

[डॉ० अबरार अहमद खान]

रहे हैं, उनके जेवर विक रहे हैं, लोग एक जगह से दूसरी जगह भाग रहे हैं, कम से कम उनके लिये केन्द्रीय सहायता देकर पीने के पानी की व्यवस्था तो आप करायें, जिसमें जून महीने में वे अपना जीवन तो बचा सकें। अगर इस ओर सरकार ने ध्यान नहीं दिया तो शायद इस जून के महीने में कई लोग पानी के अभाव में मर जायेंगे, हजारों मवेशी मर जायेंगे और खास तौर से जैसा मैंने पहले भी एक बार कहा था कि मैं सर्वाई माधोपुर से ताल्लुक रखता हूँ, वहाँ एक टाइगर-प्रोजेक्ट है, करोड़ों रुपया उस पर हमारी सरकार ने खर्च कर रखा है लेकिन, वहाँ भी पीने के पानी की कमी है, मैं तो अपनी आँखों से देखकर आया हूँ, अगर वहाँ भी पानी की व्यवस्था न की गई तो वह बेजुबां जानवर ऐसे हो जायेंगे, जैसे कुछ कह नहीं सकेंगे और उन्हें जाकर कोई देख नहीं सकेगा यानी वह जंगल श्मशान घाट बन जायेगा। इसलिये कम से कम आदमियों के लिये, जानवरों के लिये, मवेशियों के लिये पानी की व्यवस्था तो सरकार को करानी चाहिये। मेरा आप के माध्यम से इतना ही आग्रह है। धन्यवाद।

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : Honourable Members, it is already 2.15. The Deputy Chairman has suggested that there may be a lunch interval till 2.30. But to be fair to lunch at least half an hour should be given. So the House stands adjourned for lunch to meet again at 2.45.

The House then adjourned at fifteen minutes past two of the clock.

The House reassembled after lunch at forty-eight minutes past two of the clock,

The Vice-Chairman (Shri M.A. Baby) in the Chair.

GOLD (CONTROL) REPEAL BILL, 1990—Contd.

श्रीमती प्रतिभा सिंह (बिहार) : माननीय उपसभाध्यक्ष महोदय, स्वर्ण नियंत्रण निरसन वापसी यानी रिपील विधेयक बहुत पहले आना चाहिए था लेकिन खैर, देर आए, दुस्त आए। यह एक विशेष समय की मांग थी। उस समय यह कानून बना था, युद्ध की समस्या थी और अनेक समस्याएँ थीं और उस समय इस विधेयक को, इस कानून को लाना आवश्यक था, लेकिन आज परिस्थिति बदल चुकी है।

उपसभाध्यक्ष महोदय, मेरा कहना यह है कि बहुत सी बातें माननीय सदस्य इस विषय में कह चुके हैं, मैं उन बातों को दोहराना नहीं चाहती हूँ, लेकिन आपके माध्यम से मैं मंत्री महोदय से दो-चार बातें जरूर कहना चाहती हूँ।

आज इस देश में लाइसेंस वाले स्वर्णकारों की संख्या, पिछले दो साल की लेटेस्ट फिगर्स ही मैं आपको बतलाऊंगी कि 1988 में 15,713 थी और 1989 में 16,704 थी। इसी प्रकार जो सार्टिफिकेट प्राप्त स्वर्णकार हैं उनकी संख्या 1988 में 3,62,307 के करीब थी और 1989 में 3,75,789 के करीब थी। लेकिन इसके अलावा भी छोटे-छोटे कस्बों में और छोटी-छोटी जगहों में बहुत से स्वर्णकार हैं जिनके पास न कोई लाइसेंस है, न सार्टिफिकेट है लेकिन फिर भी वह काम करते हैं। उपासभाध्यक्ष महोदय, मेरा यह मानना है कि इतनी बड़ी संख्या में स्वर्णकार, स्वर्ण आभूषण के कारीगरों की जो यह संख्या है वह क्या इशारा करती है? क्या इंगित करती है? स्वर्ण आभूषण की इस देश में बहुत बड़ी मांग है और सिर्फ इस देश में मांग नहीं बल्कि इसको काफी बड़ी मांग विदेशों में भी है। इसीलिए मेरा यह कहना है कि जब विदेशों में भी इसकी मांग है तो इसके निर्यात के द्वारा हम बहुत बड़ी संख्या में विदेशी मुद्रा अर्जित कर सकते हैं और इसलिए यह सही है कि पिछली सरकार ने भी बहुत से इंसेंटिव्स दिये थे, खासकर के गोल्ड आनमिंट्स के एक्सपोर्ट के लिए।

यहां तक कि निर्यात बढ़े इसके लिए जितनी भी सुविधा दे सकते हैं दी थी उसमें। एक यह भी सुविधा दी थी कि जिस वजन का स्वर्ण आभूषण एक्सपोर्ट होगा, निर्यात होगा उस वजन का स्वर्ण सरकारी दर पर स्वर्णकारों को मिल जायेगा। इससे उन्हें बहुत बड़ी राहत मिल जाती है। इसके अलावा भी अगर हम एक्सपोर्ट को जब तक और भी कुछ सुविधायें न दें, एक्सपोर्ट बढ़ायें क्योंकि एक अनुभव है जैसे अब पब्लिक सेक्टर में डायमेंड कार्पोरेशन है, उससे गवर्नमेंट को करीब-करीब चार हजार करोड़ की राशि मिल जाती है। इसी तरह अगर इसको भी एनकरेज करें तो हमें काफी बड़ी राशि तीन हजार, साढ़े तीन हजार के करीब जरूर मिल सकती है। अपने देश में सोने की आवश्यकता प्रति वर्ष करीब दो सौ टन है लेकिन हमारे यहां इतना सोना मौजूद नहीं है, क्योंकि हमारे पास सोने की खानें बहुत नहीं हैं, ऐसी हालत में दूसरे जगहों से सोना लाना होता है। और चूंकि हमारे यहां आवश्यकता ज्यादा है और सामान कम है तो नेचुरल जो एक लॉ आफ सप्लाय एण्ड डिमांड का है उसके मुताबिक हमें जरूरत होती है। जाहिर है कि तस्करी होती है, स्मगलिंग होती है।

दूसरी चीज है कि यहां पर कीमतें भी बहुत ऊंचाई पर हैं। मुझे याद है कि 1941 में एक तोला सोना करीब 40-42 रुपये का मिलता था। यह बहुत पहले की बात नहीं है, हम लोगों के समय की ही बात है और आज सोना बत्तीस सौ से चौतीस सौ रुपये में 10 ग्राम मिलता है, एक तोला नहीं, क्योंकि एक तोला दस ग्राम से ज्यादा होता है। तो सीधा प्रश्न यह है कि देश में जो सोने की कमी है उसे पूरा कैसे किया जाये? क्योंकि हम इंपोर्ट कर नहीं सकते, इंपोर्ट करने के लिए हमें विदेशी मुद्रा चाहिए। वह विदेशी मुद्रा हमारे दूसरे प्रायरेटिज जो हैं देश के सामने उनके लिए चाहिए, सोने के लिए हम खर्च नहीं कर सकते तो फिर हम क्या करें? कौन से उपाय हम करें? तो इसलिए प्राइमरी गोल्ड किस तरह से हम देश में लाने दें। एक तो रास्ता है

कि हमारे जो लोख विदेश में बसते हैं और वह यहां जो अपने पैसे लाते हैं तो उन्हें हम छूट दें कि वह सोना भी ला सकें, चाहे हम भले ही उस पर ड्यूटी रख दें। मैं यह नहीं कहती कि ड्यूटी फ्री ला सकें। ड्यूटी रखें लेकिन हम उन्हें लाने की इजाजत दें और इसके लिए सरकार को कुछ सकार्युलस देने होंगे एयर पोर्ट पर, जो बंदरगाह है वहां पर। और भी लोगों को एन.आर.आई. के अलावा भी जो ट्रिस्ट हैं या दूसरे लोग जो विदेश जाते हैं उन्हें भी सोना लाने की इजाजत दें। कहने का मतलब यह है कि अगर हम अधिक सोना कानूनी ढंग से लाने की व्यवस्था कर सकें तो इस पीले धातु की कमी को दूर कर सकते हैं। यह और बात है कि उसके दाम क्या होंगे। उन्हें निर्धारित करें। क्योंकि तस्करी का एक और भी कारण है। वह यह है कि बाहर के दस ग्राम सोने और देश के दस ग्राम सोने की कीमत में करीब 1200 रुपये का फर्क है। यह 1200 रुपये का फर्क सिर्फ दस ग्राम के सोने में है तो जाहिर है कि आसानी से और जल्दी से धन कमाने का यह सीधा रास्ता है। इसका प्रलोभन किसी भी आदमी में होना कोई बड़ी बात नहीं है। अगर हम तस्करी को सचमुच में रोकना चाहते हैं तो अपने देश और इन्टरनेशनल मार्केट में जो दस ग्राम के सोने के दाम में फर्क है इसको कम करना पड़ेगा। अगर यह दूरी कम नहीं कर सकते तो मुश्किल है तस्करी का रोकना।

दूसरे जो हम एन.आर.आई. को कह रहे हैं कि सोना लाए तो उन्हें भी कुछ प्रोफिट मिलना चाहिए। वास्तव में 12 सौ का फर्क बहुत ज्यादा फर्क हो जाता है।

एक और बात की तरफ मैं मंत्री महोदय का ध्यान खींचना चाहती हूँ। इधर लोगों को जब यह मालूम हुआ कि यह कानून रिपील होने जा रहा है तो कुछ लोगों ने बड़ी-बड़ी मशीनें मंगा लीं जिनसे जेवर बहुत जल्दी बन जाते हैं। इसमें कोई शक नहीं कि हाई स्पीड की

[श्रीमती प्रतिभा सिंह]

मशीनें हैं। ज्यादा जेवर कम समय में बन सकेंगे। लेकिन मेहनत ज्यादा नहीं होगी। लेकिन मेरा कहना यह है कि कला और कलाकार का क्या होगा। आप पश्चिमी बंगाल के स्वर्णकारों की कला को देखिए। आपको आश्चर्य होगा कि कितनी सुन्दर कला है। आप उड़ीसा के कलाकारों को देखिए। इसी तरह से हर प्रदेश की अपनी-अपनी कला है। स्वर्णकार अपनी-अपनी तरह के डिजाइन बनाते हैं। (समय की घंटों) मैं सिर्फ दो मिनट और लूंगी। मैं महिलाओं के विषय में कहना चाहती हूँ। मेरा यह कहना है कि विदेशों में भी हाथ की कारीगरी की कीमत ज्यादा है और इसी कारण जेवरों की मांग भी है फिर इंडीविजुअलिटी भी नहीं रहती। स्वर्णकारों की एम्पलाय-मेंट का भी सवाल उठता है। अतः मेरा आग्रह है कि कला और कलाकार की हत्या न हो। इसका ध्यान रखें। रंगाराजन और दत्ताकमेटी ने सिफारिश भी की है कि मशीनें आयात न करें, इम्पोर्ट न करें।

