

LOK SABHA

THE GOLD (CONTROL) BILL, 1963

(Report of the Joint Committee)

with evidence.

(Presented on the 11th September, 1964)



LOK SABHA SECRETARIAT
NEW DELHI

September, 1964/Bhadra 1886 (Saka)

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LOK SABHA

Corrigenda
to the
Report of the Joint Committee on the
Gold (Control) Bill, 1963.

REPORT OF THE JOINT COMMITTEE

Page (iv), line 1 from bottom, for "Ornamenst" read "Ornaments".

MINUTES OF DISSENT

Page (xxix), line 10, for "concers" read "concerns".

BILL AS REPORTED BY THE JOINT COMMITTEE

Page 7, marginal heading to clause 7 for "Licednsing-c.fug
of dealer's" read "Licensing dealers."

Page 26, line 34, for "unles" read "unless".

Page 27, (i) line 15, underline the words "order of"
and "fine".

(ii) lines 27-39, omit the side line.

P.T.O.

-:2:-

APPENDIX III

Page 47, line 12 from bottom, for "Swami" read "Sawai".

Page 63, lines 10-12 from bottom, for "Social Sudhar Sabha, All India Jammu and Kashmir," read "All Jammu and Kashmir Social Sudhar Sabha".

APPENDIX V

Page 93, line 3 from bottom, for "Shri Suryakanth" read " Shri Charanjit Lal".

Page 94, line 19, for "Vaivadnya" read "Daivadnya"

Page 95, line 17, for " XVI" read " XV "

Page 103, line 11, for "ecidence" read "evidence"

New Delhi,
The 15th September, 1964.

THE GOLD (CONTROL) BILL, 1963
COMPOSITION OF THE JOINT COMMITTEE

Lok Sabha

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvīr Singh Chaudhary
9. Shri Homi F. Daji
10. Shri M. M. Haq
11. Shri Prabhat Kar
12. Shri P. G. Karuthiruman
13. Shri Kindar Lal
14. Shri H. V. Koujalgi
15. Shrimati Sangam Laxmi Bai
16. Shri Mathew Maniyangadan
17. Shri M. R. Masani
18. Shri Jashvant Mehta
19. Sardar Gurmukh Singh Musafir
20. Shri Chhotubhai M. Patel
21. Shri T. Ram
22. Shri Shivram Rango Rane
23. Shri S. C. Samanta
24. Shri Era Sezhiyan
25. Shri Sheo Narain
26. Dr. L. M. Singhvi
27. Shri Rameshwar Tantia
28. Shri Balgovind Verma

(ii)

29. Shri Bhishma Prasad Yadava
30. Shri T. T. Krishnamachari

Rajya Sabha

31. Shri Mahabir Dass
32. Shri Suresh J. Desai
33. Shri B. K. Gaikwad
34. Shri I. K. Gujral
35. Shrimati Nandini Satpathy
36. Shri C. D. Pande
37. Shri Dahyabhai V. Patel
38. Shri P. Ramamurti
39. Shri Shiva Nand Ramaul
40. Shri V. C. Kesava Rao
41. Shri Sherkhan
42. Shri Mahabir Prasad Shukla
43. Shri Rajendra Pratap Sinha
44. Shrimati Tara R. Sathe
45. Shri A. M. Tariq.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance.*
3. Shri Rama Rau, *Deputy Secretary, Ministry of Finance, Department of Revenue.*
4. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

REPORT OF THE JOINT COMMITTEE

1. I, the Chairman of the Joint Committee to which 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 was referred, having been authorised to submit the report on their behalf, present this their Report, with the Bill as amended by the Committee annexed thereto.

2. The Bill was introduced in Lok Sabha on the 26th November, 1963. The motion for reference of the Bill to a Joint Committee of the Houses was moved in Lok Sabha by Shri B. R. Bhagat, the Minister of Planning and Minister of State in the Ministry of Finance, on the 4th June, 1964 and was discussed and adopted on the 5th June, 1964 (See Appendix I).

3. Rajya Sabha discussed and concurred in the said motion on the 6th June, 1964 (See Appendix II).

4. The message from Rajya Sabha was published in the Lok Sabha Bulletin Part II, dated the 10th June, 1964.

5. The Committee held 13 sittings in all.

6. The first sitting of the Committee was held on the 9th June, 1964 to draw up a programme of work. The Committee at this sitting decided to hear evidence of associations etc. desirous of presenting their views or suggestions before the Committee and to issue a press communique inviting memoranda for the purpose by the 9th July, 1964.

7. 1,99,678 Memoranda/representations on the Bill were received by the Committee from different associations/individuals as mentioned in Appendix III.

8. At their second to tenth sittings held on the 20th to 25th and 27th July, and 10th and 11th August, 1964, respectively, the Committee heard the evidence given by 47 Associations and by Shri V. B. Gandhi, M.P. Shri S. S. Khera, Secretary, Cabinet Secretariat, Shri P. C. Bhattacharya, Governor, Reserve Bank of India, and Shri B. D. Pande Gold Control Administrator and Additional Secretary, Ministry of Finance (See Appendix IV).

*Published in the Gazette of India, Extraordinary, Part II, Section 2, dated the 26th November, 1963.

9. The Committee have decided that the evidence given before them should be laid on the Tables of both the Houses *in extenso*.

10. The Committee considered the Bill clause by clause at their eleventh and twelfth sittings held on the 12th and 13th August, 1964, respectively.

11. The Committee considered and adopted the report on the 7th September, 1964.

12. The observations of the Committee with regard to the principal changes proposed in the Bill are detailed in the succeeding paragraphs.

13. *Clause 1 and enacting formula.*—Amendments made herein are of a consequential nature.

14. *Clause 2: (i) Sub-clause (c).*—The amendment is consequential to the amendment made in clause 13 whereunder a certificate granted under Part XIIA of the Defence of India Rules, 1962, shall be deemed to be a certificate granted under the provisions of that clause.

(ii) *Sub-clause (d) (3) (c).*—The amendment is of a drafting nature.

(iii) *Sub-clause (j).*—The definition of the term “refinery” has been revised to avoid any overlapping between it and the definition of the term “dealer” in clause (d), as both the definitions include the operations of “melting, processing or converting”. Provision has also been made for private individuals taking their gold or ornaments to a refiner for determination of purity of their gold content.

15. *Clause 3: (i) Sub-clause (1).*—This sub-clause has been amended to make it clear that where the Administrator grants a general or special authorisation to make, manufacture or prepare any article containing gold of any purity on an application made by the person concerned, he may prescribe that such application be accompanied by such fee and/or supervisory charges as he may specify.

(ii) *Sub-clause (3).*—It has been provided in this sub-clause that the dealer referred to therein will include a certified goldsmith so that he could accept gold ornaments of any purity for making new ornamentst having gold of a purity not exceeding fourteen carats.

16. *Clause 4.*—The Committee feel that the existing provision for stamping of primary gold is too rigorous as it imposes an obligation for stamping each piece of gold even on private individuals who intend to sell one or two pieces. Further, stamping of special forms of primary gold, such as wires and leaves, not susceptible of bearing a stamp, is not practicable. The Administrator has been empowered to exempt such cases from the requirement of stamping.

A consequential change has been made in sub-clause (3) in order to bring it in line with the provisions of clause 3(1) relating to the payment of fee on application and supervisory charges.

17. *Clause 7: (i) Sub-clause (6).*—The proviso to this sub-clause has been amended to enable the Administrator to reject an application for the grant of a dealer's licence on the ground that the applicant has been guilty of smuggling offences such as those under the Customs Act, 1962 or the Foreign Exchange Regulation Act, 1947.

(ii) *New sub-clause (8).*—Although licences granted to dealers under Part XIIA of the Defence of India Rules, 1962, have been saved by the saving provisions contained in clause 43(2), yet having regard to the importance of the matter, new sub-clause (8) has been inserted by the Committee for the purpose of expressly saving such licences.

18. *Clause 8.*—New sub-clause (9) which corresponds to new sub-clause (8) of clause 7 seeks to save expressly licences granted to refiners.

19. *Clause 9.*—This clause has been amended to enable the Administrator to cancel the licence of a dealer or refiner where such dealer or refiner has been guilty of smuggling offences such as those under the Customs Act, 1962 or the Foreign Exchange Regulation Act, 1947.

20. *Clause 13.*—This clause has been amended—

- (i) to enable the Central Government to impose, by rules, restrictions relating to the purity and weight of gold in ornaments, remanufactured out of old ornaments containing gold of a purity exceeding 14 carats;
- (ii) to make it clear that after the commencement of the Act, only a dealer who has been recognised as a certified goldsmith before such commencement can function as such goldsmith and to provide that in exceptional cases the Administrator may accept fresh applications for the issue of certificates;

(vi)

- (iii) to recognise certificates granted under Part XIIA of the Defence of India Rules, 1962, as certificates granted under the Act;
- (iv) to enable a certified goldsmith who accepts ornaments of gold exceeding 14 carat purity for conversion into new ornaments, to take assistance from other certified goldsmiths who possess equipment for drawing wires or casting dies or who specialise in stone-setting, enamelling or polishing.

