

plane or because of the snow-fall the plane was lost? We want to know whether the commission of inquiry has been appointed or is going to be appointed and whether the Government have considered this matter at all.

**Shri D. R. Chavan:** I have already mentioned that a court of inquiry has already been appointed and the same court of inquiry will also look into this.

12.34 hrs.

#### CONDOLENCE MESSAGES FROM FOREIGN PARLIAMENTS

**Mr. Speaker:** I have received condolence messages from various foreign Parliaments, namely, House of Representatives, USA, House of Representatives, Tokyo; Majlis Tehran; House of Representatives, Ceylon; Peoples Assembly, Indonesia, National Assembly of UAR; House of Representatives, Australia; President, German Bundestag; National Assembly, Kuwait; Senate, Malagasy Republic; Libyan House of Representatives; National Assembly, Tunisia; National Assembly, Czechoslovakia; Second Chamber, Netherlands, National Assembly, Hungary; Federal Assembly, Yugoslavia; Chamber of Deputies, Republic of Lebanon and Senate, Kingdom of Libya.

I have received other messages also from individuals. I am placing these messages on the Table of the House and any Members desirous of looking into them may do so.

12.35 hrs.

#### GOLD (CONTROL) BILL—Contd.

**Mr. Speaker:** The House will now take up further consideration of the following motion moved by Shri Bali Ram Bhagat on the 4th June, 1964, namely:—

“That the Bill to provide in the economic and financial interests of

the community, for the control of the production, supply, distribution, use and possession of, and business in, gold and ornaments and other articles of gold and for matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely:—

Shri S. V. Krishnamoorthy Rao; Shri D. Balaram Raju; Shrimati Renuka Devi Barkataki; Shri Bali Ram Bhagat; Shri Laxmi Narayan Bhanja Deo; Shri B. L. Chandak; Shri Tridib Kumar Chaudhuri; Shri Yudhvir Singh Chaudhary; Shri Homi F. Daji; Shri M. M. Haq; Shri Prabhat Kar; Shri P. G. Karuthiruman; Shri Kindar Lal; Shri H. V. Koujalgi; Shrimati Sangam Laxmi Bai; Shri Mathew Maniyangandan; Shri M. R. Masani; Shri Jashvant Mehta; Sardar Gurmukh Shingh Musafir; Shri Chhotubhai M. Patel; Shri T. Ram; Shri Shivram Rango Rane, Shri S. C. Samanta; Shri Era Sezhiyan; Shri Sheo Narain; Dr. L. M. Singhvi; Shri Rameshwar Tantia; Shri Balgovind Verma; Shri Bishma Prasad Yadava; and Shri T. T. Krishnamachari.

and 15 from Rajya Sabha.

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the last day of the first week of the next session;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply

[ Mr. Speaker ]

with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 15 members to be appointed by Rajya Sabha to the Joint Committee.

**The Minister of Planning (Shri B. R. Bhagat):** Sir, yesterday I was listening to the speeches of the hon. Members with great patience and interest. Although some of the speeches were critical, the points raised were based more on misconception than on any real significance. It is heartening to find that all the Lady Members who have spoken on this measure gave their powerful support to this Bill and they gave the impression that the womenfolk in the country were in favour of this measure (*Interruptions*).

**Mr. Speaker:** If they have supported the measure, he can use that as an argument.

**Shri B. R. Bhagat:** It was said that our womenfolk are very attached to this gold and they will not give it up. Therefore, I am making this point, because the distinguished representatives of women in this country gave their support very powerfully to this measure. (*Interruptions*). Some hon. Members tried to make the point that right from the past, we have been taking to gold in times of difficulty. Swamiji who often quotes from Vedas said that even Lord Rama went in search of the golden deer when he was in difficulty. But he forgot to mention what happened thereafter. The whole country knows that because Lord Rama went after the golden deer, he got into trouble and the whole thing influenced our thinking and the cultural heritage of our country.

Shri D. C. Sharma said that but for gold, he could not have been educated, because after the death of

his father, his mother had some gold and he could be educated with it. I concede that, but I know of a case very recently. A gentleman who competed in the Indian Foreign Service lost his father during his childhood. The father did not leave any gold, but he left behind a very heavy insurance policy. He died in an air crash and with the proceeds of the insurance policy, his mother not only educated him in this country, but abroad also and he was able to compete in the IFS. If the father had left behind some gold instead of a heavy insurance policy, he would not have been in the Foreign Service today.

My point is, gold had some value in the past. But today there are other ways of saving, Social security measures like insurance policy, national defence bonds, etc. have taken the place of gold and provide very much greater security than gold could ever provide. I am not belittling the role of gold in the past.