महिलाओं की स्वर्णभूषण को और विशेष रुचि है ऐसा माननीय साल्वे जी और दूसरे कुछ माननीय सदस्यों ने कहा। स्वर्णभूषण की चाह क्यों है महिलाओं में मैं यह बात आपके सामने रखना चाहती हूँ। क्या यह सिर्फ शृंगार के लिए है? ऐसी बात नहीं है। जब स्त्री किसी दुःख और परेशानी में होती है तो इन आभूषणों को बेच कर वह अपना काम चलाती है। जब उसका पति परित्याग कर देता है, विधवा हो जाती है या किसी कठिनाई में फंस जाती है या बच्चा बीमार हो जाता है या बच्चे की पढ़ाई नहीं हो पाती तो जो भी उसके पास आभूषण हैं वह उन्हें बेच कर दवादारू लाती है। इसलिए यह प्रथा बहुत दिनों से चली आ रही है कि विवाह के समय लड़की को आभूषण दे दिये जायें—चाहे वह किसी भी जाती की हो, किसी प्रदेश की हो, किसी धर्म की हो। यह जेवर कानून से भी स्त्री धन है। इसलिए मेरा कहना है कि यह न सोचें कि महिलाओं को सिर्फ इसकी लालसा है बल्कि उनको इसकी जरूरत है। तकलीफ में यह उनका साथी

है। इसलिए मंत्री महोदय से आग्रह करना चाहती हूँ कि महिलाओं के लिए स्वर्ण-आभूषण में कुछ कर की सुविधा, टैक्स रिलीफ दे सकें तो बड़ी कृपा होगी। क्योंकि जैसा मैंने कहा, ये जेवर सिर्फ शृंगार की वस्तु नहीं हैं, उनके दुःख के समय में उनकी तकलीफ हटाने में साक्षीदार होते हैं।

3.00 P.M.

आखिर में मैं कहना चाहती हूँ कि स्वर्ण आभूषणों की प्योरिटी, शुद्धता, को मेंटेन करने की ओर ध्यान दिया जाना चाहिए। जितने कैरेट का सोने का जेवर हो, चाहे वह 22 का हो, 18 का हो या 14 का हो, उस पर मार्किंग होनी चाहिए। कुछ बड़े स्वर्णकार तो मार्किंग करते हैं, लेकिन छोटे लोग नहीं करते हैं। लेकिन लोग जो करते हैं वे भी लिखते तो 22 कैरेट हैं, किन्तु उसे बेचने जाइये तो दूसरे स्वर्णकार कहते हैं कि यह सिर्फ 18 कैरेट का है और उसका जो दाम मिलना चाहिए, बेचने वाले की जो जरूरत होती है उसको इसमें दिक्कत होती है। इसलिए मैं आपके माध्यम से मंत्री महोदय से कहना चाहती हूँ कि इसके विषय में भी विचार करके कोई न कोई रास्ता निकालें। इस कानून की वापसी के साथ ऐसे और भी सजेन्स आये तो अपने फोलो अप एक्शन में उनको आप अवश्य देखें। बाकी इसका असली फायदा जो हमारे दूर दूर में बसे हुए कारीगर हैं उन्हें पहुंच सके, इसकी ओर ध्यान दिया जाना चाहिए बड़े लोग तो कोई भी कानून आता है तो कोई कानून हो या न हो, फायदा उठा लेते हैं। लेकिन जो छोटे कारीगर हैं उन्हें फायदा उठाने में बड़ी परेशानी होती है। मंत्री महोदय खुद समाजवादी विचार के हैं, इसलिए उनके सामने मैं यह सारी बातें रखना चाहती हूँ। इन समस्याओं पर विचार करें। जब आप फोलो अप एक्शन बनायें तो उसमें अवश्य देखें कि हमारे जो छोटे-छोटे कारीगर हैं उनको किस तरह से इसका अधिक से अधिक इस रिपील का, फायदा मिल सकता है। इसी सजेशन, सुझाव के साथ मैं मंत्री

महोदय को इस कानून की वापसी के लिए धन्यवाद देती हूँ।

I congratulate the hon. Minister on his boldness in taking this step, to repeal this Bill. Thank you.

SHRI ASHIS SEN (West Bengal) : Mr. Vice-Chairman, Sir, we are all very much charged of this glittering costly, yellow metal. It is creating a problem. It created problems at the time of control. Now, again, after abolition of the control. The question remains, under whose control the metal will be ? The question is whether it will in the hands of the big merchants, or, it will be available to the common artisans. (*Interruptions*) The Left is not bothered about gold. It wants to know about the consequences. While welcoming the proposal... (*Interruptions*) You are producing gold, but you are also facing smuggling of gold. When I say 'you', I mean 'the country as a whole'.

While welcoming the proposal of the National Front Government—particularly, I congratulate the hon. Finance Minister on this—I feel, at the same time, that the abolition of control by itself will not bring about a solution. Initially, it will be a boost for the exporters. But who are the exporters ? Big merchants and jewellers. Now, unless gold is made available at the international price in our country, the problem of smuggling will continue to be a permanent feature. Well, what did we expect ? Soon after the declaration two-three months earlier that there would be decontrol, the normal expectation was that the price would come down. For a while, it went down by about Rs. 300—400. But again, it has gone back to the old level of nearly Rs. 3,400 per 10 grammes of gold.

The demand for gold in our country, as estimated by some people,

is to the extent of 150—200 tonnes. Another feature in our country is, for marriage purposes, for other ceremonial functions, gold is given. About 70—75 lakh marriages take place in our country every year. Assuming that 100 grammes of gold is given, we can understand how much use is there of this precious metal. But, as against the demand of 150—200 tonnes of gold, we find that the domestic production is less than two tonnes. So, comes in the smuggling. There is a gap between supply and demand with the result, occasionally, more often than not, an artificial scarcity is created in this bullion market as far as yellow metal is concerned. When this control was introduced more than two decades back, what happened then ? Did it bring down the prices ? Did it facilitate normal trade in gold ? It did not. On the contrary, by this control, various formalities, various restrictions came in which brought collapse in the small artisans' job. They were harassed by the officials who were expected to enforce that Gold Control Act. Big jewellers had a big haul. In 1977 whatever was there in the vault of the Reserve Bank, that was unloaded. What was the position then ? Did the prices come down sufficiently to enable the common man to afford this metal ? Almost 75 per cent was concerned by the bullion merchants and the small artisans suffered. A good number of artisans in West Bengal, Orissa, Gujarat, Karnataka, Andhra Pradesh, may be in Tamil Nadu also, the small village artisans who were gold smiths, suffered a lot. Not only that, quite a lot of them even committed suicide because they could not maintain their families. If that is the position, how much is the scrapping of gold control going to help the process ? Artisans will continue to remain bonded with the big jewellery merchants and the bullion merchants, particularly lakhs of rural artisans, those who cater to the needs of the villagers for these occasional

[Shri Ashis Sen]

purposes. They should be able to work in an atmosphere of freedom. For that it is necessary that we have enough supply of this metal in the market. Now, if the shortage is to be made up, if the smuggling has got to be stopped, will the Government take into consideration the proposals that the money that has been spent for guarding the coast for preventing smuggling by which the cost of smuggling also goes up should not be spent any more. If there is to be a free flow of this metal in our country, probably some solution can be available. For that matter, my suggestion would be, why not this gold be taken as a trade by the Government itself? The operations of the gold bullion market can be controlled, supply and demand to a certain extent can be measured by the Government itself through the State Trading Corporation. Sale can be arranged through important branches of the nationalised banks, of the State Bank of India, so that it may not fall in the hands of black-moneyed people. It can be converted into coin so that it can be segregated from the grips of smugglers or black-moneyed people. If such a process is adopted, perhaps the whole objective of abolition of this control can be taken care of.

One more point comes to my mind. The smuggled gold is about 150 to 200 tonnes per year whereas the domestic production is less than 2 tonnes. Now there are 40,000 workers involved in the process of making fine gold. The workers are working in Bharat gold mines, Hatti gold mines. The cost of the domestic production of fine gold is more. So, the workers there are apprehending that because of the high cost of indigenous production as compared to the low cost of imported gold, the mines may be closed down and thus they will be losing their job. I would request the Minister to take care of this particular aspect. Whatever might be the

interim arrangement, he should ensure that the workers of the Kolar Gold fields, the Bharat gold mines and Hatti gold mines are saved from this worry of losing their jobs. I do not know the exact price but from the papers I find that the ruling international price is to the extent of Rs. 2600/-. Now if the Government itself takes this authority to import and also allows it to be shred by some others—if the people who are coming from abroad inside the country are allowed to bring with them some quantity of gold without much restriction but on payment of a little charge by way of excise duty or custom duty, then the inflow instead of coming through the process of smuggling, will come through normal channels and perhaps it will help in tackling, partially, the problems we are facing today.

Now I must make a mention of one point which I find is important. Decontrol is one thing; or abolition of gold control is one thing. But the largest number of individuals who are affected are the artisans and goldsmiths. Now availability of gold is one means. But if the artisans are not provided with sufficient finances to carry on their trade, how will they survive? So arrangements should be and must be made that just like any other scheme for bank advances to the self-employed people or others like that, the gold artisans should also be provided with some advances from the commercial banks, so that they are in a position to carry on their trade free from any worry in an atmosphere of freedom, without being bonded to the bullion merchants or big jewellery merchants. The question arises, should the removal of control be directed towards export purposes where we can have several thousand crores for export trade? Should it be for their benefit alone? That should be a part of it, but at the same time, for lakhs of goldsmiths in different

parts of the country who thrive on small jobs for small customers, sufficient bank finances should be provided for their rehabilitation, so that they can carry on their trade in a free atmosphere.

With these words, I welcome the move, but this welcome is hedged by certain consideration—that the people for whom it is done, particularly the artisans, should be able to derive some benefit out of this decision compared to the position in the past when gold control was introduced.

PROF. CHANDRESH P. THAKUR (Bihar) : Thank you, Mr. Vice-Chairman. At the outset, I must put on record that since yesterday I am watching that Members of the house from both sides are complimenting the Finance Minister and there is sufficient evidence that he is enjoying those compliments. But as a person with conscience, I am sure, he must be feeling...

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): I enjoy criticism also.

PROF. CHANDRESH P. THAKUR : So you listen to this. His conscience must be pricking that most of the compliments are not deserved by him because the decision of the previous Government was also there to repeal the Act which he knows. So from that point of view, the compliments should go to Shri S. B. Chavan, his predecessor, who had done all the home work and had appreciated the...

SHRI PRAMOD MAHAJAN (Maharashtra) : The appreciation should go to the people who have changed the Government.

PROF. CHANDRESH P. THAKUR : I am coming to that.

The other part is that what has been done is welcome, but what has

not been done is intolerable because it is a half-hearted measure. The intention is to overcome the problems which a country like India has been facing as a result of large scale smuggling of gold and undetected movement of smuggled gold in the country, whether in the hands, of hoarders or speculators or jewellery-makers, or on account of the beautiful ladies for their conspicuous consumption or the miseries of the dowry-payers, the parents of daughters of marriagable age. Like most other things, the Government has again come up with half measures. The direction seems okay so far as this thing is concerned, but I do not understand why there is hesitation in doing sufficient home work on time to come up with full measures so that all of us are able to get the benefit of the direction of the movement.

Having said that, Mr. Vice-Chairman, let us recall that the Gold Control Act was brought, in the first place, by Shri Morarji Desai. It was widely hailed then and for good reasons because at that time also, just as today, we were concerned with the menace of gold smuggling and all the related consequences. So, the intent of the initial Act was right. But sufficient measures, collateral measures or supplementary measures required to make it effective to ensure that the objectives are met, proved insufficient or the realities of the Indian economy and society proved overwhelming for the Government machinery to be effective. This has led over 22 years to a growing realisation that we have to have a second thought on that.

There is no denying the fact that there is large scale smuggling. As is the usual pattern in all smuggling, in this case also foreign exchange is found through under-invoicing and over-invoicing. The total amount of gold that comes is a lot more than that India will ever be able to produce or generate

[Prof. Chandresh P. Thakur]

through what is called auctions, the usual procedure.

