

[Sh. Rangarajan Kumaramangalam]

that is, the legislative business and tend to do everything else, then we would land up in a situation where our whole House, inclusive of the Government - I speak not on behalf of the Government at all, at the moment, but as a Member of this House, would be in trouble.

Sir, from the Government side, I do appreciate their point of view. It is not that their point of view is irrelevant or totally out of context. But we have a problem; it is not the problem of the Government alone, but the problem of the House itself. As best as the House thinks, we are agreeable to that. It is ultimately the decision of the House that matters; it is not the decision of the Government.

MR. DEPUTY SPEAKER: Is there any hurdle for you?

SHRI RANGARAJAN KUMARAMANGALAM: There is only one hurdle and that is, the continuity will break. For example, at the moment, we have this Gold Bill now which has come over from yesterday. Now, we are expecting Atalji's speech on it and after Atalji's speech, that has finish to and there is Wildlife Bill which is a very simple one. If all of us can apply our minds, we can pass all the business. Really, there is no hurdle it is only an undertaking.

MR. DEPUTY SPEAKER: I upgold the point of order raised Shri Ram Naik and others and we will stick to the original timing, as far as the Private Membrs' by Business is concerned.

[Translation]

SHRI MOHAN SINGH(Deoria): Mr. Deputy Speaker, Sir, what about my suggestion? Is the Government ready to consider it generously?

[English]

MR. DEPUTY SPEAKER: You ought to

have raised this matter during Zero Hour where the Government could have responded. Now we cannot ask the Government to reply to that.

[Translation]

SHRI MOHAN SINGH: The Government should come out with a statement in this regard. Please direct the Government to do so. The Government should consider our suggestions and make a statement on it on Monday.

[English]

MR. DEPUTY SPEAKER: You can just meet the Concerned Minister and the Minister will certainly solve the problem.

MR. DEPUTY SPEAKER: Now, we take up further discussion on item nos. 13 and 14. Shri Atal Bihari Vajpayee.

14.34 hrs

STATUTORY RESOLUTION RE
DISAPPROVAL OF GOLD BONDS
(IMMUNITIES AND EXEMPTIONS)
ORDINANCE, 1993

AND

GOLD BONDS (IMMUNITIES AND
EXEMPTIONS) BILL- COND.

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow): Mr. Deputy Speaker, Sir I rise to welcome the Gold Bonds (Immunities and Exemptions) Bill, 1993.

There was no need to promulgate the ordinance for this purpose. For the last two years it was being suggested in this House that for solving the present economic crisis, a scheme should be formulated for utilising the gold accumulated by people. But the Government does not adopt correct time, if it does, it take such steps half-heartedly and fearfully. In the last year's budget, NRIs were

allowed to bring gold with them. In our country, a large quantity of gold is acquired through smuggling. India has become the biggest market of gold in the world but people do not leave the lust for gold. There is always rush at jewellers shops ornaments have become a necessity in marriages. Gold is in demand. We are not mining gold, in past we were mining it but for name only sake because commercially it is not profitable. So, we are not going further in this direction and this is correct also.

In South Africa, and America and Russia, mining of gold is done on a large scale and it is brought in our country stealthily. Therefore I had suggested to you to permit NRIs to bring gold and you have done a right thing by giving this permission. At that time, I had told Government that 15 per cent duty is quite high, it should be reduced. But Government at that time had not accepted it, but later on, it was reduced to 7 1/2 per cent. The Government had estimated to receive 35 tonnes of gold up to March 31, 1993 and my estimate was of 150 tonne. Both the estimates have been proved wrong as the country received 120 tonne of gold in first eleven months of the year by which Government earned a foreign exchange of Rs. 350 crores and country got gold worth Rs. 2, 700 crores.

Now the Government has brought this Gold Bond Scheme. My desire was that both the tasks should be done side by side but the Finance Minister had some difficulties in this regard. I do not know about the difficulties. Now Government has brought this Gold Bond Scheme and in this scheme also, Government has not taken bold decisions. Government hopes to acquire 300 tonne of gold, but on what basis? Today how much gold this country has 7500 tonnes? I think India has 10,000 tonne of gold and according to the statistics of foreign countries, we have got about twenty thousand tonne gold. Today poor man also keeps gold. He keeps it in a bundle of cloth somewhere in box with safety. We should not think of that gold because he has kept it for his difficult times.

Although the price of gold is not increasing throughout the world and it will not increase in future. In India also, the gold loving people should be told to overcome the lust for gold as gold is now less in demand and the ways of bringing gold stealthily are being curtailed. They should be told to utilise their gold in such a way by that they earn money as well as help the nation. This Gold Bond Scheme is for this purpose only and it has good intentions but on what basis Government have estimated only 300 tonne of gold? Is Government not willing to involve common people with this movement? Will this movement be a movement of Government and bureaucracy? It should be made a movement of the people.