**Shri Rajaram (Krishnagiri):** You cannot put an LIC policy as an ornament on a lady!

**Shri B. R. Bhagat:** The hon. Member from Gujarat said that people invest in gold because its value appreciates and therefore it is a good investment. He said since 1939 the price of gold has become six-fold and if somebody had invested Rs. 100 in gold then it would fetch Rs. 600 now. He also said that if somebody had invested it in defence bonds or some Government security or social insurance policies, the money would have increased only three-fold. He has tried to be very smart and taken up the position in 1939. From that time onwards, because of various other reasons like the second World War, the Korean boom, etc. the value of gold has appreciated. But it has not appreciated six times. The price then was round about Rs. 37 per 10 grams. The price today is Rs. 118 or 119. So the increase cannot be 600 per cent.; it may be round about 310

or 320 per cent., as against 300 per cent., according to his own admission, in the case of Government stock or securities or bonds.

Here I will refer to another aspect of the same point. He has taken, conveniently perhaps, only these 25 years. I want him to take 25 years before the second world war, say between 1910 and 1935. During that period there was absolutely no appreciation in the value of gold. The price remained round about Rs. 35 or 37. So, if somebody had invested in 1910 or 1915 Rs. 100 in gold, it would have remained the same up to 1933 whereas if he had invested it in Government stocks the value of it would have appreciated.

It should also be borne in mind that if the investment is in gold ornaments, straightaway there is a discount of 25 per cent because, whatever Dr. Deshmukh has said, even though the goldsmiths may say that the purity of the gold they use for ornaments is 22 or 24 carat, it is never of that standard of purity; it is always less than 20 carat. It has been borne out by facts. On the wake of the Chinese aggression, people gave gold ornaments as contribution to the Gold Bond Scheme. When we got those ornaments assayed in our mints what did it reveal? The assay revealed that though the gold ornaments were believed to be of 22 carat and people have paid for it according to that rate, their purity was much less. In Kerala it is only 16 carat—and this is borne out by the assay and analysis done by our mint. In Madras it is 15 or 16 carat. In Mysore and Maharashtra it is 19 carat. In Madhya Pradesh it is 18 carat.

**Mr. Speaker:** Does the Minister want to prove that the goldsmiths are cheat, all over the country and it is only a question of degree in certain States?

**Shrimati Yashoda Reddi (Kurnool):** In Madras it is not 15 carat. It is always 20 or above.

**Shri B. R. Bhagat:** That is the common belief. I am only taking up the point of Dr. Deshmukh and saying that if there is an investment of Rs. 100 in gold, if it is in ornaments, straightway you can discount 25 per cent., and that has been proved by the assay in our mints of the purity of the gold ornaments which we received as contribution to the Gold bonds. The purity of gold in the case of ornaments is never more than 20 carat. It varies between 16 and 20. So, if you take into account this aspect of the purity while investing money in gold, leaving aside appreciation in price and other things, and compare it with the return on investments in other things like insurance policy or defence bonds or national savings certificates you will find that the latter is more advantageous.

**Shri Kashi Ram Gupta (Alwar):** But that cannot be the measurement for all.

**Shri B. R. Bhagat:** The burden of my speech is that the objections raised against this Bill arise more out of misconceptions about the value of gold and the role of gold than anything else. A point has been made that gold is the only saving for small men. I say that insurance habit is becoming more and more popular in the country side. There are small policies and a person can take a policy for Rs. 1,000 without a medical certificate or any other formalities. So, as a social security measure, as a saving or investment for a small man, there are several opportunities available today in the country which are not only superior to gold but will give better returns with none of the risks involved in investing in gold. Therefore, any criticism of this measure on that point is not valid.

Shri Trivedi raised some constitutional objections to this measure. He

[Shri B. R. Bhagat]

said that this measure will come in conflict with articles 14 and 19 of the Constitution. We have got this question examined and we have been advised by our legal advisers that this Bill does not infringe article 19 because the restrictions imposed by law are reasonable and in the interests of the general public.

**Shri S. M. Banerjee** (Kanpur): Whom did you consult? The Attorney-General?

**Mr. Speaker:** They have their legal advisers.

**Shri B. R. Bhagat:** Since the hon. Member has not raised this point, he need not get exercised over this point. It is true that under article 14 there cannot be class legislation; but it does not forbid reasonable classification in proper cases. Therefore, we have been advised that it is *intra vires* of the Constitution in respect of these two articles.

I can classify the objections that have been raised against this measure into three categories. The first one was that the objectives of the Bill have not been fulfilled, e.g. smuggling has not been stopped. The second major objection is that the price of gold has not been reduced. Thirdly, it is said that this measure has not unearthed the hoarded gold.