As Madam Pratibha Singh was saying, there is a basic imbalance between the supply and the demand. The supply is totally insufficient compared to the demand for economic reasons and for social reasons. So, what do we do to bring the supply-demand in balance? Only when we succeed in this area, there will be a kind of aligning of the domestic price of gold with the international price of gold. I have never bought gold in my life. So, I do not know the price. I know that people chase gold with great enthusiasm. I believe that the press reports are that currently 6 per cent premium is there. How to bring this premium down to a tolerance level, if not at par with the international price? That is the question before the Government.

The related part is: what is the legitimate use of gold that you want to encourage? One, of course, is that the jewellery market is multiplying at a very fast rate, the international jewellery market, and our share of that is almost negligible. I think our foreign exchange earning is roughly Rs. 275 crores, and the current target is Rs. 500 crores. If the world jewellery market is supposed to be to the tune of 541 billion, then, if we plan to get a minor portion of that, then, there is scope to move in that direction. For that, the basic raw material must be made available at an economically acceptable price. People have suggested that gold-import should be allowed with some import duty. Acceptable. But, unless the landed cost of gold after the payment of duty is at a level which allows its economic use for jewellery production and export, it will not serve the purpose. There is likelihood of two kinds of considerations before the Government. One is revenue consideration, and the other is an adequate supply of raw material

for promotion of jewellery export. About the resources with the Government, rightly or wrongly they keep retracting their statements. "Empty coffers" the Prime Minister says, and the Finance Minister says that it is a rhetorical statement. So, what the reality is we will find at the end of the financial year. But the fact remains that there is resource constraint. They want to generate resources, and they might be overtempted to use gold import as a source of revenue rather than bringing a balance between the supply and the demand for gold and making available gold at a price which will make it work while for the producers of jewellery to get into the export market.

A point has been made with regard to the rehabilitation of goldsmiths and artisans. I have a slightly different opinion. I am not interested in the rehabilitation of traditional goldsmiths. They may have some artistic value. But their capabilities, their competence or their craftsmanship is not necessarily in line with the current trends in the international market. If you want to rehabilitate them through the process of promotion of jewellery export, you will have to go through an entire process of, number one, providing adequate raw material, number two, providing technological improvement and, number three, letting them know what the fashion is today and whether their craftsmanship can be brought at a level which will produce jewellery suitable to the contemporary international market. Number four is that unless the Government gets into directly or in conjunction with the Export Promotion Council and the private agency in a vigorous export marketing to get a fair share of the international jewellery market, the gains of import of gold will not be sufficient. In any case we are going to use foreign exchange for the import purposes. Unless it is more than off-set by the foreign exchange earning through the jewellery export, we will have difficulty. I am

saying this point because a lot of things are done in the name of export promotion. The story of 100 per cent export promotion units is there. Ultimately they go back and say let us sell it in the domestic market. There is a great possibility that in India the demand for gold will remain high as a result of the social backwardness and also as a result the value of gold as a hedge against inflation, the value of gold is a hedge against the continuing devaluation of the national currency. The national temptation to provide lucrative market to the imported gold or the ornaments made out of the imported gold at concessional prices will be too overwhelming to discourage or dampen the enthusiasm of jewellery manufacturers and exporters to get a fair share in the international market.

Mr. Vice-Chairman, I know that there is a limited time. Quite frankly the subject is so important that it requires a fuller discussion. There are issues related to import-export policy and there are issues related to devaluation of external value and the currency management of the Indian Rupee and the whole manufacture of gems and jewellery. Therefore, I say it is a partial measure and that it has come in a snap-shot process. As a result the total time allocated is limited and we are not able to do full justice to it.

A question that is being discussed is who should import. Should it be the NRIs? Should it be the jewellery exporters directly importing? Should the Government import? I think it is immaterial, but when we are thinking in terms of the NRI, it is a great risk again whether the foreign exchange that they are bringing in remains as a deposit in a foreign exchange account or the foreign exchange is parked to Indian advantage. Now, if the NRI is used as a channel for import of gold with a limited import duty, it should not be a kind of an alternative. If the aim is to maximise the foreign exchange accrual at the disposal of the

Government of India, then incentive efforts must be made, that even if the NRIs bring, it is not a transfer of foreign exchange account to gold or the gold instrument in terms of gold bonds, but it is in addition to whatever they are currently doing. So, before taking a decision whether NRIs alone should do it, the Government must weigh the relative costs and gains in terms of foreign exchange acquisitions.

I would like to submit so far as the Indian realities are concerned, we will have to learn to live with the conspicuous consumption. So, unless the social reforms movement is brought to bear as supplementary measures, unless the women are given other alternative sources of security against all kinds of risks that they run into, this tendency will continue. In addition to that there is a tremendous amount of gold hoarded and there is every possibility that this hoarding tendency will continue. Now, again it is left to the Finance Minister to realise what kind of instruments in terms of taxation or investment channels the Government will come out with in order that the temptation to hoard with a calculation is dampened, if not totally eliminated. Otherwise we will continue to see the phenomenon replicated regardless of the repeal of the Act.

In the end I would like to say that the Government should gather courage put all its internal wisdom or borrowed wisdom from the expert committees or consultants, and come out with a fuller package beyond the simple repeal. We would like to hold our judgment on the adequacy or inadequacy of the measure until that package is brought before the House and we are able to have a look at it. In the meantime I would encourage the Finance Minister not to take compliments directly and let him honestly share the compliments with Mr. Chavan, who is already here and who was not here earlier.

DR JINENDRA KUMAR JAIN (Madhya Pradesh): Thank you Mr. Vice-Chairman. The Gold Control Act was a useless Act. It was an ineffective Act and every speaker in this House has agreed that it was good that it has been repealed. But it must be said here that it goes to the credit of this Government that it has done the thing which was necessary to be done. The Act has gone but the problem remains and the key problem is that there is a wide difference of perceptions between the successive Finance Ministers of the Government of India and the people of India. All the Finance Ministers who come think that it is in the national interest that the people should not have gold, they should not buy gold, they should not have gold. But the people of India think that it is in their individual interest—whether they belong to the rich class or middle class or the poor class—to have as much gold as possible. It is high time I want to make a plea to the Finance Minister that instead of thinking that the people should behave according to him, he should try to have tailor-made policy according to the needs of the country. Why there is a blanket ban on the import of gold. It has been there for a long time. Today, I want to speak in favour of a policy for the open market for gold and an open market means purchase and sale of gold not only here in India but the Government of India and the Indian people should be able to purchase gold in the international market. My concern is three-fold : (1) smuggling; (2) the export possibilities; and (3) the effect that this policy can have to arrest the inflation. Let me take them one by one. The smuggling figures have been told in this House. I do not know the origin of these figures but since these figures have been presented by very experienced Members, I would believe them. It has been said in this House that 150 tonnes of gold per year is the need of our country as per the consumption patterns while it has been said that our production is 2 tonnes per year. It is not even 2 tonnes but it is less than 2 tonnes. When there is so

much gap in supply when there is so much of the price difference in the price of the Indian gold and the international gold, it will naturally tempt anybody to smuggle this if they want to smuggle and smuggling of such an item which is low volume and high value is easier than the smuggling in other commodities so rampant is smuggling that an unofficial trade to the tune of 150 tonnes of gold is going on. Everybody knows that this is going on. Why should the Government not take notice of the situation and legalise it straight and be the beneficiary itself? As the figures have been quoted in this House, there is a price difference of about Rs. 1200 in the international market and the Indian market. Even if one has to take that the price keeps fluctuating, there is a minimum of Rs. 1000 per 10 grammes difference. That means Rs. 10 crores per tonne. Now imagine that the Government of India were to officially import from the international market—if you want to be realistic—if your demand is 150 tonnes to 200 tonnes—you buy 10 tonnes per month from the international market and save about Rs. 100 crores in revenue. The question will come from where are you going to have the foreign exchange? Well, the choices are: you can borrow money from the international market and the international rates are much cheaper than our rates. Then the Government can have this profit itself or the Government can allow the citizens to import and charge duty on this and earn money in the form of import duty. The gold may be placed on the OGL but you can have a restricted quantity determined for this and licences can be given either to the actual users and if you are afraid that the actual users phenomenon will breed corruption, you may do it on the first-come-first-served basis. A suggestion has been made here that the NRIs may be allowed to import gold and the duty may be charged on this. All these suggestions are worthy of consideration but the Government has to curb smuggling. So far the experience of the last forty years has shown the Government's

ineffectiveness in curbing smuggling operations. Its performance has been dismal. So instead of allowing the smugglers to earn money, why not the Government earn money on this either by directly involving itself in the trade of gold and make the gold available through the banks and other institutions or by charging the import duty and letting the citizens do it?

Another thing that I want to bring to the notice of the Government is that such an open market policy will enhance our export earnings. The present market for the sale of Indian gold jewellery is about Rs. 250 crores and everybody has estimated that if there is a little support that is given to the Indian entrepreneurs in the availability of gold in the matter of jewellery the market can go within a year to a thousand crores. I want to ask you one thing. After all, in the field of electronic industry, you do give gold to the people for soldering the things at the international market. If the electronic industry people can be given the gold at the international rate, why not the exporter of jewellery? And I am not making a plea here that you give them gold at the international rate. Charge your import duty but let the gold be available and let them not obtain it from the smugglers. I also wish to say that the high wage costs in developed countries have moved jewellery productions to developing countries. (Time Bell). I will just take one or two minutes. We see the example of Hong Kong. Its prosperity has been on account of exports. Let us see the example of Thailand. Export of finished jewellery has moved up from 23 million dollars in 1982 to 450 million dollars in 1988. If Thailand can do it, why not India also in this sector? I also want to say a word here about the justification for our continuing to dig gold from our non-remunerative gold mines. A point has been made here that our mines are not very productive. Our cost of production of gold is much higher than the market rate. specially at the Bharat Gold Mines, I have been told that the cost of

production of gold is Rs. 7,000 per ten grams when the market value is half of that. Now what is the justification for this? Not only that, I understand, we are paying a subsidy of Rs. 52 crores per year even to run this unprofitable business in the name of rehabilitation of 40,000 workers. I am quite concerned about the fate of 40,000 workers but if we have a programme and not engage ourselves into this unprofitable venture and divert this money for the rehabilitation of the workers, it would be a much better thing. One thing also I want to say before I conclude, that is the likely effect of availability of gold on the inflation. One of the reasons of inflation is the liquidity, the availability of money in the hands of people and when the cash is available and they do not know what to do with that cash they indulge in over spending and when gold, one of the darlings of the housewife of every class of people here is available, with the money in their hands, they can buy gold freely. They may like to invest their money and a good amount of money can come to circulation which the Government can control. And this measure is likely to be anti-inflationary also.

With these few suggestions for the consideration of the hon. Finance Minister, I once again compliment him for having taken the decision. But it is only a beginning. He should take this decision to its logical conclusion. (Interruption). Mr. C. P. Thakur is trying to interrupt me. Mr. C. P. Thakur is trying to say that I should mention his point that Mr. Chavan also deserves credit. He forgets that the changes were brought not by me and him. They are brought by the people of India. The people of India decided that Mr. Chavan was not doing his job correctly. So he has been replaced by Mr. Madhu Dandavate. So let us not try to comment on the verdict of the people of India and let him restrict his credit to whatever he has been given by his own deeds.

THE VICE-CHAIRMAN (SHRI M. A. BABY): I would like to remind

[Sh. M. A. Baby]

Members that they should cooperate with the Chair to do its duty properly. We are only repealing gold control. We are not repealing time control.

DR. JINENDRA KUMAR JAIN:

In comparison to other speakers, I have taken the minimum time.

PROF. MADHU DANDAVATE:

To avoid any controversy, compliments to me may be avoided.