The other amendments made in this clause are of a drafting or consequential nature.

21. *Clause 15.*—The amendment to this clause seeks to make it clear that there would be no restriction as to the purity or form of gold which may be received as offering by any religious institution, such as a temple, *mutt*, church, mosque, *gurdwara* or any other place of public worship.

22. *Clause 16.*—This clause as amended exempts a family consisting of husband, wife and one or more minor children, or any two or more of them, from making a declaration under the provisions of this clause, if the total weight of gold other than ornament (whether contained in one or more pieces) owned by such family does not exceed 100 grammes. However, it has been provided that the Central Government may, if it considers it necessary so to do for carrying out the purposes of the Act, require that in respect of gold exempted under clause 16, declarations should be made to the Administrator by such person and in such form and manner and within such time as may be prescribed by the rules.

23. *Clause 17.*—This clause has been amended to exempt a person or family from making a declaration as to the gold ornaments owned by such person or family if in the case of an individual, the value calculated in accordance with the rules to be made in this behalf, of such ornaments does not exceed rupees twenty-five thousand and in the case of a family, such value does not exceed rupees fifty thousand.

24. *Clause 26.*—The clause has been amended, in the main, to provide for the following:—

- (i) Instead of “any person” only officers should be authorised by the Administrator for conducting searches and seizures under the provisions of the Act.

(ii) An authorised officer may seize any gold or document which he finds secreted about one's person after conducting a search in accordance with the provisions of the Act.

(iii) Where an officer arrests a person or seizes any gold, document or other goods from the possession of a person, a copy of the statement, if any made, by such person before that officer, shall be furnished to him on demand.

Other amendments made in the clause are drafting alterations made for clarification.

25. *Clause 28.*—The clause has been amended to provide that the maximum limit of fine in lieu of confiscation of a conveyance or animal used for the carriage of goods or passengers for hire should not exceed the value of such conveyance or animal. In the original clause the limit of fine was not to exceed the value of gold sought to be conveyed or carried.

26. *Clause 29.*—The amendment made in this clause seeks to make clear the intention underlying the provision.

27. *Clause 30: (i) New provisos to sub-clause (1).*—Provisos have been added in order to bring the adjudication provision in conformity with the requirements of natural justice, namely, issue of show-cause notice, grant of reasonable opportunity for personal hearing etc., to the accused person.

(ii) *New sub-clause (4A) [renumbered as sub-clause (5)].*—This confers revisionary powers on the Administrator in cases of adjudication where no appeal has been preferred.

(iii) *Sub-clause (7) [renumbered as sub-clause (8)].*—The amendment to this sub-clause seeks to provide that the limit of fine in lieu of confiscation of any gold, conveyance or animal shall not exceed the value of such gold, conveyance or animal.

The other amendments in the clause are consequential or of drafting nature.

28. *Clause 31.*—The clause has been amended—

(i) to confer power on the Court to award punishment of imprisonment for a period of less than the minimum period of six months, if for special and adequate reasons to be recorded, the Court considers it necessary to do so;

(ii) to clarify that the penalty under the proviso to sub-clause (3) of this clause should be imposed by departmental adjudication.

viii.)

29. *Clause 35: sub-clause (2).*—This sub-clause has been amended to empower the Central Government to make suitable modifications and adaptations in the provisions of sections 11, 15 and 23 of the Central Excises and Salt Act, 1944, in their application to the matters referred to in this sub-clause.

30. *Clause 42: sub-clause (4).*— This sub-clause has been amended to bring it in line with the model clause relating to laying of rules before the two Houses of Parliament as given in para 45 of the Seventh Report of the Committee on Subordinate Legislation (Second Lok Sabha).

31. The Joint Committee recommend that the Bill as amended be passed.

NEW DELHI,
The 7th September, 1964.
Bhadra 16, 1886 (Saka).

S. V. KRISHNAMOORTHY RAO,
Chairman,
Joint Committee.

MINUTES OF DISSENT

I

By the time members of the Joint Committee on this Bill had read the memoranda presented to the Committee and heard the oral evidence, it was clear to some of them that no purpose whatsoever would be served in placing the Bill on the statute book. Not only was the weight of evidence adduced before the Committee overwhelmingly against it but it checked with the results of one's own study.

The desire for gold or the "lure" of gold is partly due to its aesthetic qualities and traditional prestige but primarily as a secure form of the investment of savings.

The continuous erosion in the value of the rupee, which is now estimated to be worth 17 paise of the pre-war rupee in terms of purchasing power, has increased the value of all other articles and commodities and raised prices all round. Because of the prestige of gold and its high value in terms of bulk, this particular metal has been favoured over other objects of value as a form of retaining savings. For the peasant in the villages, where there is hardly any alternative due to the absence of banking facilities, gold provides the most important security for credit. The refusal to allow imports to meet indigenous demand has created a black market and this, in turn, has provided a tremendous incentive to smuggling.

There is agreement on the proposition that it would be all to the good if people would invest their savings in industry and business by buying shares instead. But for that to happen, incentives are needed, such as a sense of security to the entrepreneur and a good rate of return on the investment. Today, such security is conspicuously absent in India because of the threat of nationalisation, the network of controls and the vindictiveness often underlying Government's policy toward people's enterprise; and the return on capital is inadequate because of excessive and savage taxation. Unless these basic policies change, no power on earth can stop people from wanting to hold gold and others from smuggling it to meet the demand. The only way to make people lose the glamour of gold is to offer an Honest Rupee whose value tomorrow and ten years hence will be the same as it is today.

Far from creating any such sense of security, this Bill, by seeking to create a near monopoly in gold in the hands of Government, will make people feel that the Government, which gives them such sermons about the uselessness of gold, is itself trying to lay its hand on all the gold in the country.

In such a situation, the present Bill is an exercise in futility. Worse, it reeks of hypocrisy, since even its proponents must know at the back of their minds that every one of its provisions will be violated.

Tempted by the huge profit to be obtained from buying gold abroad and selling it here, the smuggler will continue his activity with an added margin of profit balancing the added risk of punishment. Dealers and goldsmiths will continue to make 22 carat ornaments on the sly instead of making them openly and honourably so long as the women of India prefer the real article to the 14 carat variety enjoined by this law. All that this measure will succeed in doing is to tempt honest people to be dishonest. It will lessen respect for the law. It will help to create opportunities for further bureaucratic harassment and corruption.

Even to the extent that the law is obeyed, it will do little good to the country and the economy. People will instead keep their savings in diamonds, silver grain or other articles whose value may be expected to appreciate, while the rupee pursues its Rake's Progress downwards.

Prices, like water, find their own level. Where the law seeks to keep down artificially the price of one commodity, as in this case, the price of all other commodities will, to that extent, be pushed up further. The lady, as a British economist has written, goes to a plastic surgeon to have her double chin removed, only to discover that the bulge has come up at the back of her neck!

After all, the proof of the pudding is in the eating. During the last fifteen months when Gold Control has been in operation, there has been no evidence that the lure of gold has diminished or that the gap between the indigenous and world price of the metal has narrowed or that smuggling has decreased.

This Bill fights a symptom while the disease remains unchecked. It must, therefore, fail in its purpose. The only remedy for the ills that the Bill seeks to remove is to give up the inflationary policies of Government by abandoning deficit finance, remove excise duty on the needs of life, and scrap the wrong order of priorities embodied in

the Second and Third Five Year Plans by giving priority to agriculture, road building and other high-and-quick-return enterprises and postponing low-and-slow-yield projects like heavy industries.

A certain amount of gold should be allowed to be imported into the country to meet indigenous needs. A specially beneficial manner in which this can be done is for gold to be brought within the scope of the various Export Promotion schemes in existence as an item of incentive imports. This will have the added advantage that gold will be bought and imported at the international price and no expenditure of foreign exchange on the part of Government will be involved.

It is a matter of deep regret that the Joint Committee could not be persuaded to appreciate these facts and to advise Parliament that this measure should not be proceeded with further. Nor, it must regretfully be said, has the Bill emerged from the Joint Committee improved in any material respect. It has, therefore, become necessary for me to append this minute of dissent to the Joint Committee's Report.

NEW DELHI;

M. R. MASANI

Dated the 7th September, 1964.

II

While agreeing with Shri Masani's Minute of Dissent I would like to add that I feel that it has not been possible to carry out properly the intentions with which Parliament appointed the Joint Committee. Visiting at least certain important centres of industry connected with the manufacture of gold ornaments and meeting different associations would have enabled the Committee to gather much more information than what was gathered from representatives who came all the way to tender evidence before the Committee. But this was not done. The information regarding rise in price of gold, indicating a diminishing sense of confidence or increasing lack of faith in the currency, rise in the general prices and rise in value of the Indian rupee and the Pakistan rupee and other currencies in the free markets of the world, which should have been made available to the Committee, was not provided by the Government, even when such information was sought.