**Shri Hari Vishnu Kamath** (Hoshangabad): According to Government, has smuggling increased or decreased?

**Shri B. R. Bhagat:** I am coming to that. As far as smuggling is concerned, gold has certain attractions and advantages over other consumer articles. As Shri Prakash Vir Shastri has said, people prefer to have gold and not watches and other consumer goods. Even though the lure for watches and other consumer goods is there, if somebody has got a watch he is satisfied with it; he does not need a second one. But in the case of gold the lure is insatiable because you can keep any quantity of gold.

Therefore, in the case of watches and other consumer goods, or even diamonds, the scope or demand is limited. Because of this attraction for gold, smuggling in gold, as compared to other articles, was more for a long time and it continues to be so. It poses a great problem and it is necessary to control it. Therefore, we have been trying to take strong measures to stop smuggling in gold. But the objective of this Bill is not directly to stop smuggling. The idea or object of this Bill is to stop smuggling by reducing the demand for gold in the country. The main objective of this Bill is to wean away people from the attraction of gold. Therefore the objective of the Bill is more of a long term nature.

**Shri Hanumanthaiya** (Bangalore City): You have given up the very basis of the Bill.

**Shri B. R. Bhagat:** That is not true.

**Shri Nambiar** (Tiruchirapalli): He is going entirely in the opposite direction. Because gold is not available, people are purchasing it in the black-market.

**Shri B. R. Bhagat:** I am sure if hon. Members view my point in its proper perspective they will be able to appreciate it.

Then I come to the second objection, namely, that the price of gold has not been reduced. That may be so. But you have to look at it over a period of time. In 1953, immediately before the Gold Control Order, the price of gold was Rs. 129.90 per 10 grams. As against it, it is Rs. 118/- or Rs. 119/- today. After the Gold Control Order the price has been maintained as about Rs. 118/- instead of an annual rise of 5 to 6 per cent in the price of gold over the last few years successively.

श्री हुकम चन्द कछवाय (देवास)  
ये कहते हैं कि मुख्य घटा दोगे सोने के  
यहां तो मूल्य बढ़ रहे हैं और वे सो रहे हैं

**Shri B. E. Bhagat:** The hon. Member goes on hearsay; I am giving him concrete facts and arguments. My point is that during the last few years preceding the Gold Control Order there was a progressive rise in the price of gold to the extent of about 5 to 6 per cent every year and the price went up to as high as Rs. 129/- or Rs. 130/-. It is true that after the Gold Control Order at one time the price touched Rs. 95/-. It is true that the price has not gone down because it is not Rs. 95/- but there is some gain and it can go to the credit of this measure that the price is now stabilised at Rs. 118/- or Rs. 119/-. There is no increase and that is due to the fact that this gold control measure has come in and control is being exercised over it.

Then, the third objection was that hoarded gold has not been unearthed. I think, hon. Members, Sarvashri Banerjee and Sarjoo Pandey and some other hon. Members raised this point. Again, the hon. Member will jump and say that we have given up our point; but I want to say that it has not been the policy of the gold control measure to bring out, or unearth hoarded gold or hoarded wealth.

It has been said that because only Rs. 43 crores worth of gold has been declared which is only 1 per cent of Rs. 4,000 crores worth of gold that was estimated. I think, to compare the two is wrong. There is no basic assumption. It has not been said that Rs. 4,000 crores worth of gold is there in the country. There is nothing like that.

**Shri S. M. Banerjee:** What is the correct figure?

**Shri B. E. Bhagat:** We do not know the correct figure.

**Shri Sham Lal Saraf (Nominated—Jammu and Kashmir):** Last year it was said like that.

**An. Hon. Member:** You bring the Bill without knowing it.

**Shri B. E. Bhagat:** We can only say that that estimate is not correct. Then, a large part of the gold is in the form of gold ornaments, although I do not know what proportion is in the form of gold ornaments, and what proportion in the form of gold bars. But it is generally accepted and it is common experience of everybody that a large part of the total amount of gold may be in the shape of ornaments. We have not so far said that ornaments should be declared. Then, we put a limit of 50 grammes in the case of an adult and 20 grammes in the case of a minor beyond which it was to be declared. Therefore when it is said that because only Rs. 43 crores worth has been declared it is 1 per cent of the total of Rs. 4,000 crores worth of gold which itself is not a correct estimate and a large portion of it is in the form of ornaments, the basic assumption has failed.