DR. NARREDDY THULASI REDDY (Andhra Pradesh): Mr. Vice Chairman, Sir. The Gold (Control) Act, was made with the intention of weaning away the people from gold. The intention of the ordinance was to make better use of the precious metal. In 1966, the restriction of 14 carats was withdrawn. In 1968, June 29, The President of India has promulgated an Ordinance on gold control. The Ordinance came into force on 1st September 1968. As per the Ordinance no one should go for Ornaments with gold more than 14 carats. Individuals were also prohibited to acquire gold ornaments any more. The Ordinance was silent about the quantity of gold already acquired till then. But after the ordinance came into force, it was made mandatory that those who possess more than 50 gms of gold should inform the Govt. The objective of this ordinance was to make gold less attractive. But unfortunately, it proved the other way round. Lakhs of goldsmiths in the country were thrown out of employment in one stroke. The trade suffered heavily. The jewellers had the licence to make, exhibit and sell the gold ornaments. But the man who prepares it, i.e. goldsmith had no licence. Goldsmiths were prohibited from purchasing gold more than 100 gms at a time. At no point of time any goldsmith should have with him more than 500 gms. It became very difficult to a goldsmith to get licence. So the very

purpose for which the ordinance was issued got defeated. The attraction for gold has not down. There is a yawning gap between demand supply. The prices in the domestic market is much more than the International price. That is why smuggling of gold has touched its peak. Nearly 70% of the Trade of jewellery is being carried out by smuggled gold. Nearly 200 tonnes of gold is being smuggled into the country every year. In 1984, 92 Kgs. of gold was seized. In 1989 the seized gold was worth 10416 Kgs. In International market, one ounce of gold costs 375 dollars. In Bombay the cost of an ounce of gold is £510. With nearly 200 tonnes of gold smuggled every year, the Country is losing nearly £ 250 crores of foreign exchange.

Not only that. The traders are cheating the customers as well. A trader charges the sells gold at the value of 22 carats. In fact the gold might not be of 22 carats. If the customer, takes the same ornament to the same trader for disposing it off, the trader says that it is not of 22 carats and he pays the customer less. So, both the quality and the price are at present being decided by the trader. Purchasers are losing heavily. So Sir, the very objective of the 1963 and 1968 Acts of gold control has not been served. The person responsible for the Gold Control Act, Shri Moraji Bhai Desai also has accepted this truth. Now the present Government has come forward to repeal this abnoxious Act. Thousands and lakhs of Goldsmiths in the country are now having a sigh of relief. But just repealing the Act is not sufficient enough. There are many more things to do. The Government should take steps to treat gold as a definite asset. The trade of gold should get a boost from the Govt. It can contribute to earning more foreign exchange. Out of £ 4000,00 crores of international trade, India's share is just £ 275 crores. We should take steps at least to cover 5% of the world trade. Thus we can earn foreign exchange to the tune of 3500 crores. So, Sir, the Govt. should take steps to stop the smuggling of gold

into the country. The Govt. should encourage trade of jewellery. Govt. should take steps to promote export of gold ornaments. It should also protect the interests of the customer. These are some of the steps which the Govt. should take immediately. This is possible if the Government evolves and pursues a comprehensive policy. In order to prevent smuggling enough gold has to be made available to the traders. Then only it is possible to curb smuggling. Without affecting our foreign exchange reserves, we can make enough gold available in the domestic market. The Non Resident Indians should be allowed to send gold instead of only money. That may more gold will come into the country. The Govt. can impose customs duty on such gold receipts. The Income of the Govt. will also go up. Customs duty can be collected in foreign exchange. The foreign tourists who visit this country should be permitted to dispose off their gold ornaments at our international airports. If we take these steps the inflow of gold will be more. Customers interests should also be protected. In all the important cities and towns, we should set up quality control centres. Govt. should also protect the interests of the customers when they go to dispose of their jewels. Traders should be permitted to purchase gold from the customers. The benefits by repealing the Gold Control Act will be successful only then.

I once again congratulate the Govt. for introducing this historic bill to repeal the Gold Control Act. I hope the Govt. would try to implement the suggestions I made.

I conclude my speech thanking you for the opportunity you have provided me to speak.

श्री सुरेन्द्रजीतिह अहलुवालिया (बिहार) : उपसभाध्यक्ष महोदय, गोल्ड कंट्रोल एक्ट रिपिटिंग के लिये जो यह बिल लाया गया है उसका स्वागत करने के लिये उठा हूँ और सोने की तरह बड़ा ही सुनहरा दिन है आज, जबकि

हम सोने को मुक्ति दिला रहे हैं इस एक्ट से। 1939 में ब्रिटिश साम्राज्यवाद ने जिस सोने को कैद कर डाला था उसमें समय-समय पर कुछ रिलेक्शन होती रही और कुछ-कुछ मुहों पर उन्हें फिर एक ऐसे एक्ट में बांध दिया गया कि सोना अपना रूप दिखाने में शायद असमर्थ रहा। भारत को सोने की चिड़िया के रूप में जाना जाता है, पर सोना यहां सर्वदा बाहर से ही आता है ? लोगों की यह आशा थी, यह उम्मीद थी कि सोना शायद भारत के घर-घर में पाया जाता है और जमीन खोदने से ही सोना निकल आता है। परन्तु यह आशा निराशा में परिणत हुई जब लोगों ने देखा कि पूरे हिन्दुस्तान में सारी खानों में से अगर सोना कर्मशियल ग्रेड का निकाला जाय तो मुश्किल से दो टन भी नहीं निकलता है। मैं बिहार से आता हूँ। बिहार में एक नदी का नाम है स्वर्णरेखा और उस स्वर्णरेखा नदी के आसपास बसे हुये कई आदिवासी लोग आज भी रात दिन बालू छानते रहते हैं और सोने की कणिका मिलती हैं उसी से अपना गुजर चलाते हैं। उस सोने की कर्मशियल वैल्यू कोई नहीं है, पर सोना हमारे जीवन में एक उपयोगी वस्तु के रूप में खड़ा हुआ है, चाहे वह 1962 का गोल्ड कंट्रोल एक्ट हो और चाहे 1968 का हो। मोरारजी भाई ने जब यह गोल्ड कंट्रोल एक्ट लगाये और उस वक्त जो कंडीशंस हमारे सामने थी, मंत्री महोदय, क्या आज वह कंडीशंस हमारे सामने नहीं हैं ? 1962 और 1963 में जो उनके विचार थे उस टाईम के वित्त मंत्री के। पहला था...

“Curbing the demand for gold from the public in this country and maintenance of check with a view to reducing the demand progressively and keeping it at a level beyond which investment in gold is considered then as essentially unproductive and definitely harmful to the economy of the country.” (2) As an anti-smuggling measure, extending the control over gold beyond the stage of import into the interior so

[श्री सुरेन्द्रजीत सिंह ग्रहलुवालिया]

that the gold would no longer be vendible and prevention of smuggling and detection of smuggled gold would be facilitated.

(3) To bring down the domestic price of gold and make smuggling unprofitable.

शायद इन चीजों को हम हासिल नहीं कर सके। 1968 में, सितम्बर, 1968 में फिर गोल्ड कंट्रोल एक्ट तैयार किया गया और उस टाइम भी उनके दिमाग में ये चीजें थीं :

- (1) To wean away people from gold;
- (2) To regulate the supply of gold;
- (3) To reduce smuggling;
- (4) To reduce the demand for gold;
- (5) To reduce the domestic price of gold.

हम आज तक असफल हुये हैं इन कामों में। क्या आप बिना किसी पालिसी के, बिना किसी इम्पोर्ट पालिसी के गोल्ड कंट्रोल पालिसी को एबालिश करके सोने की कीमत कम कर सकते हैं? क्या स्मगलिंग को रोक सकेंगे? क्या बाहर से जो सोना आता है वह धंधा बन्द कर सकेंगे? यदि नहीं कर सकते तो इसका कोई फायदा नहीं है। मैं समझता हूँ कि हम कर सकें इस पर विचार करने की जरूरत है। जब पिछले दिनों बजट के टाइम वित्त मंत्री ने यह एनाउंस किया था उस वक्त बाजार में सोने का भाव 3480 पर टेन ग्राम था और एनाउंसमेंट के बाद 3075 पर टेन ग्राम हो गया और आज भी वह 3260 रुपये पर टेन ग्राम पर चला रहा है। हम कीमतें कैसे कम करेंगे इसके लिए कोई क्लीयर-कट पालिसी अभी तक हमारे सामने नहीं आयी है। क्या हम पूरे भारतवर्ष के दो-चार-पांच लोगों को गोल्ड इम्पोर्ट करने की परमिशन दे रहे हैं या क्या हम खुले आम ज्वेलर्स को इम्पोर्ट करने

की परमिशन दे रहे हैं? पूरे मुल्क में दो टन से कम गोल्ड का उत्पादन होता है और उसका प्रयोग या उसकी खपत डेढ़ सौ या दो सौ टन तक है। जब दो सौ टन की खपत है तो 198 टन सोना किस रास्ते से आयेगा इस पर विचार करने की जरूरत है।

मैंने देखा है कि 1989-90 यानी फरवरी 1990 तक कस्टम एक्ट के तहत 5.723 मीट्रिक टन सोना जब्त किया गया है स्मगलिंग का। 1989 के दिसम्बर तक गोल्ड कंट्रोल के तहत 2.524 मीट्रिक टन जब्त किया गया। हमें सोचना है कि हर मुल्क में करीब 75 लाख शादियां होती हैं। 75 लाख शादियां में अगर एक मंगलसूत्र भी देने की बात अगर सोवें तो सोने की खपत कितनी होती है इस पर विचार करने की जरूरत है। शादी में तो गोल्ड दिया ही जाता है लेकिन जब घर में बच्चा पैदा होता है, उसकी छठी मनाई जाती है या दूसरा कोई ऐसा फंक्शन होता है तो बच्चे को सोने की अगूठी या चेन दी जाती है—जैसी जिसकी ताकत हो। इस सब में सोने की खपत हमारे देश में कितनी होगी इस पर विचार करने की जरूरत है।

मेरा एक सुझाव है कि हमारे देश में करीब-करीब 50 हजार नान रेजीडेंट इंडियन हिन्दुस्तान में आते हैं। हम यह जानते हैं कि हर नान रेजीडेंट इंडियन पैसा बहुत लाता है। जो फारेन एक्सचेंज कमा कर लाता है उनमें ऐसा कोई भी नहीं है कि जो फारेन एक्सचेंज कमाकर लाता है वह इंडियन नेशनलाइज्ड बैंक में जमा कराता हो। यह वित्त मंत्री जी को पता है कि दम्बई, दिल्ली बंगलौर, हैदराबाद और कलकत्ता से एक हवाला कम्पनी चलती है। उसके सहारे डालर्स, पोंडस आदि की खरीद होती है। दो नम्बर का धंधा चलता है। जितने एन.आर.आई. पैसा लेकर आते हैं उनके डाक्टर की कीमत बैंक रेट्स से ज्यादा होती है और इस तरह से खरीदफरोख्त चलती है। अगर हम यह सोचते हैं कि वह सोना खरीदकर लायेंगे