When I had suggested this Gold Bond Scheme, I thought that it would turn into a national movement. Our country is in deep economic crisis. We are in the grip of foreign debt. Because of this debt only, we are being forced to accept certain terms and condition. Sometimes it seems that they are against our policy of self-reliance and our self-respect. In such a time if you have decided to involve people in solving this economic crisis, they should have been offered attractive terms and conditions. If people give their gold to the Government, what they will get in return is not attractive enough. Last time I had given some suggestions in this regard, yesterday my friends have also given some suggestions. Now as the Finance Minister has come, I would like to say that this is not the work of Government alone but the involvement of common people is a must. There is a need to get the trust of the people. Therefore I had suggested that Gold Council for national prosperity should be formed. Non officials should also be included in the Council Cooperation of opposition should also be sought. It should consist of the representatives of industrialists, farmers and common people. This council should have fifty members who should appeal to the people. This will create a new trust in people. They will have trust that this gold has been taken for the welfare of the country and this will be returned. In this scheme, we have told people to deposit the gold in banks. Excuse

[Sh. Atal Bihari vajpayee]

me, banks have lost trust and there is a need for improving the functioning of banks. Of course, banks have to be brought in the picture.

You should have appealed to the people directly. I was hoping that for this scheme Finance Minister will make an appeal on the television and not through the budget alone. The Prime Minister could have done this. Why are we not able to sufficiently involve the people and enlist their corporation as the severity of the economic crisis demands? Why are we not making efforts in this regard?

There should be a council of 50 people, who should give a call to the people to give their gold for the sake of prosperity of the country because the gold and its biscuits lying idle in their houses, vaults are not going to serve any purpose. Its cost will not increase but on the contrary it is likely to come down. The prices of gold are falling now-a-days. People should be encouraged to deposit more and more gold and for that purpose some incentives should be offered to them. Gold can be given in exchange of Gold. This is one option. You can ask the people. But I am in favour of fixing a maturity period of ten years. Bonds should be allotted for a period of ten years and people should be told that they would get the interest on the value of gold after ten years. If they want their gold back, they have this option, but if they do not want, Government should offer them an attractive alternative. I have proposed three options in this respect.

[English]

Conversion of that gold into land

[Translation]

The prices of land are reaching sky high, land is becoming very costly. The prices would further escalate. People would prefer to buy land after five years or ten years. Government can promise to allot a site to

them in stead of returning gold. Government possesses a huge area of land in cantonment area. How much land is required for Defence purposes. Government may retain the area required for defence purposes and give the remaining surplus land to the people on attractive terms. Has the Government pondered over the proposal?

[English]

Conversion into shares of profitable public sector companies

[Translation]

I have already given the details. Some of the public sector companies are doing every well. It is wrong to think that whole public sector is sick, so it should be done away with. Our party does not agree with this concept. Of course some alternative arrangements should be made for those industries which are running in loss. But some of our public sector companies are doing so well that they compete with the best of the multi-national companies. They are earning high profits. People can buy their shares. People who deposit gold should have the option to buy the shares of such companies. I have proposed three options. For the convenience of the Finance Minister I read them out in English:

Option No. 1 Encashement of the gold bonds into Indian rupees at 12 per cent interest per annum. The value of gold to be determined at its international price and the conversion into rupee being made at the official rate of exchange.

Option No. 2 Exchange of gold the bonds into portion of urban land from the Central Government pool whose value to be equivalent to the amount payable.

Option No. 3. Exchange of gold bonds into equity shares in large and successful private sector Indian companies to be sold to the investors by the financial institutions, the value of such shares being equivalent to the amount payable under option No. 1.

[Translation]

Government has made big investment in private companies also. The shares of these companies can also be allotted in lieu of gold. If any such scheme is envisaged I think it is not impossible to collect two thousand tonnes of Gold. People would have to be motivated. It would have to be made a public movement. All of us may have political differences but we all want to make India debt free. To do so people would have to be told that they should give their Gold some options are offered to them. Three months period has been prescribed. Why? After the expiry of that period, the time limit proposed is very short. Even the terms are not attractive. For the first time when this scheme had been envisaged, it had been done with the same motive. But at that time the atmosphere in the country was good. Excuse me, but it is true that it is not good at present. Politics of confrontation is going on in the country but there are some issues which should be solved by rising above party politics and encouraging the people for depositing more and more gold.

If the Government does not constitute a council with a composition that is able to generate faith among the people, then people have other option also to put it in bank lockers. A legislation would be enacted, but some of the people would opt for keeping their Gold in banks and the objective would not be achieved.