**Shri S. Kandappan (Tiruchengode):** When an estimate has not been made how can the hon. Minister say that?

**Shri B. E. Bhagat:** The hon. Member is completely missing the point that I am making. I am saying that firstly, the measure never had the objective to unearth or seize gold hoardings. We wanted declaration of large holdings with people so that we may be able to trace as to where the smuggled gold has gone and we may be able to deal with that. Then, the declaration was voluntary, absolutely voluntary. Therefore that is the reason that now we are taking powers under this Bill that we will ask people to declare gold which may be large holdings in the shape of gold ornaments. There again, we do not want to touch the common man, men who have a small holding in the shape of ornaments or otherwise. And, as I said, the main purpose is to trace the smuggled gold whether in the form of bars or ornaments or big holdings with the people so that we may be able to know where it is going

[Shri B. R. Bhagat]

Also, if it is declared gold, valid, we have nothing to do with it. The country has not come to the situation where the Government will have the policy of seizing all private property. That is not the position; that is not our intention that we will seize all private gold. The only thing is that gold is declared. If it is in large quantities whether in the form of bars or ornaments, and the source of it cannot be identified like any big black money, then we will have to deal with it. That is the objective. I think, with this objective the House should be in agreement and the House should not oppose the measure itself under some misconception.

**Shri Nambiar:** The objection here is that in the name of finding out the surplus gold available, they may harass people and do a lot of things which will do harm to the common man. Suppose, I say that I have only 20 grammes and he says that it is 50 grammes then the Police will have to go and search my house to find out whether it is 20 grammes or 50 grammes. That will be the wholesale attack on the people.

**Shri B. R. Bhagat:** I am answering all the points that are being raised. If I am interrupted over and over again, the only thing will be that I will not be able to answer any point.

**Shri Nambiar:** It is a pertinent question which we raised and you are skipping over it.

**Shri B. R. Bhagat:** Now it has been said that because the facilities for saving are not there and the banks or insurance have not reached the rural areas, gold is a better form of investment. I think, here again, on facts the hon. Members have not appreciated the point. It has been said that the State Bank has only 600 branches. That is true; but the post offices have 40,000 branches and anybody who wants to take a bond can go and buy it. In terms of invest-

ment and return, if somebody invested in defence bonds Rs. 100/- today, in 12 years it will become Rs. 175/-. No gold can appreciate to that extent. The post offices are scattered all over the country and the facilities are there.

**Shri Kashi Ram Gupta:** Do you know the difficulties that a villager has to face in taking out money from the post office?

**Shri B. R. Bhagat:** The people are taking to it. Actually, the fact is that there is a general realisation in the country that there are much better forms of investment than gold and they are taking to them. The object of this Bill is to strengthen those forces without creating dislocation, harassment or difficulties in certain sections. The objective is to create those tendencies. For example, the investment in Defence Savings Certificates is considerable. The net investment in 1963-64 was Rs. 128 crores. Life policies have exceeded a good deal. In seven years bank deposits have doubled. So, all these forces are there which will not only replace gold but will provide better social security, better investment and will bring the country in line with modern economic trends as in all other advanced and industrialised countries. So, we want the country to progress on that line and we have to progress on those lines. In the investment pattern, in social security measures, in insurance schemes we have to go along that line. That is the objective of this Bill.

One thing should not be singled out and said that because it would not seize hoarded gold, the objective has failed or that the objective has failed because the price has not come down to Rs. 75 or that the objective has failed because smuggling still goes on. The objective has not failed. We are going along sound lines.

**Shri Kashi Ram Gupta:** Income-tax evasions have increased due to this.

**Shri B. R. Bhagat:** Then, a point was made by Shri Peter Alvares that we wanted people to invest in gold bonds but we paid them half the price and straightway cut away 50 per cent of their investment. I think, arguing in this manner hardly serves the point because it is not correct. Firstly, investment in gold bonds was not compulsory; it was voluntary. Anybody who wanted to invest had to make a choice and see if it was an attractive investment; then only he would do so. We paid the international price. The international price of gold is half of the market price prevailing here. That is true; but as a Government, as a member of the International Monetary Fund, we have certain obligations. Government cannot enter into any transaction and pay more than the international price. The hon. Member knows it. He is a student of economics, the international economics, and to say that we have cut away half of their savings in order to make it up is not correct. We made it more attractive; we gave higher rates of interest. We gave other concessions also so that the whole scheme of Gold bonds should be attractive and the people find it attractive to make an investment in this. It was quite a voluntary investment. They could have either gone for investments in stocks or in other policies. Therefore, to say that under the gold control scheme we have slashed 50 per cent of the savings of the people is very uncharitable and incorrect as coming from the hon. Member.

13 hrs.

Then, I come to the question of rehabilitation. When we try to introduce any new scheme of investment, a new social and economic system, new attitudes of life, certainly it affects a number of people and we have to make the scheme more flexible, more humane because a large number of goldsmiths have been affected by it. We have to see that all their genuine

difficulties are removed. Here again, the people magnify the problem. The hon. Member from Gujarat, Mr. Solanki said that there are 20 lakhs goldsmiths in this country. Somebody says, there are 5 lakhs goldsmiths; somebody else says, there are 10 lakhs goldsmiths. He said there are 20 lakhs goldsmiths. If there are 20 lakhs goldsmiths and if you take an average of 5 members per family, this figure will come to 100 lakhs. Taking into consideration the whole population of the country, it will come to 1 goldsmith for every 47 persons. On the face of it is not correct.