तो फारेन एक्सचेंज कम हो जायेगा, यह गलत है। मेरा मंत्री महोदय से सुझाव यह है कि हर एक एन आर० आई० को कम से कम ढाई सौ ग्राम सोना लाने की परमिशन दी जाय और उस पर 20 से 30 प्रतिशत टैक्स लिया जाये जिससे टैक्स की अरनिंग भी हो और सोना भी सीधे तरीके से देश में पहुंच सके। उसमें जो पैसा लगेगा उसमें हमारी हार्ड वर्क करेंसी की भी इन्वोलमेंट नहीं होगी। एन० आर० आई० जो पैसा कमा रहा है उसको वह टी० वी० या वी० सी० आर० पर खर्च न करके सोने पर लगाय। इसके साथ साथ यह सुझाव भी देना चाहता हूं कि रेजिडेंट ट्रान्सफर पर जो लोग आते हैं और वे भी हजारों की संख्या में हिन्दुस्तान में आते हैं क्योंकि ग्लोबल कंट्रोल में और दूसरी कंट्रीज में जो लेबर काम करते जाते हैं वे दो तीन साल के बाद पैसा वापस लाते हैं। आपने एयरपोर्ट पर खड़े होकर देखा होगा कि वे लोग फारेन बैंक में पैसा जमा नहीं करते हैं। वहां दलाल खड़े रहते हैं, हवाला कम्पनी के दलाल खड़े रहते हैं वे उनका डालर की कीमत आफिसियल रेट से ज्यादा देते हैं और डालर को बेच देते हैं। अगर ये लोग भी सोना लेकर आते हैं तो स्मगलिंग से सोना आना भी बन्द हो जायेगा और सही तरीके से सोना आने लगेगा। उस पर आप ड्यूटी भी कमा सकते हैं। मैं पटना से आता हूं, मैं जानता हूं कि सोने की खपत कितनी ज्यादा है। एक बार गंगा में बाढ़ आई तो हम कह रहे थे कि गंगा मड़िया, तेरा पानी कम हो ताकि जो घर डूबने वाले हैं वह डूबने से बच जायें। ठीक वहीं पर एक सुनार भी खड़ा था और वह कह रहा था कि गंगा मड़िया तेरा पानी बढ़ते जाय ताकि मेरा सोना बिक जाय क्योंकि जो पैसा लोगों ने गाढ़ रखा है उसका वे सोना खरीद लें। इस तरह को मानव हमारे देश में है। इसलिए मैं आपके माध्यम से यह सुझाव देना चाहूंगा कि गोल्ड कंट्रोल को विदग्ध करने के बाद कम से कम मार्किंग का तरीका भी बन्द होने जा रहा है। लेकिन मार्किंग होना बहुत

जरूरी है क्योंकि आज भी गरीब कोई आदमी अपनी गाढ़ी कम ई से सोना खरोदत है या कोई गहन खरोदत है अपनी बेटी के लिए या बच्चों के लिए या अपनी पतल के लिए तो जब वह वापस जाता है और जो सोना 22 कैरेट का बतया जात है वह 18 कैरेट का बत दिया जात है। इसलिए मार्किंग होना बहुत जरूरी है। बम्बई में एक किस्ता कहा जात है कि किसी सोने पर 22 कैरेट भी नहीं निवा था और 18 कैरेट भी नहीं निवा था, सिर्फ ज्वैलर का नाम था तो उसका जब वह वापस ले गया तो कह दिया गया कि यह हमारे यहां का बत हुआ नहीं है। दूसरा डर यह है कि जो प्राइवेट मनी लेंडर हैं जो जैवर मीटिंग में खबते हैं और लोगों को कर्जा देते हैं, कहां उनको भी अब बढ़ावा नहीं मिले और तस्करो करने वाले लोग सीधे सोने को लेकर गन कार काबुले वाले या मनी लेंडर या साहूकारों से सोना लेकर फिर वापस अपनी वॉलिंग कैपिटल न बा लें और इस काम में लग जायें। इसको भी रोकने को जरूरत है। मैं आपके माध्यम से फिर से मंत्री महोदय से कहना चाहता हूं कि सोना लेने का तरीका यही है कि एन० आर० आई० और टी० वी० आर० पर आने वाले इंडियन को परमिशन दे कि वे ढाई सौ ग्राम सोना, र-हैड हिन्दुस्तान में ला सकते हैं। साथ में आप उन पर 20 से 30 प्रतिशत टैक्स लगायें जिससे टैक्स भी प्राप्त हो और हमारी विदेशी मुद्रा की चोरी भी समाप्त हो।

[The Vice-Chairman (Prof. Chandresh P. Thakur) in the Chair]

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): Mr. Venkatramann, you have a choice. There is a Statement by Minister at 4 o'clock, and we have still three minutes. Would you like to finish?

SHRI TINDIVANAM G. VENKATRAMAN (Tamil Nadu): It so happens,

Mr. Vice-Chairman, that when even I stand up, this restriction

[Shri Tindivanam G. Venkatraman]
is always there. I do not know why...
(Interruptions) I shall try. But
somehow I must ventilate my grie-
vance.

THE VICE-CHAIRMAN (PROF.
CHANDRESH P. THAKUR) : I
may assure you that there is no pre-
judice against you.

SHRI TINDIVANAM G. VEN-
KATRAMAN : Yes, Mr. Chairman,
I will abide by your restriction.

I welcome the Gold (Control)
Repeal Bill for the following rea-
sons.

Sir, a radical reform of gold trade
also is a long-felt need, and time
again it has been said that this
Control Order should be repealed.
It has become a choice. It has also
become the day on which our
Finance Minister has come to
position and this Act has been re-
pealed. The whole House supports
it whole-heartedly. I also support
the Bill.

4.00 P.M.

I beg to differ on one point. It is
stated that gold is not an essential
commodity. So, it will not come
under essential commodities. I
want to make a distinction here. They
want to put us off by saying that the
people can do without it. It means
that if a thing is not there, you can
do without it. My humble submis-
sion is, as has been pointed out
by my learned friends and hon.
Members here in this House, it is a
must in everybody's life irrespective
of the fact whether he is a poor man
or a middle-class man or a man
coming from a rich family and all
that. It is needed for any function.
When a marriage alliance is sought,
the first question is how many
sovereigns he will be able to give to
the girl. So, I beg to differ on the
definition. I want to establish that
it is an essential commodity. When
it has become a part and parcel

of the Indian villagers and the
Indian people in the arena of life,
I think it must be defined as an
essential commodity. I want to
suggest to the Finance Minister
that there is nothing wrong in im-
porting gold. We may not import
gold to the entire extent which we
require. Ten per cent of the gold
which is required can be imported
and it will profit the Government
by Rs. 350 crores. That is only a
conservative estimate. Govern-
ment will profit by Rs. 350 crores.
Moreover, smuggling will never
stop until the jewellers get adequate
quantities of gold through legal
channels. This can be done without
straining our foreign exchange re-
serves by permitting passengers
coming to India to bring in small
quantities of gold. There should be
a little bit of liberalisation in the
rules about import of gold. You
can specify that the people who are
coming here can bring in so much of
gold. If you liberalise that, people
will bring gold. You are allowing
the people living in foreign coun-
tries to deposit money. You can also
allow them to deposit gold. In that
way also, there will be inflow of
gold to our country.

Time and again, the gold trade
has demanded liberalisation of
import of gold. It is said that it is
not an essential commodity. But
I am able to point out that it is an
essential commodity. So, I beg to
urge that since it is an essential
commodity, Government should
have a rethinking on the import of
gold at least to the extent of 10 per
cent, as has been suggested. As I
have already pointed, ten per cent
will bring in Rs. 350 crores. In
this way, smuggling will also be
put an end to. Therefore, by this
process we can get gold. The people
will also be benefited. Moreover,
there are about 3.4 lakh licensed
goldsmiths in the country. If these
laws are liberalised and the import
is also there, we can feed all the
families of these 3.4 lakh licensed
goldsmiths throughout the country.

In this way, we will be able to help these poor people. The ban on the import of gold may kindly be lifted. Gold can be brought in by the N.R.Is. or imported by the Government itself. This is a point for consideration and it may be dealt with according to the decision of the Finance Minister.

To check malpractices, proper assaying facilities should be created in all major cities. Jewellers should be encouraged to get the jewellery manufactured by them properly assayed and hall-marked. The licensed jewellers should be required by law to buy back the hall-marked ornaments at the on-going market price in accordance with the certified purity and weight. If the Government takes these measures, the repeal of Gold Control Act will not be half-hearted. It will be a full-fledged gold inflow into the country. With these words, I conclude. Thank you.

SHRIMATI BIJOYA CHAKRAVARTY (Assam) : Mr. Vice-Chairman. . . Sir, I congratulate the Finance Minister for introducing the Bill to repeal the Gold (Control) Act.

AN HON. MEMBER : Sir, what about the statement ?

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : Madam, if you just yield for a minute, since the Finance Minister is required in the Lok Sabha, he wishes that the discussion on the Gold (Control) Repeal Bill should be completed and he should have an opportunity to reply. So, your statement, Mr. Steel Minister, will follow after the Bill.

THE MINISTER OF STEEL AND MINES (SHRI DINESH GOSWAMI) : Can I get some indication of the time when the statement is likely to come ?

PROF. MADHU DANDAVATE : There are three speakers and I am the fourth one.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : There are three speakers, including your colleague...

SHRI VIREN J. SHAH (Maharashtra) : In that case, the Steel Minister can be allowed to make a statement. It will be over in ten minutes.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : But the clarifications will take the whole day. Mr. Steel Minister, you can take a chance around 5 o'clock. Yes, Madam, please continue.

SHRI PROMOD MAHAJAN : What is decided ?

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : The statement will be around 5 o'clock or later whenever the House is ready to listen.

SHRI PRAMOD MAHAJAN : But the Minister must be ready at that time.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : Madam Chakravarty, please continue.

SHRIMATI BIJOYA CHAKRAVARTY : Mr. Vice-Chairman, Sir, I want to congratulate our hon. Finance Minister for introducing the Bill to repeal the Gold (Control) Act. Sir, this is indeed a very bold step. Probably, even till this is introduced, people have some apprehension about the move of our hon. Minister. And dispelling all the doubts the hon. Minister introduced the Bill, and probably this is the right move in the right direction. I think, so far as gold is concerned.

Sir, we have seen all these years in the country that the Gold (Control) Act has not been effective to

[Shrimati Bijoya Chakraverty]

check either the prices or smuggling of gold. It is because it is a very flourishing business and the most profitable one. Moreover, it is so because the local production, the domestic production is not up to the requirement of the people. So, we have seen that by air or through our long coastline gold is making its secret entry into the country. More than 200 tonnes of gold arrives in the country every year defying all the legal bindings. Sir, I feel that if 10 per cent duty is imposed, the Government would have gained by more than Rs. 350 crores. It is because the annual requirement of gold in this country is nearly 200 tonnes. And, we produce in this country hardly two tonnes. So, wherefrom all the balance of 198 tonnes will come? And this 198 tonnes of gold must come to the country to meet the local needs of the people. So, to bring the gold into the country by legal means and to check smuggling, something should be done, and some flexible rules must be framed to import the gold so that gold may be available in the country. And to do so, the hon. Minister must take care—he is a very able person—so that the balance of payments position may not be disturbed. Sir, in order to check smuggling of gold, we have to give some sort of concession for the import of gold. I would also like to suggest that the confiscated gold which is available with the Reserve Bank should be made available to the petty traders. And this will also ease the constraint in the domestic consumption. Sir, I would like to make one more point here. The village goldsmiths had to close their shutters a long back because they cannot get gold by fair means and they cannot afford to get gold by managing the machinery that makes the gold available to them. It is because of this that the petty goldsmiths cannot get it. Unless some amount of gold is made available to them, the same story will be repeated. The high and

mighty people will rule the business line before.

In the end, I would say that the repeal is a bold step. But I suggest that there should be a provision for the entry of gold by legal means to make the bold and sincere move of the hon. Finance Minister effective.

THE VICE-CHAIRMAN
PROF. CHANDRESH P. THAKUR): P of. Sourendra Bhattacharjee. He is not here. Shri Ram Awadhesh Singh. Don't forget that the time is donated by Prof. Bhattacharjee. You have to be brief.