It is obvious from the answers given by the different witnesses that no effort was made to ascertain from the trade and people who knew something about gold and gold trade, as to how control on

gold could be introduced smoothly. Instead the measure seems to have been rushed into on the advice of certain Government officers who are supposed to have given it, apparently based on national ideas. It is a matter of regret that a "responsible" officer even went to the extent of using the sacred name of Gandhiji, when he was blissfully ignorant of the other more important writings of Gandhiji. He had to admit that his enquiry was based on his knowledge of certain data collected by himself of three districts of Uttar Pradesh. This shows the haphazard manner in which the measure was rushed into. The Government, therefore, would be well advised to drop this haphazard piece of legislation and to bring a properly considered Bill before Parliament.

NEW DELHI;

DAHYABHAI V. PATEL

Dated the 7th September, 1964.

III

The main purpose of the Gold Control is to (a) stop smuggling of gold into the country and thereby save foreign currency India is losing indirectly and (b) reduce the public craving for Gold (bullion and ornaments) by lowering the purity of gold in ornaments.

Whereas these aims can be achieved by direct and positive methods, the Government have adopted negative recourse whose effectiveness has proved to be extremely doubtful.

Under the D. I. R. and through the present Bill the Government are restricting the purity of new gold ornaments to a maximum of 14 carats probably with a view that the public would not like it and, therefore, would not buy any ornaments and, thus, demand for gold will automatically fall resulting in fall in prices of gold and stoppage in smuggling of gold.

However, the scheme may work so long as the people maintain an apathy for 14 carat gold ornaments. But, once—in the absence of any better quality ornaments—the people start taking to 14 carat gold, they will be buying more gold ornaments; because, they will always calculate the actual amount of gold in the ornaments purchased. As such, the demand for gold will not be reduced. In fact it will grow with the growth of population and improvement in standards of living. Then the price of gold will follow the demand and supply principle and the smugglers will be active whenever there will be wide disparity between the internal and international prices of gold.

Like the Indian muslin, Indian ornaments have also developed through past centuries into a highly sophisticated art which should be preserved at all cost to provide employment to the highly skilled artisans. The art should be fully exploited to earn foreign exchange through exports. The Export Promotion Department of the Government should look to this side of the problem. If we lose this art now, it will be impossible to revive it in future—just as we have lost the art of making muslin. Rehabilitation of the artisans in other trade and industry will not be in the best national interests.

There can not be two opinions about the need for controlling the price and distribution of Gold. This work should be taken over by a statutory body like the S.T.C. or the Khadi Gramodyog Commission which alone should buy and sell gold in the country. If any person wants to sell gold, he can do so only to the statutory body established by the Government for this purpose or its authorised agent in the locality. Similarly, if any one wants to buy gold, he must approach the statutory Corporation or its authorised agents. Goldsmiths and dealers should be allowed to fabricate ornaments. They will not be allowed to stock, sell or purchase gold. All persons and institutions must declare the amount of gold held by each of them either in bullion or in ornaments or in any other form over a prescribed limit. Thus, all chances for clandestine possession of gold will be eliminated and smuggling of gold will be stopped automatically.

If the aforesaid proposal is adopted, there will be no need for restricting the purity of gold in ornaments. Actually it should be left to the taste and discretion of the buyers. In some parts of the country there is a practice of making ornaments of almost pure gold; whereas, in Bengal, they always use 22 carat Guinea Gold. If the people develop the taste for 14 carat or even lesser purity of gold, there should be nothing to stop them. But there should not be any imposition of 14 carat on unwilling buyers who will try to evade the law and secure pure gold secretly and offer, thereby, incentives to the smugglers. The imposition of 14 carat will have just the opposite effect.

Gold serves dual purpose for the villagers and men of limited means. Traditionally it is used as ornaments for which the Indian womenfolks have developed great attachment. The entire social structure of the whole society will be upset if the public are compelled overnight to switch over to 14 carat gold when they had all along been used to 22 carat and pure gold. We have attended quite a few marriages during the last eighteen months; everywhere the

ornaments were made of pure gold. Of course, diamond studded jewellery are the fashion with the rich people. We understand that it is the same in other States also. No one will believe that these are old ornaments given in present day marriages.

Gold and gold ornaments are solid investments for the villager and the peasant who may require some cash money at a very short notice either for the agriculture or for his family exigencies. Our rural banking system being next to nothing, he always hopes to raise some loans by pledging his ornaments. To him gold is not only for ornaments; it is a provision for his rainy days as well. Some people say that the present food situation has been accentuated by the restrictions on gold trade. Previously the farmer used to buy gold by selling his surplus crop. But as there is no gold for them to buy now, they are holding the extra crop which used to come to the market in the past. This needs serious thinking.

The Bill seeks to confer unlimited power on the Administrator who may quite likely commit excesses. Such wide power, vested in a single person, is incompatible with Social Democracy. The aggrieved parties should have the right to appeal to the higher authorities and to the Court of Law.

The Gold Control is a complex proposition having many facets affecting men in almost all walks of life. The debate in the Parliament, the discussion in the Joint Committee and evidence given before, and the representations received by, it have brought out many problems which need careful study and acceptable solutions.

Moreover, at this time of National Emergency we are required to see with a watchful eye that a thorough economy is effected in the administration to save money for investing in some more fruitful investments. In the words of our Prime Minister also we should spend only where it is necessary and that too on a priority basis but here we are going to spend a huge amount of Rs. 28,84,000 on the cadre of new class of Officers which we are going to create for popularising 14 carat gold jewellery. This sort of jewellery is not going to benefit the nation in any way except that only a few will come to occupy the privileged position.

This Bill is going to impose a huge liability on the nation which we otherwise can easily dispense with for the present. Rs. 20 crores as goldsmiths rehabilitation charges and income tax loss of more than 27 crores per annum from the trade are some of the amounts which we have to reckon with, while going into details of this Bill.

It is, therefore, requested that the control on quality should be done away with and a ceiling on the possession of gold imposed keeping in view the socialistic pattern of society which we are pledged to establish in our country. What the nation is required to do is to plug the sources which provide foreign exchange to the smugglers of gold who are out to harm the interest of the Nation. For this purpose only a few Officers will be needed to curb the evil.

NEW DELHI;

Dated the 10th September, 1964. M. M. HAQ

B. L. CHANDAK

BALGOVIND VERMA

MAHABIR PRASAD SHUKLA

SHERKHAN

MATHEW MANIYANGADAN

KINDAR LAL

H. V. KOUJALGI

T. RAM

IV

I am constrained to append a note of dissent as I have certain suggestions regarding the Bill which is different from the Report of the Joint Committee. The Provisions of this Bill generally follow the existing provisions of the Gold Control Rules with some new provisions for fulfilling the object of the Gold Control Rules. The Gold Control Rules were enacted as an emergency legislation in the exercise of the extraordinary powers vested in the Central Government under the Defence of India Act, 1962. So, the emergency legislation is now being converted into the ordinary legislation. Such being the case, a special care should be taken to see that the fundamental rights of the people should not be jeopardised. I offer my criticism in the following terms :—

- (1) In the sub-clause (j) of Clause 2, after the words “means a place”, the words, “other than the workshop of a certified goldsmith” should be inserted, as this sub-clause, as at present worded, would create anomalies and confusions. Even a place where gold is melted, otherwise than for purposes of refining, would come under the definition of Refinery. This would hit the certified goldsmith also.
- (2) Similarly, the bar in clause 4 regarding the purity of gold that it should not be more than 14 carats is not desirable. Instead of 14 carats it should be 22 carats.

- (3) For the whole sub-clause (2) of clause 7, a provision like the following should be substituted:

“A licence under sub-section (1) may contain such conditions and restrictions not inconsistent with or repugnant to any provisions of this Act, as may be prescribed.”.

As recommended by the Committee, the Administrator is vested with very wide and arbitrary powers. He is permitted to use different types of conditions and restrictions on different licence holders. This will make him like a ‘Mughal Emperor’. If this provision remains, it will clearly infringe the fundamental rights guaranteed by the equality clause of the Constitution. The power of discrimination, is vested in the administrator and this was protected under the Gold Control Order which is based on Defence of India Rules, but there is no justification in keeping such wide powers in the ordinary law of the land.

- (4) Regarding declaration as to the possession of ornaments, clause 17(1), I think this provision is not necessary at all. Besides, this is too arbitrary; for such type of the legislation the Government should come with another Bill in the Parliament. The new provisions, as suggested by the Joint Committee, regarding declaration by a person in possession of ornaments valuing Rs. 25,000 and a family possessing ornaments of Rs. 50,000 is very arbitrary and it does not stand to reason. This type of the provision will directly hit the fundamental principles of the long and established traditions of the people.
- (5) So also, regarding the sub-clause (2) of clause 30, I strongly feel that instead of Administrator the provision should be made for the Appellate Tribunal. An appeal to the Administrator, who is an executive officer is not calculated to be consistent with the established principle of dispensing justice. To combine in one man the executive and appellate authority is repulsive to the all notion of fair justice.

NEW DELHI;
Dated the 10th September, 1964.

YUDHVIR SINGH CHAUDHARY.

V

I entirely disagree with the decision of the majority of the Joint Committee to leave practically unchanged Clause 4 of the Bill which restricts the making, manufacturing and preparation of gold ornaments having a purity exceeding 14 carats. The majority agreed with the Government's view that this would lead to a reduction of public

demand of gold on the market for the making of ornaments and would eventually bring down internal price of gold nearer to the international price. The experience of the working of the 14 carat rule for the past 21 months since Gold Control was promulgated do not warrant this view.