**Shri Krishnapal Singh (Jalesar):** He gave the total number.

**Shri B. R. Bhagat:** I have worked out the arithmetic of it. If you take the figure at 20 lakhs and if you take an average of 5 members per family, it will come to 100 lakhs, that is, 1 crore. Taking into consideration the total population of our country, it means 1 goldsmith among every 47 persons, that is, 1 person belonging to a goldsmith family for every 47 persons. On the face of it, this figure is absurd.

**Shri Hari Vishnu Kamath:** What is the Government's figure?

**Shri B. R. Bhagat:** I am coming to that. Our estimate is that there are about 3 lakhs goldsmiths in this country of which 40,000 have been rehabilitated.

**श्री प्रकाशवीर शास्त्री (बिजनौर):**  
लेकिन फिर तो उन के आंकड़े पूरे हो गये।

**श्री ब० रा० भगत :** वह २० लाख कहते हैं।

**श्री प्रकाशवीर शास्त्री :** ३ लाख आप के आंकड़े हैं। अगर एक परिवार में पांच सदस्य मान लिये जायें तो उन की संख्या १५ लाख हो जाती है।

श्री ब० रा० भगत : उन्होंने ३ लाख की जगह पर २० लाख कहा था ।

Then, 26,000 loan applications for setting up an alternative productive enterprise have been sanctioned. In the case of 22,000 cases, funds have also been disbursed. About 9000 people have otherwise found an alternative employment. 10,000 persons have been given assistance in other forms, like, fair price shops, land, etc. This is all a considerable assistance. Again, very liberal terms for financial assistance have been given by the Government. It is said that individual loans worth only Rs. 500 have been given. It is not true that individual loans worth only Rs. 500 have been given. In many cases, loans varying between Rs. 1000 to Rs. 1500 have been given by States on personal bonds of the goldsmiths which could enable them to take to alternative small profession.

Then, under the new certificate scheme, 2 lakh goldsmiths have registered themselves. A criticism was made that we have put a dead-line there. It is said that every new entrant should be allowed to come in. That is not the policy. The policy is that only the *bona fide* goldsmiths should be allowed to carry on their work. Having an overall picture of things, it is not wise to allow their sons or dependants, young people, to take to this profession. We should persuade them to take to other professions. The Finance Minister will sanction very liberally all the amounts for rehabilitation of their sons or dependants and others. But it may not be a wise policy to leave the door open for new people or the young people to take to this profession. This is a very clearly demarcated thing.

**Shri Hari Vishnu Kamath:** Under article 19 of the Constitution, there is freedom to pursue any profession.

**Shri B. R. Bhagat:** Last year, Rs. 34 crores were spent on their rehabilitation. This year, the Finance Minister has assured the States that an increased amount of Rs. 5 crores or more may be given to them for their rehabilitation and education. Very liberal terms of financial assistance to young people and their dependants have been given. Therefore, the question of hardship to this group of goldsmiths has been taken care of.

Then, a point was made about the powers of the Gold Control Administrator. All these questions and points relating to accounting, forms or other matters of detail. It is said that public religious institutions are not being given facilities. I am sure the Joint Committee will take care of all this. I would not like to deal with that now. I only want to say that the power of the Gold Control Administrator is not absolute. He is an appellate authority. The power has been delegated all along the line. He is only an appellate authority and a person can go to the Government in revision of the appeal. He has not the absolute power. I am sure the Joint Committee will look into all these matters.

In conclusion, I say that the objectives underlying the gold control are such that they may not be achieved over a short period of time. I again repeat it. I do not want to give any wrong impression....

**Shri Hari Vishnu Kamath:** How long will it take?

**Shri B. R. Bhagat:** It depends upon the cooperation of the hon Members. It depends upon how far the attitude of the people changes. It involves the change in the people's attitude towards gold and to going in for new forms of investment. It depends on their giving up traditional lure for gold. The answer will be provided by all these things, no

by me. Therefore, I say, it depends on the cooperation of the hon. Members.

The Government are also aware that time must be given for adjustment of the various interests involved connected with the dealings in gold, like, the dealers, the goldsmiths and others. We are trying to provide suitable opportunities for them. Therefore, the results of a measure like this can only be seen after a sufficient period of time.

**Dr. M. S. Aney** (Nagpur): Say, about 10 years?

**Shri B. E. Bhagat**: The short period of 1½ years that has been so far available to us does not indicate that it has been a failure, as has been made out. In fact, the indication is that the objectives which are sought to be achieved are being partially met. I think the deliberations of the Joint Committee on this measure will be of much help and the implementation of the Act will go towards the fulfilment of these objectives.

With these words, I move this motion for reference to the Joint Committee and I oppose the motion moved by Shri S. M. Banerjee for referring it to elicit public opinion thereon.