श्री राम अवधेश सिंह (बिहार) :
मैं तो संक्षेप में ही बोलूंगा क्योंकि मैं यह जانتा हूं कि जब मैं खड़ा होता हूं तो आप निश्चित तौर पर पहले ही कहते हैं 3 मिनट ।

मान्यवर, स्वर्ण नियंत्रण विधेयक जिस पृष्ठभूमि में लागू हुआ था उसकी ओर मैं आपका ध्यान खींचना चाहता हूं । सन 1962 में जब चीनी हमला हुआ और हमारे पास फारेन एक्सचेंज कम थी खरीदने के लिये तो सोना ही एक ऐसी धातु थी जिस बल पर दुनिया के किसी हिस्से से हथियार खरीद सकते थे । उस वक्त आपको याद होगा कि बहुत सी महिलाओं ने अपने जेवर निकाल निकाल कर दिये थे और बहुत से रजा महारजाओं ने अपनी तिजोरियों से एक मन, दो मन, चार मन सोना निकालकर दिया था । हमारे यहां के दरभंगा के नरेश ने कोई दस मन सोना दिया था । एक राष्ट्रीयता का जो प्रवाह मन में उत्पन्न हुआ था उससे चारों तरफ लोगों ने सोना दिया त कि हथियार खरीदे जायें और लड़ा जाय । उसी पृष्ठभूमि में यह स्वर्ण नियंत्रण कानून बना था । 1962 से लेकर 1967 तक तो गोल्ड कंट्रोल आर्डिनैंस के तहत यह काम हुआ और डी०आर०आई० आर० लग या जाता था लेकिन 1968 में आकर उसकी कानूनी रूप दिया गया । उसका मतलब यह था कि जो हमारे पास फारेन एक्सचेंज की कमी

थी तो उसको पूरा करने के लिये हमने सोने का नियंत्रण कर दिया था ताकि उसको गहने, जेवर आभूषण के रूप में न रखा जाय बल्कि ऐसे रूप में यह रहे कि जब चाहें हम उसका इस्तेमाल कर लें। यही इनके पीछे सरकार की मंशा थी।

मान्यवर, मैं आपको यह कहना चाहता हूँ कि कोई उपाय सचमुच ऐसा करना चाहिये कि चोरी से सोना न आये। जैसे और चीजें इंपोर्ट होकर देश में आती हैं और यहां से बनकर फिर एक्सपोर्ट के लिये जाती हैं—कई चीजों के बारे में हम लोगों ने नीति तय की है कि जो चीजें हमारे यहां उत्पन्न नहीं होती है उसको बाहर से इंपोर्ट करते हैं फिर उनको बनाकर एक्सपोर्ट करते हैं और हर देश के लोग करते हैं, कोई उन्नत देश ऐसा नहीं है जो बाहर से इंपोर्ट करके फिर उसको बनाकर एक्सपोर्ट न करता हो, ऐसे बहुत से देश हैं, जापान है, अमेरिका है, फ्रांस है। जापान हमारे यहां से आयरन और नेता है और उसका क्या-क्या बनाकर बाहर भेजता है। उसी तरह से मैं भी चाहता हूँ कि इंपोर्ट एक्सपोर्ट की कुछ गुंजाइश छोटे छोटे रूप में हो सोने या चांदी के रूप में, खुले रूप में हो जिससे चोरी नहीं हो, जैसे अहमदाबाद जो ने संज्ञेवन दिया कि 50 ग्राम की छूट हो तो 10 लाख आदमी अगर लें येंगे तो ढाई सौ टन सोना आ जायेंगा। इस तरह से कोई भारी बात नहीं होगी। और 250-250 ग्राम दस लाख आदमी लेकर आयेंगे, तो 250 टन हो जाएगा। तो, मान्यवर, मैं कहना चाहता हूँ ... (व्यवधान)

(उपस्थित (प्रो. अश्वेश पोटलकर) अब आप अपने विचार तो कहें।

श्री राम अश्वेश सिंह : मैं एक मिनिट में कह रहा हूँ। मैं तो जानता हूँ कि आप मुझ से बोलने नहीं देंगे। (व्यवधान) आप हमारे यहां के हैं न, यह सोचते हैं कि हम इनसे बोलने देंगे, तो लग कुछ कहेंगे कि पक्ष तय कर रहे हैं। तो हूँ आपका कोई ज्यादा टाईम नहीं ले रहे हैं।

मैं केवल एक बात कह रहा हूँ और वह

यह है कि अबो भी विदेशों में भारत में इजानिफरिंग के समान नहीं जाते, बहुत कम जाते हैं, जितना हम एक्सपोर्ट करके पैसा कमा रहे हैं, लेकिन हैंडिक्rafts से ही ज्यादा चीज जाती है और बाहर से हम फारेन एक्सचेंज कमाते हैं यहां से हैंडिक्rafts की चीज, दरो हो, जेवर हो, आभूषण हो।

तो अगर हमारे पास सोना किसी तरह से आएगा, तो हम आभूषण बना-बना कर विदेशों में भेज सकते हैं और भारतीय आभूषणों की मांग विदेशों में ज्यादा है।

इसलिए मेरा सुझाव है कि चोरी से सोना न आए, खुले तौर पर, डंके की चोट पर आए और यहां से जो हैंडिक्rafts की चीजें जाती हैं, उसी में सोने के जेवर और आभूषण भी जायें और उसका एक्सपोर्ट करके हम फारेन एक्सचेंज कमायें क्योंकि गोल्ड और फारेन एक्सचेंज दोनों बराबर हैं, एक-दूसरे के अगल-बगल हैं। गोल्ड की कीमत किसी भी हालत में फारेन एक्सचेंज में कम नहीं है।

तो मैं भारत सरकार से और विदेश मंत्री से कहना चाहता हूँ कि इस दृष्टि से सोने कि जो हमारे एन.आर.आई. हैं, वह केवल डालर या पाउंड या मार्क लायें और उससे हमारी फारेन एक्सचेंज बढ़ेगी, यही बात नहीं है, कि अगर वह डालर, पाउंड और मार्क के अलावा अगर उसके बदले में सोना भी लाते हैं, तो हमारे लिये वह उतनी ही वैल्यू का है, जितने का कि डालर, पाउंड और मार्क है। बल्कि उससे ज्यादा ही। इस माने में कि अगर सौ ग्राम सोना लाए और उसका जेवर बना दिया, तो वह जाकर उसका तीन गुना में बिकेगा और तीन गुना डालर या पाउंड कमा करके आएगा। (उपस्थित की हंसी)

इसलिए उसका एक्सपोर्ट वैल्यू है और फिर री-एक्सपोर्ट इस तरह से वह हमारे लिए ज्यादा कारगर है। इसलिए मैं इस संशोधन विधेयक का स्वागत करता हूँ और जो स्वर्ण (नियंत्रण) विधेयक के खात्मे का जो यह स्वर्ण (नियंत्रण) विरसन विधेयक, 1990 लाया गया इम्फा मैं स्वागत करना हूँ।

कुमारी चंद्रिका प्रेमजी केनिया (महा-राष्ट्र) : मैं माननीय वित्त मंत्री जी का अभिवादन करना चाहूंगी कि जो वादा उन्होंने अपने मेडल यूनियन वजट को पेश करने के वक्त में किया था, गोल्ड कंट्रोल एक्ट को नाबूद करने का, वह वादा उन्होंने बिलकुल निभाया है और उन्होंने जो हिम्मत और जुट्टुत दिखाई है, इसके लिए वह काबिले तारिफ है।

गोल्ड कंट्रोल एक्ट के खत्म करने की आवश्यकता आन पड़ी थी क्योंकि जिस मकसद और हेतु को लेकर यह एक्ट दाखिल किया गया था, उस कामज में यह कानून बिलकुल नाकामयाग हो गया था। इसके मकसद क्या-क्या थे, यह बात मैं सम्माननीय सदस्यों को बताना चाहूंगी।

- (1) To win away people from gold;
- (2) to regulate the supply of gold;
- (3) to reduce smuggling;
- (4) to reduce for gold; and
- (5) to reduce the domestic price of gold.

इस कानून से स्मलिंग को और भी बढ़ावा मिला है और जितने यह मकसद थे, उसमें बिलकुल न कामयाबी मिली है, जैसा मैंने कहा और स्मलिंग को बढ़ावा मिला है। एक तो हमारे लोगों की यह आदत है कि जितनी भी सेविंग्स रहती है, पैसे रहते हैं, वह सोने के जेबरात ले लेते हैं। वह एक तरह से उनकी इनवेस्टमेंट होती है। यह पुरानी आदत है। इसको दूर करना नामुमकिन है।

दूसरी बात यह है कि जो स्वर्ण की जरूरत है, वह ज्यादा है और जो गोल्ड की सप्लाय रहती है, वह कम है।

तीसरी बात यह है कि जो इंटरनेशनल प्राइस रहती है गोल्ड की और जो डोमेस्टिक प्राइस रहती है, उसमें बहुत ही फर्क रहता है। यही वजह है कि हम देखते हैं कि गोल्ड स्मलिंग ज्यादा से ज्यादा हो रहा है।

वित्त मंत्री जी ने जब यूनियन वजट पेश किया, तभी उन्होंने गोल्ड कंट्रोल एक्ट के बारे में बताया था। उसकी तरफ मैं सम्माननीय सदस्यों का ध्यान अर्कषित करना चाहूंगी। उन्होंने कहा था कि—

regulation of domestic trade in gold by the Gold Control Act was introduced to curb the demand for gold. The Act, he admitted, has been largely ineffective and it has also cause hardship and harassment to small goldsmiths. There is not much point in continuing such an ineffective legislation. Government, therefore, proposes to abolish the Gold Control Act. This step would benefit artisans and small goldsmiths and at the same time, he will use the Customs Act more vigorously to prevent smuggling of gold.

वाक्या मैं इस कानून के खत्म होने से जो छोटे-छोटे गोल्डस्मिथ हैं, स्वर्णकार हैं, जो पूरे देश भर में फैले हुए हैं जिसकी तादाद और संख्या साढ़े चार लाख से भी ज्यादा है, ऐसे छोटे-छोटे लोगों को फायदा मिला है इस कानून के अस्त से और दूसरी बात गोल्ड कंट्रोल एक्ट को खत्म करने से ज्वेलर्स एक्सपोर्ट यूनिट्स पूरे देश में कहे भी लगाई जा सकती हैं। मैं यह सरकार को सुझाव देना चाहूंगी कि जो गेज क्लोज़ आफ़ कस्टम्स के अंतर्गत सोने का इंपोर्ट कुछ तौर पर करने के लिए परवानगी दी जाए, सम्मति दी जाए। हजारों की तादाद में लोग बहुत सारी चीजें बाहर से परदेश से लाते हैं और बड़ी आसानी से लाते हैं, जबकि सोने का सवाल है तो बाहर से सोना सिर्फ स्मलिंग के माध्यम से ही आ सकता है। तो मैं सरकार को यह जरूर अनुरोध करना चाहूंगी कि सोने की इंपोर्ट करने के लिए वह रजामंद हो जाए। दूसरा सुझाव, जो मैं माननीय वित्त मंत्री साहब को करना चाहूंगी वह यह है कि अब तक पूरे देश में एक ही गोल्ड रिफाइनरी है जो बम्बई में स्थित है और जितने डीलर्स हैं वे अपने गोल्ड को रिफाइन करने के लिए उनको बम्बई में आना पड़ता है। यह बड़ी दिक्कत की बात