Our Finance Minister has brought this proposal after a deep study of the matter. Now he should neither lose courage nor hesitate in taking action and should work to make it a national movement. I would like to give this assurance that we are ready to support the Government. Thank you.

[English]

SHRI H.D. DEVEGOWDA (Hassan): Sir, with your kind permission I would like to make a few comments on the so called Ordinance which is going to be enacted today in this very House.

I was fortunate to hear the views of hon. senior-most leader Shri Atal Bihari Vajpayee about this gold bond scheme.

In the Statement of objects and Reasons, the Government has said that they will introduce a Gold Bond Scheme to mobilise the idle gold resources of ordinary citizens to supplement official reserves and that the proposed Gold Bonds will not attract income-tax.

All immunities have been given. But is this Scheme going to attract the ordinary citizens of this country or attract the tax evaders who, all along cheated the Government during these 45 years? And we are going to give all the immunities to such people? This is a sort of bonanza to those patriots, those country lovers! Now they are going to invest to build up this nation's economy, to solve the economic crisis now being faced by the country by the wrong economic policies!

I am unable to really concur with the view by our senior most leader, Shri Atal Bihari Vajpayee. I have got the highest regard for him. I know him through and through. I beg to differ with his views. The whole scheme is only to help the black money holders to convert it into white money. It is nothing beyond that. Let me be very plain. We have been in the past introduced several such schemes to attract this black money, giving certain concessions to use that black money for development activities.

The hon. Finance Minister is known for his integrity. He is an expert in so far as the field of economy is concerned. I do not want either to question his integrity or to question his efficiency or his knowledge particularly in the field of economics. Let me be very plain on this issue.

I would like to ask you; How much money did it generate previously when we had announced the Voluntary Disclosure Schemes of 1965 and 1975 or the Special Bearer Bonds in 1981, the Amnesty Scheme in 1985-87, the National Housing Bank

[Sh. H.D. Devegowda]

Scheme in 1991-92 and earlier to that the Tyagi Disclosure Scheme of 1951? Let me be fair. I do not think much has been generated from that what the Government has expected from these bonds that had been announced in those days. Even today, let me be very plain about it before the scheme is going to be launched, you have taken the decision to bring an Ordinance, that is, on 30th of January, 1993, thinking that it is going to generate something before the House sits. Whatever may be the reasons, I do not want to go to the real genuineness of the Government. Why have they brought it so suddenly when the House was expected to meet on the 24th of last month?

Here, on the NRI's contribution, what has been done is certain benefits were given by the Government in the previous Budget. Our senior leader was telling that Rs.2,500 crores of foreign exchange was generated because of the benefit that had been given last year. Today the foreign exchange reserve is, according to your own figures, 5.26 billion dollars. In my opinion, this is not a real foreign exchange earning that was made due to our export improvement. This is only by borrowing the money from the financing institutions. We have transferred that money to that account and 5.26 billion dollars foreign exchange is there today. I would like to ask a straight question to the hon. Minister. You have given a guarantee in this Ordinance or in this Bill that after five years you are going to return the gold with Rs. 40 interest or whatever the other benefits you are intending to give. In case, at that time, the foreign exchange position is not so favourable to us, will you be able to give back the gold? I would like to ask this question to you. To tide over the situation of the economic crisis, this was thought over in 1990-91 and you had announced in 1992 Budget to implement this Gold Bonds Scheme. Suppose, after five years, whatever gold that you are going to collect or you are going to get through this scheme, in case, during the next five years if your foreign exchange position, what you have anticipated, is not going to

improve, then in what way is it going to help whether it is 300 tonnes or 400 tonnes of 10000 tonnes? I do not want to anticipate according to my whims and fancies. Let us come to the conclusion. If you are not going to earn foreign exchange to the expected limit, how are you going to repay back or to release this gold back to the gold bond owners? Kindly clarify this position. If your objective is to tide over the situation and improve your foreign exchange position, whenever it is necessary by pledging this gold into foreign banks then you must see that the crisis that we are facing now today is going to be overcome by our development activities. In my opinion, it is not going to give or is not going to yield that much of results as what you are anticipating. Today, it is not relevant. In 1991, the situation is totally different. In 1992, it was totally different. And today, whatever may be the others comments on your going before the World Bank and accepting all conditionalities and borrowing money, your foreign exchange position has improved, for the time being.

This Gold Bonds Scheme is not at all going to be a major contributing factor. The contributing factor was when you had gone before the World Bank or the IMF and borrowed the money to tide over the situation. As I have already said it is not so relevant in today's position.