**Shri Hari Vishnu Kamath**: On a point of information .....

**Mr. Speaker**: There need not be any interruption now. After the report is received, we can have that.

**Some Hon. Members** *rose*—

**Mr. Speaker**: Not so many Members at the same time. Shri Sham Lal Saraf.

**Shri Sham Lal Saraf**: Sir, the main purpose of this measure is to stop gold smuggling. I only want the Minister to enlighten us whether we will be successful in this or not. That is all.

**Mr. Speaker**: He says, it would depend upon time. He wants time.

**Shri Raja Ram**: He has not said anything.

**The Minister of Finance** (Shri T. T. Krishnamachari): The position is this. The physical factor is also connected with this matter. We are not in a position to import any gold. Our production of gold is confined, more or less to two mints and it is quite a negligible quantity. We have often considered if we can allow import of gold so that this question of high prices of gold and smuggling will stop. It will and there is no denying the fact. The international price being very low than the price in the country, if we allow import of gold, smuggling will stop. That is a theoretical proposition. We have not got the resources to import gold. Import of gold has to stop and therefore use of gold has to be restricted to the minimum needs. This is something which the country cannot escape from. We have to stop smuggling. Hon. Members asked me if we are endeavouring to do so. We are endeavouring to do so. As time goes on our endeavour will bear more fruit than what is the case at the present moment.

**श्री प्रकाशबीर शास्त्री**: मैं ने कल भी यह प्रश्न उठाया था और मैं चाहता हूँ कि श्री भगत अपने उत्तर में इस बात का स्पष्टीकरण करें कि उन्होंने जो यह आंकड़े दिये हैं कि तीन लाख स्वर्णकार इस से बेकार हुए हैं और अगर उन के परिवारों की सदस्य संख्या ५ के हिसाब से भी मान लें तो वह १५ लाख व्यक्ति हो जाते हैं, आप उन की सहायता के लिए ५ करोड़ रुपया उन पर व्यय करेंगे तो यह ५ करोड़ रुपया जो कि देश की रक्षा के उपयोग में आ सकता था उस को इधर लगायेंगे। तो क्या इन सब बातों के लिए यह समय आपको उचित जंचा था ?

**श्री ब० रा० भगत :** मैं ने जो कहा उधर शायद माननीय सदस्य ने ध्यान नहीं दिया। २ लाख नये सर्टिफिकेट के हिसाब से रजिस्टर्ड हो चुके हैं और वह काम में लगे हैं और बाकी में ४०,००० को रिहैब्लिट किया गया है अथवा किया जा रहा है इसलिए माननीय सदस्य का यह कहना कि ३ लाख के ५ गुने अर्थात् १५ लाख व्यक्ति बेकार हैं उनके यह आंकड़े सही नहीं हैं।

**श्री काशीराम गुप्त :** जब से यह १४ कैरट का मामला चला है, कल भी मैं ने इस कहा था और आज पुनः कहना चाहंगा कि उस वक्त से बिक्री टेक्स और इनकम टैक्स की चोरी के आधार पर जो एक व्यापार चल रहा है उस के बारे में मंत्री महोदय ने कुछ नहीं बतलाया कि २२ कैरट के नाम पर १५ और १६ कैरट का सोना उन को मिला है तो फिर १४ कैरट का सोना तो सम्भवतः ६ कैरट तक पहुँच जायेगा तो इस के लिए मंत्री महोदय ने कोई विचार व्यक्त नहीं किया कि क्या स्थिति बनेगी ? इस के आधार पर तो जो दलील वह देते हैं वह उन के ही विपरीत जाती है।

**Shri Krishnapal Singh:** Is it a fact that there have been large number of suicides among the goldsmiths?

**Mr. Speaker:** That question has been dealt with.

**श्री विश्वाम प्रसाद :** (लालगंज) : अध्यक्ष महोदय, जब पिछली दफे यह गोल्ड कंट्रोल आडर आया था तो पहले के वित्त मंत्री जी ने तीन बातें कहीं थीं : एक तो यह कि स्मर्गलिंग इस से बंद होगी . . . . .

**अध्यक्ष महोदय :** वह तीन बातें तो बहुत दफे कही जा चुकी हैं आप बारबार उसे क्यों दुहरा रहे हैं ?

**श्री विश्वाम प्रसाद :** बस मैं खत्म किये देता हूँ। दूसरी बात उन्होंने यह कही थी कि इस से छिपा हुआ सोना बाहर निकल

आयेगा और तीसरी बात उन्होंने यह कही थी कि सोने से जो लोगों को मुहब्बत है वह भी इस से खत्म हो जायेगी, तो मैं यह जानना चाहता हूँ कि इन तीनों चीजों में कितनी परसेंट प्रगति हुई है ?