है, बड़ा खतरा उनको महसूस होता है, पुलिस भी बहुत परेशानियाँ उठाती, तो मैं यह मुझाव देना चाहूंगी माननीय वित्त मंत्री जी को कि हर एक राज्य में रिफाइनरी स्थापित करने के लिए आप परवानगी दें।... (व्यवधान) नई गोल्ड पालिसी बनाने की आवश्यकता है क्योंकि वर्तमान स्थिति में जो पालिसी है खाम करके डायमंडज की ज्वैलरी के विकास के बारे में वह अलग-अलग किस्म का पांच प्रकार का ये नीतियाँ हैं। एक तो डोमेस्टिक टैरिफ के बारे में अलग-सी नीति है, हंडरेड परसेंट एक्सपोर्ट और एण्टीड यूनिट्स है और तीसरे ज्वैलरी यूनिट्स इन एक्सपोर्ट प्रोसेसिंग जोन्ज के लिए भी अलग किस्म की पालिसी बनी हुई है। सरकार ने यह घोषणा की है कि यूनिफार्म पालिसी बनाई जाएगी जिसका इस्तेमाल एक अप्रैल से होने जा रहा है, मैं इस बात का स्वागत करती हूँ। उपसभाध्यक्ष महोदय, अगर भारत को विश्व की डायमंड ज्वैलरी का पांच प्रतिशत भी हिस्सा मिल जाए तो हमें 3200 करोड़ का मुनाफा होता है, फारेन एक्सचेंज में फायदा होता है, लेकिन मजबूरी यह देखिए कि हम एक्सपोर्ट को ज्यादा बढ़ावा नहीं दे सके हैं। जहाँ तक दूसरे देशों का सवाल है, थाईलैंड जैसा छोटा सा देश है जिसने अपने ज्वैलरी के एक्सपोर्ट को 22 मिलियन डालर से बढ़ाकर 400 मिलियन डालर दो माल में किया है, जब भारत का सवाल आता है तो हमने सिर्फ 45 मिलियन डालर से बढ़ाकर 100 मिलियन डालर तक यह एक्सपोर्ट को बढ़ावा दिया है। तो मैं जरूर वित्त मंत्री साहब को कहना चाहूंगी कि इस बारे में सूझ-बूझ कर नीतियाँ बनाए ताकि हमें ज्यादा मुनाफा मिल सके।

उपसभाध्यक्ष महोदय, आखिर का मुझाव मैं करना चाहूंगी और अपना छोटा सा वक्तव्य भी समाप्त करना चाहूंगी वह यह कि एन.आर.आई. को भी गोल्ड इपोर्ट करने की इजाजत देनी चाहिए और जिसके ऊपर 20 से 30 प्रतिशत इयूटी लगाई जा सकती है। इस व्यवस्था से सरकार को 20 हजार करोड़ रुपये से ज्यादा रेवेन्यू प्राप्त हो सकता है। फिर एक दफा मैं माननीय वित्त मंत्री जी का

धन्यवाद करते हुए और आपका भी धन्यवाद करते हुए अपना वक्तव्य समाप्त करती हूँ।

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : Prof. Bhattacharjee, to be fair to the facts, your time was taken by your colleague, Shri Ram Awadhesh Singhji. But if you are itching to speak, you are welcome to make a brief comment.

PROF. SOURENDRA BHATTACHARGE (West Bengal): Thank you Mr. Vice-Chairman. Because of one or two minutes' absence, don't mind, if someone else was benefited.

I do not like to enter into the golden problem as such. So far as the original Act goes, we all know not only its ineffectiveness but the approbium attached to it. It was Mr. Salve who yesterday told that the approbium which visited the head of Shri Moraji Desai on account of this Act, would equally bring appreciation to the present Finance Minister. I have, at the same time, just a word of caution. The speaker who preceded me and earlier Mr. Ahluwalia also, read out the objectives of the original Gold Control Act. The objectives were not achieved. The question is whether they should be achieved, whether there should be efforts to achieve those goals. There was nothing wrong with the objectives. But, perhaps, the mistake was in going about the way the Government did in the matter.

But there is another aspect also. In those days we had some connection with the organisations of the goldsmiths, particularly small goldsmiths who were seriously affected by this Gold Control Act. It has already been stated that many of the goldsmiths committed suicide because they were unable to make their ends meet because of the restriction imposed by the Gold Control Act. One of their organisations, the swarna Silpi Bongiyo Samiti, sent a memorandum to the Finance Minister some

[Prof. Sourendra Bhattacharjee] time ago. It was, I think, after his Budget speech declaring his intention to repeal this Act. He has been very true to his words, and he has been very business-like. By one sentence it is going to be repealed. Therefore, their point was that by repealing the Act in this manner more difficulties would be created for the goldsmiths unless some safeguards for them were ensured. They were afraid that this would increase the black-marketing. They pointed out that certain very costly machines were being used in the jewellery trade by big jewellers with whom the small goldsmiths were unable to compete. They are afraid that these big jewellers who are in a position to take advantage of smuggled gold, with the help of this modern machinery are in a position to ensure mass production to drive them out of profession altogether. So, this is the aspect. I would request the Finance Minister to tell whether this aspect was taken into consideration at all, how far cogent it is and whether the repeal of this Gold Control Act will be followed by certain measures which will ease the difficulty of small goldsmiths or put them to further hardship, further difficulties.

Thank you, Mr. Vice-Chairman.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): Thank you. For record let me call Shri Subramanian Swamy. and since he is not there, Mr. Finance Minister.

PROF. MADHU DANDAVATE: Mr. Vice-Chairman, at the very outset let me express my gratitude to Members on both sides of the House for unanimously and wholeheartedly extending their support to the Bill which I have moved.

A doubt was expressed by some Members—of course their number was not large,—when I referred to the need for abolition of the Gold Control Act, in fact, I had announced our decision to abolish the Gold Control Act.

There was a lurking fear in the minds of some Members that after the announcement of the abolition of the Gold Control Act, I would not bring forward any Bill to repeal the Act at all. I must go on record that I had introduced this repeal of the Act as early as 24-4-1990, but because there were a number of upheavals in both the Houses, in that cyclonic wave, my repeal Bill went in the background. I am happy that it has come back again.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): There is something else just in the background you are concerned with. It is the price rise.

PROF. MADHU DANDAVATE: Yes, that is right. I seem to be attacked by the cyclonic wave again and again. I seek your protection and I am glad you gave me that protection because again today there was a possibility of this reply going over to tomorrow. You came to my assistance.

I must make it explicitly clear when we introduced this particular idea into the Budget, we were very clear that the Bill has to be repealed. The greater the delay, the greater would be the harm that would be caused. In fact, when I announced this, there were big traders who were expecting that this step would not come about and as a result of that in the interregnum they would be able to gain a lot. But I would not give them peace of mind and I have come forward with a Bill.

Sir, before you rose to that podium when you were speaking from the floor, you raised a very relevant point. It was about whom the credit is to be given to as far as this Bill is concerned. I never enter into any battle of credits. I am not referring to the financial credits; I am referring to the credit about this Bill. Therefore, I formally went and conformed from the former Finance Minister if it is true that in the last Budget he had already expressed his intention and

desire to introduce such a Bill. He confirmed that. Therefore, I do want to share the credit with the former Finance Minister also. Appreciation comes from this side, Sir, because they know you very well.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): And from this position also I am taking note of your gesture and spirit.

PROF. MADHU DANDAVATE : Thank you. But I must go on record also that the former Finance Minister conceived of the idea and it is I who delivered it. Of course, don't read too much into that and try to give biological interpretation of the financial phenomenon.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): That raises many questions.

PROF. MADHU DANDAVATE : That is why I warned you, Sir.

SHRIMATI KAMLA SINHA (Bihar): Hopefully you will rear the baby also.

PROF. MADHU DANDAVATE : I can assure you I would not throw that responsibility on you at this age.

Sir, there was one amendment and if I mistake not that amendment was to be moved by you. I am thankful to you for having gone to the Chair so that you are prevented from moving that amendment.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR): You are an architect of that conspiracy.

PROF. MADHU DANDAVATE: Only if some other Presiding Officer were available you could have moved it, but again accident of circumstances helped me. No presiding officer was available to take your seat.

SHRI PRAMOD MAHAJAN: Mr. Desai is here.

SHRI JAGESH DESAI (Maharashtra): No, I am not in the panel now. But the House can ask any Member to preside.

PROF. MADHU DANDAVATE: Yes, but he would not allow that.

Sir, even if you were to move that amendment, I would have requested you for a very valid reason not to press for that amendment, because if at all this Bill was to be circulated to elicit public opinion, I am afraid, in the delay that would have been caused in finally adopting this Bill, greater people would have taken advantage and particularly the big traders and not the small goldsmiths..

SHRI JAGESH DESAI: That is very correct.

PROF. MADHU DANDAVATE: And when Jageshbhai says it is correct it must be correct. Therefore, I am glad that the situation is such that amendment would be there and it won't be sent for circulation at all.

Sir, in our field of science gold is described as a noble element but I don't think that so many ignoble things might have been done in the name of a noble element like gold, on one side under the umbrella of the Act which I am repealing and also under the umbrella of the smugglers which caused a lot of damage to our economy and also to the interest of the nation. Sir, I may say a word about the background to which many Members have referred. After the Chinese aggression in 1962, that is, the NEFA aggression, in the beginning of 1963 this measure came as a Defence of India Rule and later on in 1968 it was converted into a full-fledged Gold Control Act. In those historical conditions probably the Gold Control Act was quite essential. But what better tribute can be there to this Bill than the fact that the very author of that Act Shri Morarji Desai was the first to send me the telegram and said that

[Prof. Madhu Dandavate]

the Act which he had introduced in his regime had become out of date, "you showed the courage to repeal that." I may inform you further that it was not only my courage but it was also the courage of Shankar Raoji. We jointly undertook that venture. Anyway it has become outdated and one of the reasons is that whatever may be the laudable objective of the Gold Control Act in 1968 and the DIR in 1963, the reality of the situation in the changed circumstances is the Gold Control Act had become an instrument of harassment and corruption. So hardly an Inspector went back from a small goldsmith without recovering Rs. 2000 or Rs. 3000. It was a source of corruption. Probably the bigger the fish, the bigger the corruption they can afford. But as far as the small goldsmiths are concerned, they were really in doldrums and they could not afford the amount that was supposed to be squeezed from them. Besides that there was a lot of harassment and really speaking the big traders did not suffer much as a result of the Gold Control Act. The smugglers did not suffer at all. I will come to that point later on. But as far as the small goldsmiths are concerned, medium goldsmiths are concerned, they suffered a lot. In order to liberate them from the tyranny of corruption and also from harassment, we have really brought this Repeal Bill and I hope it will serve its purpose. Very often we are told that after this Act is repealed, what will happen about the basic motivation behind the Act that is, to check and prevent smuggling? Sir, without casting aspersion on anyone, I must point out to the House about the figures. If you go through the figures for the last few years as to under what provision gold was seized from the smugglers, a very interesting picture would emerge. I do not want to bother you with a lot of figures. But I will only give you the figures from 1984 to 1989. In 1984 the gold that was seized under the provisions of the Gold Control Act was 405 Kg. and under the provisions of the Customs Act it was 524 Kg. In 1985 the gold seized under the