Sir, let all of us apply our minds. Can we not overcome certain defects in our taxation laws to tide over this black money racket in this country? The white money is being defeated by the black money which has been generated by the failure of the executive authorities or who are implementing the taxation laws, that has been passed by this very same House.

Sir, I would like to ask one more question and I put it to the hon. Finance Minister. Can you not think over to bring in a comprehensive legislation to plug all these loopholes, where the tax evaders have got their own way? Today, the Tax Department is only there meant for harassing. Those people who have no political influence or those

people who have no bureaucratic influence, they are not going to get any benefit from this. I am very clear in my mind. All those people who have got the patronage of politicians - I am not going to generalise it, some of the politicians who have got connections with these big houses or the big industrialists or the big businessmen - their interests - the tax evaders interests - are being safeguarded and the bureaucrats also are cooperating. Let me be plain on this. The small people are not at all going to get any benefit by this.

Sir, we are all sitting here for the last two years and how are we going to contribute to the valuable time of the House, for improvement of the nation's economy or for solving the problems that we are facing today? We are spending most of our time for various other reasons.

Mr. Deputy Speaker Sir, your goodness also come from the rural area. Our senior most leader, Shri Vajpayee, said that his estimation is that about 10,000 tonnes of gold is there in this country. In whose hands it is? How much gold have you got? You might have got about ten acres of land. I am sorry, you are the Deputy Speaker and I have got the highest regard for you, but can I ask you, as farmer how much gold have you got in your house? I do not know. Any of the Members of Parliament who come from the rural areas, how much gold have they got in their houses? Then, where is this 10,000 tonnes of gold being held? In whose custody is it there? It is with the tax evaders, and it is the black money. The people who have generated black money, the mafia gang, they have got the support of some of the vested interests in this country. It is a manace because they are destroying the economy of this country. Sir, are we so helpless? Are we so incompetent to put an end to this type of racketeering? The underground mafia gang is destroying the nation's economy today and we have all become only silent spectators. We have all become helpless and we are showing our helplessness. I am very sorry about the whole idea which gives this scope through this Gold Bonds Scheme. It helps to convert the black money into white

money. It is nothing more than that. It is not all going to improve the situation and if you expect that something more is going to come for the development of the country, then I feel sorry for the same.

One of the expressions used was "patriots". The tax evaders, the underground mafia gang which is destroying the nation's economy, if we call them as the real patriots, then the dictionary meaning must be rewritten. I am very sorry to use this harsh language. I am saying this with much agony and anger and I am really sorry at the way in which the things went on for the last 45 years, whoever was in office.

15.00 hrs

At the end, I would request the hon. Finance Minister who has got his own vast knowledge about the financial matters as far as economy is concerned, to try to look to the areas where loopholes are there in various laws. In his Budget speech, he has said that, any person could hold a house without the wealth tax. Earlier there was a ceiling limit of Rs. 15 lakhs. Today, he has said that there was no ceiling limit; even if a person constructs a house worth Rs. five crores, he can have the exemption. It is for whose benefit? I would like to ask this question. If a person constructs a single house worth Rs. two crores, he can have all the exemptions. This is the way in which we are going to safeguard only the interests of the affluent sections of the society and not the real poor people or the middle class people or the low income category of people. They have come here only for safeguarding their own interest.

So, I would request him to kindly look into the matter. Last time in the Budget speech, he has categorically assured this House that he would try to review the entire taxation structure. What Chellaiah Committee Report has said? Not even an iota of interest has been evinced by the Finance Department when they have announced this Gold Bond Scheme. I am sorry to say this. I will not take much time of the House because I will speak on the general discussion

[Sh. H.D. Devegowda]

on the Budget. But in this connection, I would only request him not to give this type of concession to the anti-social elements or those who have accumulated wealth, gold or whatever it may be and such people should not be given the benefit of converting their black money into white money. When he brings a comprehensive legislation, let him kindly apply his mind.

With these words, I thank the hon. Deputy Speaker for having given me the opportunity and conclude.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): Mr. Deputy Speaker, Sir, I am thankful to the hon. Members who have participated in the discussion. Most of the hon. Members have questioned the delay in the introduction of the Scheme and the need for an ordinance.

Sir, it may be recalled that the Finance Minister in his Budget speech for the year 1992-93, has indicated that the Government would introduce a Gold Bonds Scheme to mobilise dead gold reserve to supplement the official gold reserve; and certain proposals for mobilising the gold were under the consideration of the Reserve Bank of India. It was finally decided to issue the Gold Bonds as Government Bonds. By the time the legislation and the proposed Scheme could be finalised, last Winter Session of the Parliament was already over. So, this was the genuine reason for the delay. Hence, the President promulgated the ordinance on the 31st day of January 1993; and today we are seeking to replace the ordinance.