**अध्यक्ष महोदय :** इस का भी जवाब उन्होंने दे दिया कि उनका परसेंटज बतलाना बहुत मुश्किल है।

I will put the amendment of Shri Banerjee, to vote. The question is.

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st August, 1964".

Those against may say 'No'.

**Some Hon. Members:** No.

**Mr. Speaker:** Those in favour may say 'Aye'.

**Some Hon. Members:** Aye.

**Mr. Speaker:** The 'Noes' have it.

**Shri S. M. Banerjee:** The 'Ayes' have it.

**Mr. Speaker:** Those who are in favour may kindly stand in their places.

**Shri S. M. Banerjee:** Please give the House an opportunity.

**Mr. Speaker:** Let me see if there is a sufficient number of hon. Members in favour of the amendment.

**Shri Hari Vishnu Kamath:** There is no quorum.

**Mr. Speaker:** There is quorum. I suppose. If he insists I will allow him an opportunity, but if it is of no use why should we waste time on that?

**Shri S. M. Banerjee:** If it is your wish, it is all right.

**Mr. Speaker:** I want to know his wish. If he insists I will have it.

**Shri S. M. Banerjee:** I insist Sir.

Mr. Speaker: All right. Let the lobbies be cleared. I will put the amendment of Shri Banerjee to the vote of the House. The question is:

the purpose of eliciting opinion thereon by the 31st August, 1964".

"That the Bill be circulated for

The Lok Sabha divided:

### Division No. 12]

### AYES

[13.18 hrs-

Bade, Shri  
Badrudduja, Shri  
Banerjee, Shri S.M.  
Bhattacharya, Shri Dinen  
Bhawani, Shri Lakshmu  
Bheej, Shri P.H.  
Deb, Shri P.K.  
Ghosh, Shri P.K.  
Gupta, Shri Kanshi Ram  
Kachhavaiya, Shri Hukam Chand

Kakkar, Shri Gauri Shankar  
Kapur Singh, Shri  
Kesar Lal, Shri  
Krishnapal Singh, Shri  
Lakhan Das, Shri  
Misra, Dr. U.  
Nambiar, Shri  
Rajaram, Shri  
Rameshwaranand, Shri  
Roy, Dr. Saradish

Sen, Dr. Ranen  
Shastri, Shri Prakash Vir  
Siddhanti, Shri Jagdev Singh  
Singh, Shri Y.D.  
Singha, Shri G.K.  
Singha, Shri Y.N.  
Solanki, Shri  
Swell, Shri  
Tan Singh, Shri  
Utiya, Shri

### NOES

Achal Singh, Shri  
Alagesan, Shri  
Alva, Shri Joachim  
Aney, Dr. M.S.  
Atunachalam, Shri  
Bakliwal, Shri  
Balmiki, Shri  
Barupal, Shri P.L.  
Basappa, Shri  
Basumatari, Shri  
Baswant, Shri  
Bhagat, Shri B.R.  
Bhakt Darshan, Shri  
Bhanu Prakash Singh, Shri  
Borooh, Shri P.C.  
Brajeshwar Prasad, Shri  
Brij Basi Lal, Shri  
Chakraverti, Shri P.R.  
Chanda, Shrimati Jyotsna  
Chandak, Shri  
Chandrabhan Singh, Shri  
Chandriki, Shri  
Chuni Lal, Shri  
Daljit Singh, Shri  
Das, Shri B.K.  
Das, Shri N.T.  
Das, Shri Sudhansu  
Dass, Shri C.  
Deshmukh, Shri Shivaji Rao S.  
Dinesh Singh, Shri  
Dorai, Shri Kasinatha  
Dwivedi, Shri M.L.  
Elayaperumal, Shri  
Ering, Shri D.  
Ganapati Ram, Shri  
Gandhi, Shri V.B.

Ganga Devi, Shrimati  
Gupta, Shri Badshah  
Gupta, Shri Shiv Charan  
Hansda Shri, Subodh  
Hazarika, Shri J.N.  
Hem Raj, Shri  
Iqbal Singh, Shri  
Jadhav, Shri M.L.  
Jagjivan Ram, Shri  
Jain, Shri A.P.  
Jedhe, Shri  
Joshi, Shrimati Subhadra  
Kandappan, Shri S.  
Kayal, Shri P.N.  
Keishing, Shri Rishang  
Khan, Dr. P.N.  
Khanna, Shri Mehr Chand  
Kindar Lal, Shri  
Kotoki, Shri Liladhar  
Kripe Shankar, Shri  
Krishna, Shri M.R.  
Krishnamachari, Shri T.T.  
Lalit Sen, Shri  
Laxmi Bai, Shrimati  
Mahishi, Shrimati Sarojini  
Maimoona Sultan, Shrimati  
Malaviya, Shri K.D.  
Mallick, Shri Rama Chandra  
Maruthiah, Shri  
Masuriya Din, Shri  
Matcharaju, Shri  
Mehdi, Shri S.A.  
Mehrotra, Shri Braj Bihari  
Mirza, Shri Bakar Ali  
Morarka, Shri  
Munzani, Shri David