I am of the opinion that quality control of gold ornaments has or can have no relation with the declared objectives of the Gold Control policy. These objectives, as I have understood them are: firstly to make smuggling of gold into the country more difficult by making it less easy to dispose of smuggled gold in the internal market and secondly, to reduce the internal demand of gold from the public for the making of ornaments. I fully agree with both of these objectives. But so far as the second objective is concerned, I am of the opinion that a stricter quantity control (as distinguished from quality control) i.e., restrictions on the total quantity of gold ornaments that a person or a declared family unit would be permitted to hold, would have secured it much more effectively without creating those numerous problems especially the stupendous problem of unemployment among goldsmiths and people in ancillary trades and their rehabilitation, that have been created since the Gold Control Policy was initiated in January last year.

I want in this connection also to put on record the fact that in my view a proper consideration of the various provisions of the Bill by the Joint Committee was essentially hampered from the very beginning by a vagueness in the definition of its basic objectives or underlying principles, which it was beyond the purview of the Committee to change. The Statement of Objects and Reasons of the Bill hardly provided any guide in this regard. For this Statement did no more than merely say that the Bill only sought to place the provisions relating to the control of gold as promulgated by Part XIIA of the Defence of India Rules on a permanent footing. In the absence of any preamble clause to the Gold Control Rules under Defence of India Rules, wherefrom the object of framing those rules could be found, one had to seek such guidance from the provisions of those Rules, especially from Rule No. 126(2), which defined the duties of the Gold Control Board. The Board (now superseded by the Administrator) was to find out measures by which the use and consumption of gold should be discouraged and the demand for gold from the public will be reduced. Apart from this, there are statements made from time to time on the floor of the two Houses of the Parliament in connection with the Gold Control Policy and the present Bill. As the Finance Minister and his predecessor stated on more than one occasion the main purpose of quality control is the

prohibition of the production of gold ornaments of a higher purity than 14 carats to reduce the demand of gold.

I entirely fail to see how if public are allowed to possess gold ornaments above 14 carats purity in unlimited quantities as at present, if facilities are open to the public to have these ornaments repaired, re-made and re-manufactured even now, the mere imposition of restrictions on the making of new gold ornaments above 14 carats is going to reduce the extent of popular demand for gold on the market. If anything in the background of the present set of provisions in regard to the unlimited possession of gold ornaments above 14 carats, of 14 carats and below, the continuance of formal restrictions placed on the making of new ornaments above 14 carats would tend, all the more, to increase public demand for them and would prevent the internal market price of gold from coming down. For the demand for gold ornaments above 14 carats and the facilities for making them in a clandestine fashion without too demonstratively attracting the attention of the Gold Control Administration would be there under Gold Control measures as conceived now. I have failed to understand which is more basic to the declared objective of Gold Control Policy—a reduction in the internal demand for gold for the making of ornaments or the 14 carat rule. In my view the first objective should be regarded as the basis one and it is fully capable of achievement even without any restriction being placed on the making of new ornaments above 14 carats.

I am one with Government and the majority view in the Joint Committee in seeking to reduce the demand of gold in the internal market and to wean away the people from the lure of gold but the 14 carat quality control rules are hardly the method of securing that objective.

Taking the framework of Gold Control Policy as it has emerged now, after the relaxation given since September 21, 1962 in regard to repairs and re-making of gold ornaments above 14 carat purity by self-employed goldsmiths, I generally support these relaxations as provided in relevant Clauses of the Bill (Chapter III, clauses 7 to 15), but I feel in order to rehabilitate the unemployed goldsmiths, gold artisans and other self-employed people engaged in connected trades properly, the scope of the relaxation given should be widened further and should be supplemented by positive measures in other directions so that the business of self-employed goldsmiths and allied trades can be organised on a proper basis as a recognised cottage industry organised on a cooperative basis.

Lastly, I want to record my strong dissent from the provisions of Clause 17 of the Bill approved by the majority of the Joint Com-

mittee which empowers the Government to demand a declaration as to the extent of gold ornaments in the possession of a person or class of persons or family above 25 to 30 thousand rupees. This is now no more than an enabling provision and does not seek to put any restriction on the possession of gold in the form of ornaments by a person or a family. I feel, unless some specific restriction is placed on the possession of ornaments backed by adequate administrative apparatus and personnel to enforce this restriction, the present enabling provision in the Bill requiring the declaration of the possession of ornaments would not help to reduce the market demand for gold to any sizeable extent. The upper limit allowed for quantity of gold ornaments to be held without declaration has also been put too high. The form in which this provision has been conceived would not serve to secure any of the declared objectives of Gold Control Policy initiated last year but could easily be transformed into a vexatious and oppressive measures for some sections of the public.

I also feel that the large measure of discretionary powers vested in the Gold Administrator in regard to every major control provision in the Bill is objectionable both in principle and also from the point of view of practical effectiveness of controls sought to be imposed. The gold Administrator would of course exercise these powers in accordance with prescribed rules within the framework of the Government's policy. But if in regard to every control measure discretionary powers are taken to grant exceptions, doubts would surely arise about the degree of firmness or finality in regard to them.

NEW DELHI;

TRIDIB KUMAR CHAUDHURI.

Dated the 10th September, 1964.

VI

The Gold Control Order was promulgated with the objects (1) to prevent smuggling of gold and thereby conserve foreign exchange. (2) to disgorge hoarded gold and (3) to reduce the price of gold and the demand for gold. The result of the working of the Gold Control Rules for a period of more than eighteen months has shown that none of the objects has been achieved whilst extreme hardships and unforeseen difficulties have been created to innumerable goldsmiths and artisans resulting in unemployment, starvation and deaths.

There can be no two opinions that smuggling of gold should be stopped. As a matter of fact, smuggling of not only gold, but of

anything in any form, should be dealt with severely. The remedies for smuggling are greater vigilance and stricter enforcement of law. Smuggling is not done by a poor goldsmith or by a petty dealer, but by an organised racket of unscrupulous financiers and big business, who, by ingenious ways of under-invoicing and over-invoicing, are able to accumulate unaccounted foreign exchange and then utilise their ill-gotten gains to smuggle in gold. Instead of adopting a negative aspect of gold control, the Government should come down heavily on these anti-social black-marketeers and financial tycoons. There is no other effective way to stop smuggling of gold.

It is worthwhile to note here, that not a single witness, be he a goldsmith or artisan or dealer, was in favour of the Bill. The burden of song of all these witnesses, not to speak of the innumerable memoranda received, was "Scrap the Gold Control". It is obvious to all that even opinion within the Congress Party is by no means unanimously convinced about the wisdom or utility of the Gold Control.

In a highly inflationary economy, as is now in India, where there is a continuing fall in the value of currency, it is no wonder that people look upon gold as a measure of safeguard and security against the inflation. The lure of gold can be brought down only if the inflation is curbed, currency is stabilised and other avenues are open for saving and protecting the full value of the hardearned incomes of the people.

The Bill in its present form bristles with many loopholes and lacunae, that it will defeat the very purpose for which it is proposed. It will be creating more problems than solving some. The Government should go in for more comprehensive and vigorous measures to root out smuggling and conserve foreign exchange.

NEW DELHI;

ERA SEZHIYAN

Dated the 10th September, 1964.

VII

We are of opinion that this Bill is absolutely unnecessary and will not serve the purpose which it is intended to.

The main purpose of the Bill, it is stated, is to prevent smuggling of gold by reducing its demand. Experience has shown that this has not been possible.

Gold is smuggled into the country by those people who obtain foreign exchange resources illegally. The export and import trade of the country is in the hands of private individuals or firms mainly. This has enabled many of big export and import firms to indulge in all sorts of mal-practices and secure foreign exchange resources secretly. This illegal foreign exchange is repatriated into the country by means of smuggling gold and other valuable articles, since it cannot be brought into the country legally.

Under these conditions the only effective way of saving the foreign exchange so badly needed for our country's development is for the Government to take over the import and export trade in the principal commodities. This will automatically bring down smuggling of not only gold but of many other luxury articles like watches whose smuggling is actually on the increase.

So long as the Government is not prepared to attack the evil at its source, any attempt to present smuggling by such measures as contemplated in this Bill will not succeed. On the other hand it will only lead to harassment of working goldsmiths and to creating more opportunities for corruption. Hence we are of the opinion that this Bill should be dropped.

NEW DELHI;
Dated the 10th September, 1964.

P. RAMAMURTI
B. K. GAIKWAD

VIII

The Joint Committee considered the Gold Control Bill and took evidence of different organisations of Goldsmiths and trade. The deliberations did not take us further. Really speaking there is no dispute regarding the objective of the Bill. Everybody agreed that objective was laudable, the drain of foreign exchange due to smuggling should be stopped and Government should take harsh steps against the smugglers. The disease has gone deep down, but the remedy suggested is also not effective due to our last 8 months' experience. It requires a second thought. At present in spite of the Gold Control Order under the Defence of India Act and the emergency through which the country is passing, smuggling has not decreased. Another important point is the attitude of the people. Government should draw out a long term plan to educate the people to change their habit and proper climate should be created. The

third point is unaccounted money playing important part in smuggling. Unless the Government take steps to root out this malady, nothing substantial could be achieved by this measure. I am one with the Government and majority view of the Joint Committee. in seeking to reduce the demand of gold in internal market and to wean away the people from lure of gold. I doubt very much whether quality control will be able to solve the problem. The Problems of certified goldsmiths have not been appreciated by the Committee. They should have been allowed sufficient gold to work.