provisions of the Gold Control Act was 835 Kg. and under the provisions of the Customs Act, 2,525 Kg. In 1986 under the provisions of the Gold Control Act it was 719 Kg. and under the provisions of the Customs Act it was 2174 Kg. In 1987 under the Gold Control Act it was 470 Kg. and under the Customs Act it was 2,255 Kg. In 1988 under the Gold Control Act it was 1,331 Kg. and under the Customs Act it was 6,094 Kg. In 1989—I have not got the figures under the Gold Control Act—but under the Customs Act it was 8,250 Kg. It clearly establishes the case that the provisions of the Customs Act were quite sufficient and adequate for the seizure of gold. This comparative picture makes it extremely clear. Therefore, I would also like to point out to you that if we are able to tighten our enforcement machinery, the customs machinery, the provisions of the Customs Act, I think it will be possible for us even under the new circumstances to tighten our machinery, exercise our powers adequately under the Customs Act and try to see that the smuggling is curtailed to a very great extent. (Interruptions). That is right. There is one more aspect to which I would like to make a reference. What happens in Pakistan is also of great relevance. I am not talking about terrorism and the training camps. I am talking about Pakistan's new policy of liberalisation of gold and that itself is going to create certain problems for us as far as we Indians are concerned and therefore if we use customs machinery and customs provisions properly, in that case, smuggling can be curtailed. So, because the Gold Control Act is being repealed, let us not have any fear or suspicion in our minds that we will not be able to seize gold properly and the figures that I have given right from 1984 to 1989 are ample testimony to this. One of the factors responsible for smuggling is the price differential between the domestic prices of gold and the international prices of gold. Unfortunately, the differential is of the order of 55 per cent and this being a fact, the question of checking of smuggling will be of great

importance. Controlling prices of gold is an issue which was raised by a number of Members. I do not want to go into it in detail. But this is one aspect which cannot be controlled only by the domestic policies. We have to take certain steps in domestic fields and also certain steps as far as international field is concerned. For instance the question of importing gold, all these aspects are there. Incidentally, let me tell you, a number of Members have referred to the Dutt Committee Report and also Rangarajan Committee Report. Now, there is a misnomer about one point. I think, Salve Ji himself referred to that and a reference was made at the other place also. I should not say the other House because I am prevented from doing that and you will immediately say "out of order". Therefore, I am saying that at the other place also, similar issues were raised and some Members are under the impression that there is a reference and the recommendations in the Dutt Committee Report and also the Rangarajan Committee Report in which they have said that you should not allow any import of machinery from the foreign countries which will be utilised by big traders and big manufacturers and that will add to the detriment of small goldsmiths. Sir, I am one among those who have neither an allergy nor an obsession for exports and investments through foreign countries. We must take a clearly pragmatic approach and what does that pragmatism demand? Many people said that we must augment the export and they have also said we must protect the smaller goldsmiths in the country. Now, the question is how we are going to reconcile the interest of the goldsmiths and also the interest of our export commodities. Rightly, the hon. lady Member, who spoke, she...

AN HON. MEMBER: Who is that lady Member?

PROF. MADHU DANDAVATE: I am talking about the most charming among them. (*Interruptions*). It is not

unfair. All are charming but there are degrees. (*Interruptions*). I did not talk of ugly and charming. Don't try to put a wrong interpretation. The hon. Member from Bombay tried to put forward a point of view that it is necessary that we should augment our exports. She also talked about imports and many Members have said, we must protect their interests and in the context and connotation, some have said that we should prevent any machinery coming from outside, to be used by people who are the manufacturers of various jewellery, gold jewellery. So, now, the moment you accept that we have to have exports, we will have to stand competition in the export market. If we are going to send a jewellery which is manufactured by rudimentary technology and we expect that it should stand competition as far as exports are concerned, that will never happen. And therefore, Sir, even while stressing self-reliance in this country, even in our general formulations we have always said that as far as investments or imports of capital or import of sophisticated machinery is concerned, we have marked out three sectors. One is the sector in which we rely on self-reliance. The second will be the sector in which we will have 40—60 equity. And you may remember that we also said that high-tech and also export oriented industries where we will be prepared to import....(*Interruptions*)

श्री राम आश्वेश सिंह : भारत के हैंडी-क्राफ्ट्स से ज्यादा एक्सपोर्ट होता है और ज्यादा फारेन एक्सचेंज आता है। इसलिए आप ऐसी गोल्ड पालिसी बनायें जिससे यह ज्यादा एक्सपोर्ट हो।

PROF. MADHU DANDAVATE : All right. I am prepared to be educated by you. You also have a little education from me. Let there be mutual education.

As far as jewellery is concerned, if in a big volume it has to be exported the quality also should be good. I

[Prof. Madhu Dandavate]

am not one among those who say that foreigners are not enamoured about a small jewellery that is sent by our people who would work at the level of cottage industry. If it were to be so, even our handloom garments would not have got the market. But they are picking market. Whenever foreigners come, they do visit the handloom centres in this country because they have a fascination for the type of that quality and they feel probably, that these handloom types of garments suit the genius of India and think, "When we carry some memento outside the country, it is better that we take some peculiarity of India", and therefore, they always go to cottage industry product, handloom and all that. No doubt small artisans will be able to produce certain jewellery which can be sent out. But there is a limit to which they can do it. Therefore, if there is augmentation of export, if the volume is to be more apart from quality, in that case, some sort of balance has to be restored between the appropriate technology that is available and the tools that are available to the small artisans. If we want to go in for big export, that option must be open. I am not insisting that you must go in for that. But that option must not be closed. And it does not always work to their detriment because if a large amount of export is demanded from our country and which cannot be fulfilled merely by the small artisan there is no harm if someone here says, "We are entering into the fray not in competition with these people, but in competition with others who use a similar technology in other countries. We are prepared to send the jewellery. I do not think the interests will clash. At the same time, I feel that all necessary facilities should be given to the small artisan. And I am glad that a scheme was already introduced by the previous Government and we would like to strengthen it. What was that? Small artisans in the field of jewellery are to be protected. They have taken a lot of loans and the loans have increased as a result of the implementation of the Gold Control

Act. Therefore, I want to announce that wherever the State Government is trying to compensate the loss incurred by the artisans, in the form of loans, we will be trying to assist the State Government s to compensate their tasks of seeing that proper compensation is given to those who have got heavy loans on their shoulders and thereby we will be able to assist the artisans. That aspect has to be taken note of.

We have to take note of a fact which a large number of Members mentioned Whereas the demand of Indians for gold is 200 tonnes, we have hardly two tonnes. And it is the local production. Of course, in addition--nobody referred to it--to the locally produced gold, we have also 50 tonnes of recycled gold. Even if you take that together, it is only 52 tonnes whereas the demand is for 200 tonnes. As far as underground or hidden gold is concerned, there are two estimates. I am not sure which is correct. One estimate is between 15,000 and 20,000 tonnes and the second is between 25,000 and 50,000 tonnes. That is supposed to be underground or hidden gold. And I told you that if you pursue our Gold Policy properly, there will be more possibility of underground gold coming up and when that comes up, that will also indirectly help in seeing that the Gold Policy is properly controlled. As I said earlier what we export and what we import, in addition to that, how much hidden gold comes out, all these factors--some depending on what happens outside the country and some depending on what happens inside the country--are responsible and, therefore, I had never been one among those who said: the moment the Gold (Control) Act is repealed, the prices will continuously go on falling. Initially they fell, not because of the measures. that I announced, but because of the psychological climate that was created, sometimes in the share bazar or sometimes in the capital market; even when the Finance Minister changes, you find that the capital market also speculates and it goes up

and down. Sometimes there is bull pressure and sometimes there is bear pressure. The same thing happens as far as the Gold (Control) Act is concerned, but concrete steps will have to be taken. Some Members have made suggestions and I made a reference to that in my Budget Speech, but we will like to consult the opinion in a broader way and we will also like to watch as to what its indirect effect will be. For instance, one concrete proposal is that we should allow the tourists and NRIs to import a certain quantity of gold in the form of jewellery in this country. You have the ceiling, and fix up the duty that is to be paid by them in foreign exchange and they can bring it here.
...(Interruptions)...

SHRI JAGESH DESAI : Sir, those who come on transfer to residence, I think, should be given the full facility to bring gold, as much as they want, according to their foreign exchange reserves. If that had been allowed earlier, you would have got tonnes of gold because they brought T. V. sets and other things, and instead of that, they could have brought gold.

PROF. MADHU DANDAVATE: This is right. There is a lot of weight-age and substance in this suggestion. So these suggestions will have to be properly studied. The only precaution that we have to take--by allowing the import of gold from foreign countries to people whether they are NRIs or other tourists--is that we should see that no disturbance or imbalance is created in our transactions and we have to see that our remittances do not suffer. I think probably with those precautions, it will be possible to move in a direction by which even this concrete suggestion can be actually explored.

Then there is employment potential and I think that, after the Gold (Control) Act has been eliminated or it is completely repealed a number of artisans who had given up their professions--there are a large

number of people who had given up the profession of goldsmithy--can be rehabilitated. Employment potential can be increased and by giving them appropriate type of tools and technology, it is possible to see that even employment potential among the artisans who manufacture gold jewellery, can be increased. I do not want to take much of. Sir, time and I have referred to all your suggestions which Members of this House have made because there were common suggestions and there were certain fears that were expressed even the fear that I may not bring this Bill to repeal the Act and as a result of that the traders would get nothing of the type that has happened was also expressed. I once more thank the Members who have wholeheartedly supported this and I also thank you, Sir, for having gone to the Chair and prevented your amendment from coming up before the House. I hope and trust that this Bill will be adopted unanimously and we will implement it effectively. Thank you, Sir.

SHRI ASHIS SEN Mr. Vice-Chairman, Sir, I have a point here to make. I suggested there should be some provision for making bank advances to gold smiths and artisans. Normally, gold loans are given but when somebody has gold, he bonds it and gets the loan. My proposal is that in order to rehabilitate the goldsmiths and artisans....(Interruptions)...

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : I think he has responded to that point.

SHRI ASHIS SEN: No, Sir. He has said that the State Governments will do that, but than if a provision is made that the bank advances should be made available for merchandise gold and if that is done, I think that will be a helpful process of rehabilitation.

PROF. MADHU DANDAVATE : You are only spelling out. I said that many State Governments have

[Prof. Madhu Dandavate]

undertaken this; we will assist them. When I say that we will assist them, there are financial institutions and there are banks which can do that, as has been done in the case of sick industries and others also. So *modus operandi* might vary from place to place, but we will utilise the financial institutions and the banking institutions to give some sort of credit facility or even assistance, and that is only the difference about the form that you are utilising. Anyhow, I have already explained it and I fully accept your proposal.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : This is the first step and all the related steps which are necessary to meet the objectives of the Original Act or for the purpose of repeal will follow. The Minister has assured us and we should keep our optimism alive.

I shall now put the motion to vote.

The question is :

“That the Bill to repeal the Gold (Control) Act, 1968, as passed by the Lok Sabha, be taken into consideration.”

The motion was adopted.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : We shall now take up clause-by-clause consideration of the Bill.

Clausef 2 was added to the Bill.

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

PROF. MADHU DANDAVATE : Sir, I beg to move :

“That the Bill be passed.”

The question was put and the motion was adopted.

STATEMENT BY MINISTER—

Licensing Policy on Steel

SHRI JAGESH DESAI (Maharashtra) : Sir, before we take up the other things, let us take up the price-rise issue because it has been pending for a long time.

THE VICE-CHAIRMAN (PROF. CHANDRESH P. THAKUR) : No. The statement by the Steel Minister is there now. Yes, Mr. Goswami.

THE MINISTER OF STEEL AND MINES WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI DINESH GOSWAMI) : Sir, I find that there is still scope for further streamlining the Licensing Policy governing the secondary sector steel industry in our country. This sector has played hitherto to an important and complimentary role to that of the integrated steel Plants. The secondary steel sector should continue to do so and to expand smoothly filling up gaps in the supply-demand pattern for the numerous types of steel products including special steels. Considering that we have been importing steel worth about Rs. 1200 crores every year over the last many years, the secondary steel sector requires to be supported to make a significant contribution to steel supply in the economy.

The basic principle underlying the streamlining of the Licensing Policy is that the secondary steel sector should be facilitated to integrate both backwards and forwards to improve the economic viability of individual units, many of which are too small considering the modern technological requirements. Investment decision in the private sector to produce a particular steel item or to locate the project at a particular place are basically commercial decisions and the private sector should