A senior Member of this House, Shri Atal Bihari Vajpayee, welcomed this Scheme and he has suggested several measures. But, in principle, he has agreed with the Scheme, with what we have brought in the Government. But as he has suggested, we have to adopt this method as a national movement. As you see from the Bill, we have a limited scope. Suggestions are welcome.

This is for a limited period as already the subscription has started. It is only for three months and we can extend that also.

In addition to this he said that the scheme is not that attractive. He has suggested that in lieu of interest which the Government proposes to pay, land should be given or a site should be given to the subscriber.

SHRI H.D. DEVEGOWDA: Urban land and not rural land.

SHRI M.V. CHANDRASHEKARA MURTHY: That is why I said 'site'.

Even in the case of public sector undertakings, he has suggested a way. We have agreed in principle for disinvestment. Whenever the public sector undertakings are doing very well, they should also try to subscribe to these gold bonds. These bonds should be convertible shares in the public sector undertakings and very good private companies. As you have already stated, we have come with a limited scope and a limited purpose. If at all this scheme works out well, we will definitely come out with a more comprehensive scheme and suggestions in the interest of the country.

One vital point he has also mentioned is that the five-year term is very less and it should, at least, be ten years. We remember that earlier the Government of India had floated gold bonds on three occasions. Gold bonds were floated in the year 1962 at an interest rate of 6 1/2 per cent. It was valid for 15 years. Subsequently, gold bonds were floated in 1965 at 7 per cent. It was for 15 years. We paid back both of these not in gold but we paid back in cash. But the response was not good. In the case of 1962 Gold bonds, we could collect only 8.62 tonnes. Against gold bonds of 1965, we could collect 3.2 tonnes. Subsequently, the Government floated the National Defence Gold Bonds, 1965. Even that was for 15 years. We could collect only 13 tonnes. In this case, whatever gold was subscribed, we returned the gold with interest. Because the duration increased,

sometimes the subscriber is not interested in investing also. The amount of interest that we gave in the earlier cases, I can say, was also not that attractive. But in the present case, we are giving Rs. 40 on each gramme and the value of the gold would also appreciate.

Another senior Member of this House, Mr. Devegowda, has suggested that it is only helping the black-money hoarders. The Government is very firm in tackling the black-money.

At all costs and with all might and firmness, we have tackled the situation and we are continuing to do it. We have strict laws and we are strictly following whatever is permissible under laws. You can also see that the generation of black money is mainly due to smuggling of gold and silver. Secondly, it is due to tax evasion and you may remember and the House is well aware of it that recently, we have permitted legal import of gold which has picked up very well. So far, we have collected 127.82 tonnes with a duty collection, in foreign exchange, of nearly Rs. 288 crores. It is really a good response. Even in the case of silver, it is very encouraging and more than that, I would like to give the figures about smuggling. Smuggling has come down by more than 50 per cent. In 1990 - 91, gold smuggled was 5.8 tonnes, 1991-92 it was 4.6 tonnes and in 1992-93, upto January, it was only 1.8 tonnes. You can see that smuggling has considerably come down and even the domestic price of gold has also come down. I can assure that this is one of the economic measures to check black money and to prevent smuggling. We are sincerely attempting to do it. We have made a beginning and we will continue to do it. Mr. Devegowda has pointed out that earlier schemes have not worked well and that the Government could achieve nothing under the voluntary disclosure scheme. This is no ture. Under the voluntary disclosure scheme, in 1975, we could earn about Rs. 746 crores and in 1981, under the bearer bonds scheme, we could earn Rs. 964 crores. This is not a small amount. We have used this amount

for the development of the country.

SHRI H.D. DEVEGOWDA: If the hon. Minister could yield, I would like to say something. I do not want to take his valuable time. Your own agency, that is, Wanchao Committee has given Rs. 1 lakh crores as estimate of black money and the estimate of various other committees is that black money ranges from Rs. 75,000 crores to Rs. 1 lakh crores. This is the estimation given by your own Government agencies. And the collection is Rs. 500 to Rs. 600 crores.

SHRI M.V. CHANDRASHEKARA MURTHY: Sir, in the present situation, I do not want to comment on the reports of committees. I would only like to stick to this Bill.

As I have stated, several Members have participated in the discussion. I would just like to refer to one or two important points made by them. The Mover of the Statutory Resolution, Mr. Bhargava has asked as to why ornaments are not accepted. This is impracticable and this will lead to several complications between the investors and the Reserve Bank, has the purity of the gold has to be assessed by the Reserve Bank and the RBI should be convinced about this. It is not practicable. He has even suggested that the time limit has to be extended. As I have explained, urban site is to be an incentive. A senior Member of this House, Shri Sharad Dighe has suggested that the minimum limit of subscription should be lower. Let us say that the minimum limit of 5000 grams is fixed at 100 grams. The Reserve Bank estimate was that there would be 75,000 tenderers.