NEW DELHI;

JASHWANT MEHTA

Dated the 10th September, 1964.

TRIDIB KUMAR CHAUDHURI

IX

We are unable to support the Bill in its present form, despite the slight improvements made by the Joint Committee.

This Bill has been brought after the experience of the working of the Gold Control Order for over a year. It is now clear beyond doubt that the Order as it stood and was worked has failed to fulfil the objectives aimed at viz. (i) to stop or reduce smuggling of gold (ii) to reduce its price (iii) and discourage its use. In fact it has caused great misery, unemployment and has rendered the trade in Gold a Black Trade. No lessons seem to have been learnt from this experience and very little relief is sought to be provided by the Bill.

The problems of certified goldsmiths have not been fully appreciated. Provision ought to have been made to allow them to keep and use gold without which it is difficult for them to remake ornaments permissible under the law.

The problems of small dealers have been totally neglected.

It is wrong and unconscionable to put a total bar on acquisition of gold ornaments on the one hand, and to perpetuate the unrestricted ownership and enjoyment of ornaments in the hands of the few. This baliies the declared socialist objectives of the Congress.

Clause 17, even as amended, is too vague and wide. It leaves wide discretion with the Government and the delegation of such

uncertain power to the Government is bad both in law and in policy.

NEW DELHI;

HOMI F. DAJI

Dated the 10th September, 1964.

PRABHAT KAR

X

To the validity of the objectives underlying the gold control measure and to the efficacy of the scheme embodied in it, I have given my deep and anxious consideration, and although I generally endorse the objectives of the measures which are unexceptionable, I have not been able to persuade myself to join in an affirmation of the Bill as proposed to be reported to the two Houses of Parliament by the Joint Committee. It is, therefore, necessary for me briefly to state my reasons for dissenting with my honourable colleagues in the Committee.

The move to place the gold control measure permanently on the Indian statute book demonstrates that the policy could not in fairness be attributed to the caprice or intransigence of errant individual Minister, and that the measure represents the long term answer of the present Government to the problem of scarce foreign exchange resources and to the problem of smuggling. It appears that the onset of the national emergency in the wake of the Chinese aggression and the spontaneous response of the people to the call for donations in cash and gold was thought by the Government to provide "the psychological opportunity for initiating a bold and determined gold policy". It follows, therefore, that the gold control measure was never in fact conceived as a measure confined to or even necessarily related to the national emergency, which was merely seized as an appropriate psychological turning point. Needless to say that the general response to the gold control measure, which was one of disapproval with varying degrees of vehemence, has belied the assumptions on which the timing and the abrupt technique of the gold control measure was based.

That the gold control measure has been an unpopular measure is incontrovertible and undeniable. To understate the extent, volume and depth of opposition to this measure scarcely does anyone any good and is not consistent with dictates of fairness and good conscience. Indeed those who would lightly or summarily brush aside the chorus of complaints against this measure as emanating from

the solitary class of goldsmiths and dealers are permitting violence to be perpetrated to the very concept of democratic functioning.

Even as partisan a source as the Khera Committee on Gold Control was forced to admit that Gold Control measure had not been well received and the tide of public opinion appeared to be against the measure. The Committee, however, claimed that the reasons for this are to be sought "not so much in any intrinsic or basic contradictions in the Gold Control, but in:

- (a) the lack of concerted political support for the gold policy;
- (b) the somewhat tardy response to the legitimate complaints of thousands of small goldsmiths; and
- (c) the lack of adequate machinery for effective and equitable enforcement of the Control."

Leaving aside the question of intrinsic contradictions in the Gold Control for the moment, it would be pertinent for me to point out that even on the basis of the yardstick employed by the Khera Committee, the Gold Control measure is obviously inopportune, because divided counsels and lack of concerted political support for this measure continue to be the order of the day and because the Government do not have even today a convincing blueprint for the rehabilitation of the lakhs of goldsmiths and their families. I am of the opinion that the machinery adumbrated in the Bill to be reported by the Joint Committee for the enforcement of the control is not likely to prove to be appropriate for an effective and equitable enforcement of the control.

It may be mentioned here that the overwhelming bulk of the 1,99,173 representations and 505 memoranda received by the Committee contain outpourings of disapprobation for the Gold Control and arguments against its reenactment. All the witnesses appearing before the Committee, with the exception of three official witnesses who were summoned mainly to apprise the Committee with the working of the Gold Control, spoke with a rare unanimity against the Bill. This, I am convinced was a fairly authentic expression of public opinion, and I do not consider it proper or permissible to ignore it wilfully.

The Committee had the advantage of the testimony of Shri S. S. Khera, the Chairman of the Informal Group on Gold Control constituted by Shri T. T. Krishnamachari, the Finance Minister. I

must say that his testimony in support of the measure was singularly unimpressive and unconvincing. All that Shri Khera was able to muster in support of the Gold Control measure was to take us back to his "basic attitude" which he said was "personal" to him and this was "to put an end to gold". I would like to reproduce a small portion of the questions and answers:

Dr. L. M. Singhvi: It appears from your report that at the time of making the report the amount of non-ornament gold declared under the provisions of the Gold Control Order was of the order of only Rs. 8.15 crores in terms of the international price of gold. It appears therefore that it is right to infer that there has been extensive non-declaration. What would you suggest to secure a more adequate declaration and to formulate such policy to incorporate such provisions that there would be an adequate declaration of gold?

Shri S. S. Khera: I can only go back to my basic attitude, which is personal to me, namely, put an end to gold.

Dr. L. M. Singhvi: How? That is the question.

Shri S. S. Khera: By doing perhaps a number of things. Let no one wear any gold at all. Let everyone round this table discard gold here and now. If you are wearing a gold watch, put it on the table. If your watch has a gold bracelet, put it on the table. If you are wearing a gold ring, put that on the table too. If there is a party at Rashtrapati Bhavan, let everyone who wears a gold ornament be checked and be invited to take it off and put it down. Tackle your family by saying that it is unfashionable, disgraceful, immoral to wear gold."

One would be excused for the feeling that the wholesale advice of laying everything on the Table could not be a safe or useful guide to the formulation of legislative policy or drafting and reporting on a specific Bill. It would be in order to cite a few more samples from Shri Khera's testimony:

Dr. L. M. Singhvi: You say that the basic contradictions are to be found not in the gold control policy but in the fact that there has been a lack of concerted political support to the gold policy. Would it be correct to say that the evidence before this Committee was quite overwhelming in support of this proposition?

Shri Khera: We were taking life as we found it and the fact remains that there is a very mixed attitude to the whole

business of gold. I have a certain attitude to gold; my colleague, Mr. Bhattacharya, for instance, has another. It is like that. I am bound by my attitude but I am affected by the attitude of my friend. So, this must be taken in the light of the personal attitude as well as the very mixed attitude which exists.

Dr. L. M. Singhvi: Did the Committee have an occasion to form any impression or to come to any precise statement in respect of the clandestine transactions of gold after the introduction of gold control and, if so, what were those impressions?

Shri S. S. Khera: We did not make any lengthy or detailed survey. If you will notice, it was not a Committee but it was an Informal Group which was set up on the 4th or 5th September and it submitted its report within a matter of days. It dealt with such data as was immediately available. In the nature of things, a quick report was necessary. Therefore, we did not make a detailed survey.

Dr. L. M. Singhvi: Did the Committee have an occasion to form an estimate of the resources required for an adequate and satisfactory rehabilitation of unemployed goldsmiths?

Shri S. S. Khera: No. We were working purely by rule of thumb. We were limited by the time at our disposal.

Dr. L. M. Singhvi: Were any instances brought to your notice through which it became clear that the machinery for rehabilitation was not only tardy but was very non-cooperative in terms of giving loans or in terms of giving any other rehabilitation grant, that it took a long time and, generally, it did not bring any response from the unemployed goldsmiths?

Shri S. S. Khera: I find it difficult to answer this question. We did not make any detailed survey.

Dr. L. M. Singhvi: No instances were brought to your notice?

Shri S. S. Khera: I do not recall any specific instance. On the other hand, I do believe that there was a particular picture before us that there were procedural delays and obstacles like that. But I really cannot recall any specific instance. I wish I could but I can't.

Dr. L. M. Singhvi: Would it be correct to infer, as I think we would be entitled to infer from the reading of the report, that the machinery for the enforcement of gold control

was neither effective nor equitable and, if that is so, would you say in what terms it was not effective and not equitable

Shri S. S. Khera: Have we said that in our report?

Dr. L. M. Singhvi: I would draw your attention to page 6 of your Report. In para 13(c) you have stated:

'the lack of adequate machinery for effective and equitable enforcement of the Control.'

