a profound sense of concern that I have to report to this House certain events which are currently taking place in Czechoslovakia.

We have always been deeply committed to the cause of freedom everywhere. We have stood for certain principles as guiding and informing our attitude to international events. The principle of non-interference by one country in the internal affairs of another constitutes the very basis of peaceful co-existence. We have always believed that international relations should be governed by respect for the sovereignty and independence of nations, big or small. We have always stood for the right of every country to develop its personality according to its own traditions, aptitudes and genius. India has always raised her voice whenever these principles have been violated.

SHRI J. B. KRIPALANI (Guna): Except in Hungary.

SHRIMATI INDIRA GANDHI: Sir, the House is aware of the reports which have come through the world Press and radio as to the nature of the developments which have taken place in Czechoslovakia. We have also made enquiries from the diplomatic missions of the countries concerned as well as others, and continue to be in close touch with them. The armed forces of the Soviet Union and four of its Warsaw Pact allies began crossing the Szechoslovak borders at about 03.30 hours IST. (Some Hon. Members: Shame, shame). They are now reported to be in Prague and other towns of Czechoslovakia.

In the early hours of this morning, the Soviet Government, through their