If it is fixed at 100 grams, the assaying process itself will take more than three years and therefore it is not practicable. This can perhaps be reviewed after the scheme progresses.

I have already stated that black-marketing and smuggling have come down considerably. Shrimati Malini Bharttacharya has argued about the delay in coming

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forward with this proposal. I have already explained why the ordinance as been promulgated and why it is done at this stage....

SHRIMATI MALINI BHATTACHARAYA (Jadavpur): My question was about haste and not about delay.

SHRI M.V. CHANDRASHEKARA MURTHY: I stand corrected.

SHRIMATI MALINI BHATTACHARAYA: I have also questioned the necessity of such a measure, which you have not explained. Apart from helping the owners of blackmoney, what else are you hoping to gain by this Bill?

SHRI M.V. CHANDRASHEKARA MURTHY: The main objective of this Bill is to supplement the available gold reserves in the country. Shri Sharad Dighe and Shrimati Malini Bhattacharya have argued that at present we have got 350 tonnes of gold reserve and it is sufficient to bear the burden of the Reserve Bank of India for further transactions.

SHRI MALINI BHATTACHARAYA: These are not my words. This has been taken from the Budget Speech of Shri Manmohan Singh. He himself stated that we have comfortable reserves.

SHRI M.V. CHANDRASHEKARA MURTHY: We do not have sufficient gold reserves at present. The main objectives of the Bill to supplement the reserves. This scheme has some advantages. As per the imagination of Shri Atal Bihari Vajpayee, there is a huge amount of 1,000 tonnes of gold available in the country. I do not go to that extent. Even if we can secure 200 tonnes, with the interest payable, in five years it would be Rs. 800 crores. Therefore, it can benefit the exchequer to the tune of nearly Rs. 5,500 crore. This is not a small amount. Even if the estimate is much lower, say 100 tonnes, we can still get Rs. 2,750 crore.

More than these advantages, we can use these additional gold reserves for raising at a cheaper rate and repay obligations carrying higher interest rates. With these words, I appeal to the Member who have moved the Statutory Resolution, to withdraw it and support the Bill in the interest of national development.

MR. DEPUTY SPEAKER: Shri Bhargava, time at your disposal is very short. So, please be brief.

[Translation]

SHRI GIRDHARI LAL BHARGAVA (Jaipur): Mr. Deputy Speaker, Sir, I regret to say that I would not have mind it if the hon. Minister had disapproved of what I submitted but I am very much aggrieved that the hon. Minister did not approve the submission of a person like Shri Vajpayee, at whose inspiration this bill as been introduced and the country could be saved from the crisis.

Shri Vajpayee is a leader of national stature. It is true that the gold which the Government propose to collect is always in the custody of ladies and they keep it in lockers or at other safe places.

SHRIMATI BHAVNA CHIKHLIA (Jugargh): It is a sarcastic remark.

SHRI GIRDHARI LAL BHARGAVA: When a girl is to be married, the mother is the most worried person. I am saying this because it is a difficult task to convince them. I did my best to convince my wife but all in vain. We tried to convince with the logic presented by the hon. Minister but all efforts proved unfruitful. Now, I can tell the hon. Finance Minister that they would fail to convince ladies to deposit their Gold. I can claim that they would not agree. So, would like to State that it impossible to convince ladies to part with their ornaments and deposit them. I welcome the Bill but at the same time would like to State that Shri Manmohan Singh, while presenting the Central Budget on Feb.. 29, 1992 had an-

nounced a scheme of exemption on bringing five kg. of Gold from abroad. At that time the Government was not able to pay the loans nor the interest. There is no difference of opinion on the fact that government has introduced the Bill very late. You would yourself admit that on previous occasions also such steps were taken which did not yield good results. Here I would like to say that if this scheme is to be made successful the people will have to be motivated. Our Ex-Prime-Minister Shri Lal Bahadur Shastri did the same during Indo-Pak war. Kindly let me conclude.

MR. SPEAKER: Yes you have to conclude by 3.30 P.M.

[English]

You have already said all these things.

[Translation]

SHRI GIRDHARI LAL BHARGAVA: I would like to submit that if the sentiments of the people are awoken and it is made a public movement then people would deposit their gold. Exactly this had been done by the Ex-Prime Minister and ladies had given their ornaments without expecting any benefit. That is why country could face Pakistan and China in war.