I infer that this means that, as a matter of fact, the machinery for the enforcement of gold control was neither effective nor equitable.

Shri S. S. Khera: We did not make any detailed inquiry but we certainly had an impression that the machinery needed tightening up."

"Dr. L. M. Singhvi: The Informal Group used the evidence of the decline in the seizures of gold as the basis for concluding, for the time being, that it was a significant decline in the extent of smuggling. However, since the time the report was made, there have been larger seizures of gold. Would you be justified in coming to the conclusion that the same yardstick which was used by the Informal Group at that time for judging that there has been a reduction in the extent of smuggling could be used now for proving that there has been a rise in the extent of smuggling.

Shri S. S. Khera: In order to answer your question, I believe that I would need to make a more scientific statistical analysis. I should like to ask a number of questions, for instance, are the seizures fewer and larger and what is the pattern of seizures. Are there fewer and larger seizures? What kind of people are being caught? There are a number of other questions. However, when we made our report, we did not make any analysis but I would certainly suggest that an analysis be made."

This official testimony roundly demonstrates in my opinion that the Government have been pursuing its gold control policy with faithful and unflinching tenacity but without any data, without an adequate analysis and indeed without a dependable and competent evaluation of the gold control measure. This is like formulating policies and enacting legislation on the basis of dreamy any mystical revelations rather than basing the law on a sober appraisal of the evidence of the naked eye.

It is axiomatic that all possible measures have to be taken to check gold smuggling. Towards this end, this Parliament enacted a new customs law, and gave extensive powers to the customs authority. It is time that a stringent and rigorous gold control measure could further aid the anti-smuggling operations by making it "less easy to dispose of smuggled gold in the internal market." But this has only limited validity. In the first place by adopting this measure we would be punishing the goldsmiths for our failure to apprehend the smuggler. Secondly, it is wrongly assumed that the gold control measure is confined only to the objective of making it more difficult to dispose of smuggled gold in the internal market. Evidently, what is actually happening is that myriads of goldsmiths and their families are being heartlessly penalised by an abrupt, aimless and groping piece of legislation, which may or may not yield any concrete economic gains. One wonders if this bull-in-a-china-shop experimentalism has been unleashed by the Administration in a fit of absent-mindedness.

Numerous are the objections to the scheme of gold control embodied in the Bill. To discuss them at length would be to embark on writing a dissertation, but I shall attempt to outline some of these objections in brief.

The measure precludes a large number of self-employed goldsmiths from their ancestral trade, without providing adequate resources and machinery for their rehabilitation. In the context of massive unemployment in the country, a measure which in effect consigns 5 lakhs to 15 lakhs of goldsmiths to the limbo of want and penury cannot but evoke our categorical rejection. The cost of rehabilitating them would be an added burden on our exchequer and the social economic consequences of this large scale unemployment cannot be viewed with equanimity.

Secondly, smuggling of gold has not really been reduced or checked by this measure and this is now officially conceded.

A new disturbing factor in our economy is introduced in the form of this Bill without any commensurate advantage. The cost of administration and the cost of rehabilitation would be very considerable, the unemployment situation is likely to worsen, clandestine transactions appear to be mounting and smuggling is said to have devised new and more cautious techniques. Rural credit has suffered a set-back. Hoarded gold has not become available for promoting investment and economic growth. The net result is a highly expensive and arbitrary administrative superstructure which has no sizeable economic efficacy. It appears to me that gold administration would functionally be a mere adjunct to the customs

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administration and this is quite clearly superfluous. It seems that we are occupied with the task of first creating problems and then riding our hobby horses to arrive at our pet solutions. The end result is that the accumulation of our problems becomes increasingly complex and insolvable. In seeking to enact this gold control measure, we are once again putting the cart before the horse in our accustomed way, for we are embarking upon this ambitious programme without public education, without the administrative machinery, without a programme for rehabilitating the unemployed and in short, without any proper preparation. Our concerns therefore inevitably suffer, our objectives are inexorably undermined.

NEW DELHI;

L. M. SINGHVI.

Dated the 10th September, 1964.

THE GOLD (CONTROL) BILL, 1963

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THE GOLD (CONTROL) BILL, 1963

(AS REPORTED BY THE JOINT COMMITTEE)

(Words side-lined or underlined indicate the amendments suggested by the Committee; asterisks indicate omissions.)

A

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 it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

- 5 1. (1) This Act may be called the Gold (Control) Act, 1964. Short title, extent, application and commencement.
- (2) It extends to the whole of India and it applies also to citizens of India outside India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
- 10 2. In this Act, unless the context otherwise requires,—
- (a) "Administrator" means the Administrator appointed under section 18;
- (b) "company" means any company as defined in section 3 of the Companies Act, 1956;
- 15 (c) "certified goldsmith" means a dealer who holds a valid certificate granted or deemed to be granted under section 13 recognising him as a goldsmith;

(d) "dealer" means any person who carries on, directly or otherwise, the business of—

(1) making, manufacturing, preparing, buying, selling, supplying, distributing, melting, processing or converting ornaments;

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(2) buying, selling, supplying or distributing gold for the purpose of making, manufacturing or preparing ornaments;

(3) melting, processing or converting gold for the purpose of making, manufacturing or preparing ornaments, whether for cash or for deferred payment, or for commission, remuneration or other valuable consideration, and includes—

(a) an undivided Hindu family which carries on such business;

(b) a local authority, company, society registered under the Societies Registration Act, 1860, co-operative society registered under any law with respect to co-operative societies, club, firm or other association which carries on such business, or

21 of 1860.

(i) buys ornaments, or gold for the purpose of making ornaments, from, or

(ii) makes or manufactures ornaments for,

(iii) processes, melts or converts ornaments, or gold for the purpose of making ornaments, for

(iv) sells, supplies or distributes ornaments, or gold for the purpose of making ornaments, to,

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its members; and

(c) a commission agent, broker, *del credere* agent, auctioneer or other mercantile agent, by whatever name called, who carries on such business on behalf of any principal;

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but does not include the Reserve Bank of India, the State Bank of India, any subsidiary bank as defined in clause (k) of section 2 of the State Bank of India (Subsidiary Banks) Act, 1959, or any banking company as defined in clause (c) * * * of section 5 of the Banking Companies Act, 1949, in so far as such bank sells or transfers or exhibits for sale or transfer any gold.

38 of 1959.

35 10 of 1949.

Explanation.—For the purposes of this Act—

(a) every person who acts as an agent of a dealer residing outside India and carries on the business of such dealer in India or acts on behalf of such dealer as—

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(i) a mercantile agent as defined in the Sale of Goods Act, 1930; or

3 of 1930.

(ii) an agent for handling gold or documents of title relating to gold; or

(iii) an agent for the collection or payment of sale price of gold or as a guarantor for such collection or payment; and

(b) every branch in India of a firm or company having its registered office outside India,

shall be deemed to be a dealer;

(e) "gold" means gold, including its alloy, whether virgin, melted, re-melted, wrought or unwrought in any shape or form, of a purity of not less than nine carats and includes any gold coin (whether legal tender or not), any ornament and any other article of gold;

(f) "ornament" means any article in a finished form, meant for personal adornment or for the adornment of any idol, deity or any other object of religious worship, made of, or manufactured from, gold, whether or not set with stones or gems, real or artificial, or with pearls, real, cultured or imitation or with all or any of them and includes parts, pendants or broken pieces of ornaments;

(g) "prescribed" means prescribed by rules made under this Act;

(h) "primary gold" means gold in any unfinished form and includes all ingots, bars, blocks, slabs, billets, shots, pellets, rods and wires;

(i) "refiner" means the owner or occupier of a refinery;

(j) "refinery" means a place where gold is melted, assayed, refined, alloyed or subjected to any other process for the purpose of making primary gold and includes a place where gold is assayed at the request of any dealer or other person, whether for the purpose of making primary gold or not, but does not include any place used by a dealer for the purposes permitted under clause (d).

CHAPTER II

CONTROL OF BUSINESS IN GOLD

3. (1) Subject to the other provisions of this Act,—

(a) a dealer shall not make, manufacture or prepare—

(i) any article of gold other than ornament, or

(ii) any article containing gold of any purity;

(b) a refiner shall not make, manufacture or prepare—

(i) any article of gold other than primary gold, or

(ii) any article containing gold of any purity; and

(c) any other person shall not make, manufacture or prepare any article of gold or any article containing gold of any purity,

unless such dealer, refiner or other person is, on an application made by him in this behalf (which shall be accompanied by such fee as the Administrator may by direction specify and different fees may be specified for different classes of cases), authorised by the Administrator, by general or special order, to make, manufacture or prepare such article; and in granting such authorisation, the Administrator may, by the order aforesaid, also require such dealers, refiners or other persons or any class of them to pay such charges for supervision by the Administrator as may be specified in such order.

(2) A certified goldsmith may, and no other dealer shall, accept any ornament having gold of a purity exceeding fourteen carats for polishing or repair.