Murti, Shri M.S.  
Musafir, Shri G.S.  
Mothiah, Shri  
Nayar, Dr. Sushila  
Pandey, Shri Vishwanath  
Pant, Shri K.C.  
Parashar, Shri  
Patel, Shri Rajeshwar  
Patil, Shri S.B.  
Prabhakar, Shri Naval  
Raghnath Singh, Shri  
Rai, Shrimati Sahodrabai  
Raju, Dr. D. S.  
Raju, Shri D.B.  
Ram Sewak, Shri  
Ram Subhag Singh, Dr.  
Ram Swarup, Shri  
Ramaswamy, Shri V.K.  
Rane, Shri  
Rao, Shri Jagannatha  
Roy, Shri Vishwanath  
Saha, Dr. S.K.  
Saigal, Shri A.S.  
Samantha, Shri S.C.  
Samnani, Shri  
Shah, Shri Manabendra  
Saha, Shri Manubhai  
Sharma, Shri K.C.  
Sheo Narain, Shri  
Shinde, Shri  
Siddanajappa, Shri  
Siddiah, Shri  
Sidheswar Prasad, Shri  
Singh, Dr. B.N.  
Singh, Shri D.N.

Singha, Shri G.K.  
 Sonavane, Shri  
 Soy, Shri H. C.  
 Subbaraman, Shri C.  
 Subramanyam, Shri T.  
 Sumat Prasad, Shri  
 Sunder Lal, Shri  
 Surendra Pal Singh, Shri  
 Swamy, Shri M. P.

Swaran Singh, Shri  
 Thimmaiah, Shri  
 Thomas, Shri A.M.  
 Tiwary, Shri D.N.  
 Tiwary, Shri K.N.  
 Tiwary, Shri R.S.  
 Tula Ram, Shri  
 Upadhyaya, Shri Shiva Dutt  
 Varma, Shri M.L.

Veerabasappa, Shri  
 Verappa, Shri  
 Venkatasubbaiah, Shri P.  
 Verma, Shri Balgovind  
 Verma, Shri K.K.  
 Vidyalkar, Shri A.N.  
 Wadiwa, Shri  
 Yadab, Shri N.P.

**Mr. Speaker:** The result of the division is: Ayes 30; Noes 134.

*The motion was negatived.*

**Mr. Speaker:** Now I will put the main motion to the vote of the House. The question is:

"That the Bill to provide in the economic and financial interests of the community, for the control of the production, supply, distribution, use and possession of and business in, gold and ornaments and other articles of gold and for matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely Shri S. V. Krishnamoorthy Rao, Shri D. Balarama Raju, Shrimati Renuka Devi Barkataki, Shri Bali Ram Bhagat, Shri Laxmi Narayan Bhanja Deo, Shri B. L. Chandak, Shri Tridib Kumar Chaudhuri, Shri Yudhvir Singh Chaudhary, Shri Homi F. Daji, Shri M. M. Haq, Shri Prabhat Kar, Shri P. G. Karuthiruman, Shri Kindar Lal, Shri H. V. Koujalgi, Shrimati Sangam Laxmi Bai, Shri Mathew Maniyangadan, Shri M. R. Masani, Shri Jashvant Mehta, Sardar Gurmukh Singh Musafir, Shri Chhotubhai M. Patel, Shri T. Ram, Shri Shivram Rango Rane, Shri S. C. Samanta, Shri Era Sezhiyan, Shri Sheo Narain, Dr. L. M. Singhvi, Shri Rameshwar Tantia, Shri Balgovind Verma, Shri Bhishma Prasad Yadava, and Shri T. T. Krishnamachari

and 15 from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the last day of the first week of the next session;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 15 members to be appointed by Rajya Sabha to the Joint Committee."

*The motion was adopted.*

13.20 hrs.

STATE BANK OF INDIA (AMENDMENT) BILL

**The Minister of Finance (Shri T. T. Krishnamachari):** I beg to move:

"That the Bill further to amend the State Bank of India Act, 1955, be taken into consideration."

This Bill is intended to facilitate a reconstitution of the central and local boards of the State Bank of India in the light of our experience in the last nine years, during which, as the House is aware, there has been an uninterrupted increase both in the area and in the range of the bank's activities.

It might be useful if I give a few details of the working of the State Bank and its subsidiaries. At the end of June, 1955, when the Imperial Bank of India was taken over and nationalised, it had about 466 offices and deposits of the order of Rs. 200 crores. The other State-associated banks which have since been taken