My submission is that such a feeling has not been created and time is not opportune for the purpose. Moreover, people do not have faith whether their gold will be returned or not. Even this feeling could not be created so far. Hence, Shri Vajpayee ji's suggestion about constitution of gold Bond council and deletion of four points from the Bill should be accepted to the hon. Minister has not accepted it. Through you I would like to request the hon. Minister that he should also accept the suggestion regarding deletion of those four points and come out with an attractive gold Bond scheme in the House. Alongwith this it is essential to extend the time.

Through you I would like to submit that at present more than 30 thousand crore kilogram gold is in the private hands in India, which is the largest quantity in the world. Besides this non-resident Indians in Britain have also a handsome quantity of gold with them. I would like to say that when there 30 thousand crore kilogram of gold is in the individual hands in India, its better utilization is possible only when the government accept, the suggestion regarding deletion of those four point, which the Hon. Minister have mentioned in his reply. I would like to oppose this Ordinance because this government wants to rule the country through ordinacnes and I think that this Bill has not included all these things but I am not opposing the spirit behind this Bill. We all have welcomed this Bill and the proposals put forth by our leader Shri Vajpayee ji before you are every important. Therefore, I do oppose the Bill but would like that after including all the suggestion given in this regard the government should come out with a more comprehensive Bill at a later date. That comprehensive Bill may be introduced at any time in this session itself. With this request I conclude and thank you for giving me time to express my views.

[English]

MR. DEPUTY -SPEAKER: Now, I put the resolution of Shri Girdhari Lal Bargava to the vote of the House.

The question is:

"That this House disapproves of the Gold Bonds (Immunities and Exemptions) Ordinance, 1993 (Ordinance No. 22 of 1993) promulgated by the President on the 31st January, 1993.

The motion was negatived.

MR. DEPUTY-SPEAKER: Now, the consideration motion.

There are three amendments to the consideration motion moved by Shri Girdhari Lal Bargava, Prof. Raza Singh Rawat and Shri Dau Dayal Joshi.

MR. DEPUTY-SPEAKER: I shall now put amendments No. 2, 5 and 9 to the consideration motion moved by Sh. Girdhari Lal Bhargava Prof. Rasa Singh Rawat and Shri Dau Dayal Joshi to the vote of the House.

Amendments Nos. 1, 5 and 9 were put and negatived.

MR. DEPUTY-SPEAKER; Now, i shall put the consideration motion to the vote of the use..

The question is:

"That the Bill to provide for certain immunities to the subscribers of the Gold Bonds and for certain exemptions from direct taxes in relation to such Bonds and for matters connected therewith or incidents thereto, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: The House will now take up Clause-by-Clause consideration of the Bill.

MR. DEPUTY- SPEAKER: Amend-ments by Shri Syed Shahbuddin not present

The question is:

"That Clauses 2 to 6 Stand part of the bill."

The motion was adopted.

Clauses 2 to 6 were added to the Bill

MR. DEPUTY SPEKAER: The question is;

"That Clauses 1, the Enacting Formula, the Preamble and the Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting Formula, the Preamble and the Title were added to the Bill.

SHRI M.V. CHANDRASHEKARA MURTHY: I beg to move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

(Interruptions)

SHRI RAM KAPSE (Thane) : When I raised a point about the Century Rayon gas leakage, there was a direction from the Speaker that the Minister concerned should make a statement about it. Now the Minister is here. I request him to make a statement. This point was raised day before yesterday.

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY (DEPARTMENT OF ELECTRONICS AND DEPARTMENT OF OCEAN DEVELOPMENT) AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI RANGARAJAN KUMARAMANGALAM): If the House has no objection, the hon. Minister is willing to make a statement.

MR. DEPUTY SPEAKER: The Private Members' Business has to be taken up at 3.30 P.M. When you wanted to postpone it, the hon. Members took a very serious objection. Now it shall have to be taken up at 3.30 P.M. Now, the hon. Minister is ready with a statement.

SHRI SOMNATH CHATTERJEE (Bolpur): What about the division on this Bill, Sir? *(Interruptions)*

MR. DEPUTY SPEAKER: Over.

(Interruptions)

SHRISOMNATHCHATTERJEE: When I asked for a division, how can it be passed (Interruptions)

MR. DEPUTY SPEAKER: The whole thing was over.

SHRI SOMNATH CHATTERJEE: No, no. We have asked for a division. We are waiting for that. (Interruptions)

MR. DEPUTY SPEAKER: If the House agrees, the hon. Minister can make statement.

SHRI SOMNATH CHATTERJEE: Has the Bill been passed?

MR. DEPUTY SPEAKER: Yes.

(Interruptions)

SHRI SOMNATHCHATTERJEE: How.

MR. DEPUTY SPEAKER: Nobody demanded any division at the proper time.