(3) A dealer (including a certified goldsmith) may accept any ornament having gold of any purity for the purpose of making, manufacturing or preparing new ornament or ornaments having gold of a purity not exceeding fourteen carats:

Provided that a certified goldsmith may, in accordance with the provisions of section 13, accept any ornament having gold of a purity exceeding fourteen carats for the purpose of making, manufacturing or preparing new ornaments having gold of a purity exceeding fourteen carats.

Restrictions on the making, etc., of ornaments and other articles of gold.

4. (1) Save as provided in section 13,—

(a) no dealer, whether licensed under this Act or not, shall—

(i) make, manufacture or prepare, or

(ii) sell or otherwise transfer, agree to sell or otherwise transfer, or expose or offer for sale or transfer, and

(b) no person shall place any order with any dealer, whether licensed under this Act or not, for the making, manufacture or preparation of,

any ornament having gold of a purity exceeding fourteen carats.

(2) No person shall make or manufacture any article of gold of a purity exceeding fourteen carats:

Provided that—

(i) any refiner may, if authorised by the Administrator to do so by general or special order, make, manufacture or have in

his possession, custody or control any primary gold containing gold of a purity exceeding fourteen carats, and

(ii) any refiner or dealer who as such refiner or dealer acquires or comes into the possession of any primary gold, or ornament or other article of gold, of a purity exceeding fourteen carats under any provision of this Act shall convert that gold, ornament or article into gold of a purity not exceeding fourteen carats within such period as the Administrator may by general or special order grant.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the Administrator may by general or special order permit any person to make, manufacture or prepare any ornament, or other article of gold, of a purity exceeding fourteen carats subject to such conditions (including conditions as to the payment of any fee or charges for supervision) and restrictions as may be specified in the order.

(4) Every person who makes, manufactures or sells any primary gold shall, unless the Administrator by notification in the Official Gazette, otherwise directs, put a stamp on each piece of primary gold,—

(i) certifying the purity of gold contained in such primary gold and the date of making or manufacturing thereof; and

(ii) containing such descriptive and other particulars which may enable the identification of the maker or manufacturer of such primary gold, as may be prescribed.

(5) No stamp referred to in sub-section (4) shall be used in stamping any primary gold unless such stamp has been approved and registered by the Administrator.

5. (1) Except in the case of any quantity of gold acquired after the date of making any return under this Act, no dealer, and no refiner, who is licensed under this Act, shall have in his possession or under his control any gold which has not been included in such return:

Provided that any gold acquired after the date of making such return shall be included in the next succeeding return.

(2) Save as otherwise provided in this Act,—

(a) a refiner may sell or deliver gold only to a dealer licensed under this Act in accordance with the conditions and restrictions, if any, contained in the dealer's licence but shall not sell or deliver gold to any other person:

Provided that a refiner may sell gold to any person on production by that person of a permit granted by the Adminis-

trator in this behalf or to such other person as the Administrator may, by general or special order, authorise in this behalf;

(b) a dealer licensed under this Act may, in accordance with the conditions and restrictions, if any, contained in his licence, buy or otherwise acquire, or agree to buy or otherwise acquire, gold, not being ornament, only from a dealer, or refiner, licensed under this Act but not from any other person: 5

Provided that any such dealer may buy or otherwise acquire or accept gold, not being ornament, from any person if such gold has been included in a declaration made by that person under Part XIIA of the Defence of India Rules, 1962, or under section 16, or if in respect of such gold no such declaration is required and a permit has been obtained under sub-section (3); 10

(c) a dealer licensed under this Act may, in accordance with the conditions and restrictions, if any, contained in his licence— 15

(i) sell or otherwise transfer, or agree to sell or otherwise transfer, or

(ii) expose or offer for sale or transfer,

gold, not being ornament, only to a dealer, or refiner, licensed under this Act but not to any other person: 20

Provided that a dealer licensed under this Act may sell gold, not being ornament, to any person on production by that person of a permit granted by the Administrator in this behalf;

(d) a person other than a dealer licensed under this Act shall not buy or agree to buy or otherwise acquire or agree to acquire gold, not being ornament, except in accordance with a permit granted by the Administrator or in accordance with such authorisation as the Administrator may, by general or special order, make in this behalf, nor shall he otherwise acquire or agree to acquire such gold except by succession, in- 25
testate or testamentary: 30

Provided that a refiner may buy or accept gold from a dealer licensed under this Act;

(e) a person acquiring gold in accordance with any general or special authorisation made by the Administrator shall not— 35

(i) sell or otherwise transfer, or agree to sell or otherwise transfer, or

(ii) expose or offer for sale or transfer,

such gold to any person other than a person authorised by the Administrator by general or special order in this behalf. 40

(3) Any gold (other than ornament) which is not required to be declared under this Act may be sold or otherwise transferred or hypothecated, pledged, mortgaged or charged under and in accordance with a permit granted by the Administrator in this behalf.

5 6. (1) No person shall make, advance or grant any loan to any other person on the hypothecation, pledge, mortgage or charge of any gold other than ornament unless a permit has been obtained under sub-section (3) of section 5 or unless such gold has been included, if so required, in a declaration or a further declaration
10 made under Part XIIA of the Defence of India Rules, 1962, or under section 16.

(2) No person who is a dealer, whether licensed or not, shall—

(a) carry on business as a dealer in the same premises in which he or any other person carries on business as a money-
15 lender or banker involving the hypothecation, pledge, mortgage or charge of any gold,

(b) (i) sell or otherwise transfer to any person any gold on the hypothecation, pledge, mortgage or charge of which he has advanced any loan, whether before or after the 10th day of
20 January, 1963, or

(ii) return such gold to the borrower, whether before or after the repayment of the loan,

except under and in accordance with such conditions, limitations or restrictions, if any, as may be imposed by the Administrator in this
25 behalf.

(3) No pawnee who is not a dealer shall sell any gold pledged with him, on the failure of the pawnor to redeem such gold, except in accordance with such conditions as may be prescribed.

CHAPTER III

30 LICENSING OF DEALERS AND REFINERS AND CERTIFICATION OF GOLDSMITHS

7. (1) Save as otherwise provided in this Act, no dealer who is registered under any law with respect to sales tax shall carry on business as such dealer unless he holds a valid licence issued in this behalf by the Administrator.

35 (2) A licence issued under sub-section (1) may contain such conditions and restrictions as the Administrator may think fit to impose and different conditions and restrictions may be imposed for different classes of dealers.

(3) Every dealer who is registered under any law with respect to sales tax shall, as soon as possible after such registration and in any case before the expiry of thirty days thereafter, make to the Administrator an application in such form and on payment of such fee as may be prescribed, for the issue of a licence under this section. 5

(4) Any dealer who is not required to be registered under any law with respect to sales tax may, if he likes, also make to the Administrator an application in accordance with the foregoing provisions for the issue of a licence under this section and any licence issued in pursuance of such application may contain such conditions 10 and restrictions as the Administrator may think fit to impose and different conditions and restrictions may be imposed for different classes of applicants. |

(5) Nothing in the foregoing provisions of this section shall be deemed to prohibit any dealer who is required to apply for a licence 15 under this section from carrying on his business as such dealer for the period within which he is required to apply for such licence and if he has applied for such licence, until he is granted a licence or is, by a notice in writing, informed by the Administrator that a licence cannot be granted to him. | 20

(6) On the receipt of an application for the issue of a licence under this section, the Administrator may, after making such inquiry, if any, as he may consider necessary, by order in writing either grant the licence or reject the application for the same:

Provided that no application for the issue of a licence made by a 25 dealer registered under any law with respect to sales tax whether before or after the commencement of this Act shall be rejected unless the Administrator is satisfied that any statements made in the application for the issue of the licence are incorrect or false in material particulars or that the applicant for the licence has contravened any 30 of the provisions of this Act or the provisions of any other law for the time being in force in so far as it prohibits or restricts the bringing into or taking out of India of any goods (including coins, currency, whether Indian or foreign, and foreign exchange), or the dealings in such goods by way of acquisition or otherwise and unless 35 the applicant for the licence has been given a reasonable opportunity of showing cause against such rejection.

(7) A licence granted under this section shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fee as may be prescribed and 40

the provisions of this section relating to the first issue of a licence shall apply as far as may be in relation to such renewal.

5 (8) In the case of any dealer who immediately before the date of coming into force of this Act was licensed as a dealer under Part XIIIA of the Defence of India Rules, 1962, the provisions for the application of a licence shall not apply and the licence of such dealer may be renewed on the expiration thereof in accordance with the provisions contained hereinbefore.

10 8. (1) Save as otherwise provided in this Act, no person shall carry on business as a refiner unless he holds a valid licence issued in this behalf by the Administrator.

15 (2) A licence issued under sub-section (1) may contain such conditions and restrictions as the Administrator may think fit to impose and different conditions and restrictions may be imposed for different classes of refiners.

20 (3) Every person who intends to carry on business as a refiner may, if he had a refinery in existence immediately before the 10th day of January, 1963, make to the Administrator an application in such form and on payment of such fee as may be prescribed, for the issue of a licence under sub-section (1).

25 (4) A person to whom a licence to carry on business as a refiner is issued under sub-section (1) shall not carry on business as such refiner in the same premises in which he or any other person carries on business as a dealer or business as a money-lender or banker involving the hypothecation, pledge, mortgage or charge of any gold.