SHRI SOMNATH CHATTERJEE: Let the tape be played. We had asked for a division. How can it be over? (Interruptions)
Let the tape be played. (Interruptions)

SHRI A. CHARLES (Trivandrum): This Bill has been passed.

(Interruptions)

SHRI RAMESH CHENNITHALA (Kottayam): What is happening?

(Interruptions)

SHRI SOMNATH CHATTERJEE: If this is their attitude, I do press for a division. Kindly play the tape. I have a right to press for a division. How can that be denied? Without my consent, how can you deny it? If this is the attitude of the ruling party, I press for a division. Kindly play the tape. If you have not heard us, kindly check it up. This is not the way. I am not going to give up

my right. (Interruptions)

SHRI RAM NAIK (Bombay North): I am on a point of order. Whether you have heard them or not, you came decide. But, at 3.30 P.M. you had earlier announced that the Private Members' Business would start. Let us start it. In the meanwhile, if you want, you can check it up and all that.

SHRI SOMNATH CHATTERJEE: I was waiting for the division. As you had called me, I thought that the voting would be on Monday, because the Private Members' Business time was started. I do not mind. Let the Private Members' Business be taken up. But the voting must be on the Bill on Monday. Let it be on Monday; I do not mind it.

MR. DEPUTY SPEAKER: Let us check it up if any lacuna had crept in.

SHRI SOMNATH CHATTERJEE: Kindly check it up. I leave to you to decide. But kindly see that our rights are not taken away.

MR. DEPUTY SPEAKER: O.K. The Hon. Minister wants to make a statement. Is it the desire of the House that he should make a statement just now or after the Private Members' Business is over?

SHRI RAM NAIK: You first take up the Private Member's Business.

MR. DEPUTY SPEAKER: So, we shall take up the Private Members' Business. The hon. Minister will make a statement afterwards.

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FOREST (SHRI KAMAL NATH): I am ready to make it just now if House agree.

MR. DEPUTY SPEAKER: The hon. Minister is ready to make a statement. But, at the same time, the hon. Members want that the Private Members' Business should be started.

SHRI RAM KAPSE: I raised a point regarding gas leakage at 3.25 P.M. At that time, I was told to wait. Now, I request the Minister to make a statement.

SHRI RAMESH CHENNITHALA: You only mentioned that. Do not confuse.

(Interruptions)

[Translation]

SHRI NITISH KUMAR (Barh): It has been decided in the Business Advisory Committee that time to take up Private Member's Bill is 16.30 hrs. You have upheld the point of order and agreed to take up Private member's Bill at 15.30 hrs. Now after that if you take up any other business, you will violate your own ruling.. *(Interruptions)*

[English]

MR. DEPUTY SPEAKER : O.K. We shall take up Private Members' Business.

(Interruptions)

SHRI ANIL BASU (Arambagh): Sir, four Members of this House visited the demolition spot within the Municipal area of New Delhi. Hundreds of houses are demolished in the name of the Prime Minister.

MR. DEPUTY SPEAKER: Mr. Basu this is a Private Members' Business. You are fully aware that you wanted to take up Private Members' Business at 1630 hrs. but the whole House agiated on that. Now how can you take up any other subject?

(Interruptions)

MR. DEPUTY SPEAKER: No other subject can be taken up now.

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY (DEPARTMENT OF ELECTRONIC AND DEPARTMENT OF OCEAN DEVEL-

OPMENT) AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI RANGARAJAN KUMAR-MANGALAM): By the end of the day, I will ask the concerned Minister to come and keep the House informed.

SHRI SOMNATH CHATTERJEE: And stop those demolitions.

SHRI ANIL BASU: In the name of Prime Minister they are doing that *(Inerruptions)*

SHRI RANGARAJAN KUMARAMANGALAM: How do you expect the Government to respond? We will send somebody and get the report. *(Interruptions)*

SHRI ANIL BASU: This is an extraordinary situation. *(Interruptions)*

MR. DEPUTY SPEAKER: You yourself took a very strong objection when we wanted to postpone the Private Members' Business. You cannot have double standards. You should have one stand. How can you take away the right of the Private Members? You do one thing, you call on the Minister.

(Interruptions)

MR. DEPUTY SPEAKER: No, no it is not fair.

[Translation]

SHRI MOHHAN SINGH (Dleoria): We are just coming from there. People are being beaten on the roads. The bulldozer is still operating there.... *(Interruptions)* Partialilty is being done in this regard. A plot of an M.P. of Congress is also there. An M.P. belonging to the Congress has unauthorised occupied land there but structure on that is not being demelished. Only the poor are being uprooted.... *(Interruptions)*

SHRI ANIL BASU: They are defaming the hon. Prime Minister... *(Inèrruptions)* Who is responsible for it?... *(Interruptions)*