30 (5) Notwithstanding anything contained in sub-section (1), a refiner who has made an application under sub-section (3) for the issue of a licence to carry on business, may carry on business as a refiner, pending the grant of a licence unless he is, by a notice in writing, informed by the Administrator that the application has been rejected.

35 (6) No person shall establish any refinery unless he has obtained a valid licence from the Administrator on an application in accordance with the foregoing provisions for the issue of a licence under this section.

(7) On the receipt of an application for the issue of a licence under this section, the Administrator may, after making such inquiry, if any, as he may consider necessary, by order in writing either grant the licence or reject the application for the same:

Provided that no application for the issue of a licence made by a refiner shall be granted unless the Administrator is satisfied having regard to—

(a) the number of refineries existing in the area in which the applicant intends to carry on business as a refiner,

(b) the demand for primary gold in that area,

(c) the facilities existing in that area for the assay of gold by any method other than the touch-stone method,

(d) the turnover of the applicant during the year immediately before the 10th January, 1963, or immediately before the date of the application for the issue of the licence, which ever is later,

(e) the suitability or otherwise of the applicant, and

(f) the public interest,

that the licence applied for should be granted:

Provided further that no application for the issue of a licence made by a refiner shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection.

(8) A licence granted under this section shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fee as may be prescribed and the provisions of this section relating to the first issue of a licence shall apply as far as may be in relation to such renewal.

(9) In the case of any refiner who immediately before the date of coming into force of this Act was licensed as a refiner under Part XIIA of the Defence of India Rules, 1962, the provisions for the application of a licence shall not apply and the licence of such refiner may be renewed on the expiration thereof in accordance with the provisions contained hereinbefore.

9. A licence granted under section 7 or section 8 may be cancelled by the Administrator if he is satisfied that any statements made in the application for the issue of the licence or in relation to the licence are incorrect or false in material particulars or that the holder of the licence has contravened any of the provisions of this Act

or the provisions of any other law for the time being in force in so far as it prohibits or restricts the bringing into or taking out of India of any goods (including coins, currency, whether Indian or foreign, and foreign exchange), or the dealings in such goods by way of
5 acquisition or otherwise:

Provided that no licence shall be cancelled unless reasonable opportunity has been given to the holder thereof to show cause why the licence shall not be cancelled.

10 10. A dealer who ceases to be registered under any law with respect to sales tax or who discontinues his business in gold or a refiner who discontinues his business as such may make an application to the Administrator for cancellation of his licence as dealer or refiner, as the case may be, and thereupon the Administrator may cancel his licence.

15 11. A dealer who, being required by section 7 to make an application for a licence, has failed to do so within the period specified therefor or whose application for the issue of a licence has been rejected or whose licence has been cancelled or a refiner whose application for the issue of a licence under section 8 has been rejected
20 or whose licence has been cancelled shall not, after the expiry of that period or after such rejection or cancellation, as the case may be, carry on his business and shall, within thirty days from the date of such expiry, rejection or cancellation, sell or otherwise transfer to any dealer or refiner licensed under this Act the entire quantity of
25 gold including ornaments, in his possession on the date of such expiry, rejection or cancellation and send intimation thereof to the Administrator.

30 12. Every dealer and every refiner who is licensed under this Act shall display his licence at a conspicuous place of the premises in which the business of such dealer is carried on or the premises in which the refinery is located.

35 13. (1) A dealer who is not required by sub-section (3) of section 7 to make an application for the issue of a licence under that section and has not obtained any licence in pursuance of an application made by him under sub-section (4) of that section and who does not employ hired labour in actually making, manufacturing or preparing any ornament and is not himself in the employment of another dealer may, if he was carrying on business as a dealer for more than a year immediately before the 10th day of January, 1963,—

40 (a) accept from any person, not being a refiner or a certified goldsmith or other dealer, any ornament or ornaments having

gold of a purity exceeding fourteen carats for the purpose of making, manufacturing or preparing, and

(b) make, manufacture or prepare,

new ornament or ornaments from that ornament or those ornaments subject to such restrictions relating to the purity and weight of gold contained in the new ornament or ornaments as may be prescribed. 5

(2) No such dealer shall after the commencement of this Act accept any such ornament or ornaments for the purpose of making, manufacturing or preparing new ornament or ornaments as aforesaid, unless he has before such commencement obtained under Part XIIA of the Defence of India Rules, 1962, a certificate recognising him as a goldsmith: 10

Provided that if the Administrator considers it necessary in the public interest so to do, he may, on application made to him in this behalf by a dealer, grant to him a certificate recognising him as a goldsmith in such form and on payment of such fee as may be prescribed. 15

(3) A certificate granted under Part XIIA of the Defence of India Rules, 1962, shall, unless the context otherwise requires, be deemed for the purposes of this Act to be a certificate granted under this section. 20

(4) A certificate granted under this section shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fee as may be prescribed * * *.

(5) A certificate granted under this section may be cancelled by the Administrator— 25

(i) if the certified goldsmith is, at any time after the grant of the certificate to him, registered under any law with respect to sales tax, or

(ii) on an application made to the Administrator for such cancellation by the certified goldsmith who ceases to work as a goldsmith, or 30

(iii) if the Administrator is satisfied that any statements made in the application for the issue of the certificate or in relation to the certificate are incorrect or false in material particulars or that the holder of the certificate has contravened any of the provisions of this Act: 35

Provided that no certificate shall be cancelled under clause (i) or clause (iii), unless reasonable opportunity has been given to the holder thereof to show cause why the certificate shall not be cancelled. 40

(6) Every certified goldsmith shall have in his possession the certificate granted to him while he carries on business as such goldsmith and shall produce it for inspection on demand by any officer authorised by the Administrator in this behalf.

5 (7) Notwithstanding anything contained in section 4, a certified goldsmith may have in his possession, custody or control primary gold of a purity exceeding fourteen carats by melting or processing or converting any ornament which has been accepted by him under this section for making, manufacturing or preparing new ornament
10 or ornaments:

Provided that a certified goldsmith shall not have at any time in his possession, custody or control any quantity of such primary gold in excess of one hundred grammes obtained in the process of making, manufacturing, or preparing new ornament or ornaments.

15 (8) A dealer who may, in accordance with the provisions of this section, accept any ornament or ornaments having gold of a purity exceeding fourteen carats for the purpose of making, manufacturing or preparing new ornament or ornaments having gold of a purity exceeding fourteen carats, may send to any other such dealer who
20 possesses equipments for drawing wires or casting dies, or who is a specialist in stone setting, enamelling or polishing,—

(a) the ornament or ornaments so accepted, whether before or after melting, for the purpose of drawing wires or casting dies;
or

25 (b) where new ornament or ornaments have been made, manufactured or prepared out of the ornament or ornaments so accepted, such new ornament or ornaments for setting stones, enamelling or polishing;

and such other dealer shall, after drawing wires or casting dies or,
30 as the case may be, after setting stones, enamelling or polishing, return them to the dealer from whom they were received.

14. (1) No dealer who has not obtained a licence under section 7 or a certificate under section 13 shall carry on business as a dealer unless he has been registered and possesses a certificate.

35 (2) Every such dealer shall make an application for the grant of a certificate within such time, in such form and on payment of such fee as may be prescribed.

(3) If the Administrator is satisfied that an application for registration is in order, he shall, in accordance with such rules as may be prescribed, register the applicant and grant him a certificate of registration in the prescribed form:

Provided that no application for the grant of a certificate of registration shall be rejected unless the applicant has been given a reasonable opportunity of showing cause against such rejection. 5

(4) A certificate granted under this section shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fee as may be prescribed, and 10 the provisions of this section relating to the first issue of a certificate shall apply as far as may be in relation to such renewal.

(5) The provisions of sections 9, 10, 11 and 12 shall, as far as may be, apply to a dealer registered under this section as they apply to a dealer licensed under section 7. 15

(6) Nothing in this section shall be deemed to prohibit any dealer who has been registered under this section from applying at any time for a licence under section 7 if he likes to do so and on his being licensed under section 7, the registration certificate issued to him under this section shall be cancelled. 20

15. (1) Notwithstanding anything contained in Chapter II and the foregoing provisions of this Chapter, any public religious institution such as a temple, mutt, church, mosque, gurdwara or any other place of public religious worship, not being a dealer or refiner licensed under this Act, may receive gold of any purity in any form as 25 offering.

(2) Any such institution—

(a) may retain the gold in the form in which it is received as offering so long as it is used exclusively for the purposes of the institution; 30

(b) shall not convert any gold in its possession into gold of a purity exceeding fourteen carats or make, manufacture or prepare ornament or any other article of gold of a purity exceeding fourteen carats unless such institution has been authorised by the Administrator by general or special order subject to such 35 conditions as may be laid down, to do so;

(c) shall not sell or otherwise transfer gold in any form in its possession unless such gold has been converted into gold of a purity not exceeding fourteen carats and unless, in the case of gold other than ornament, the sale or transfer is to a dealer or 40 refiner licensed under this Act;

(d) shall maintain such accounts and submit such returns as to the quantity, description and other particulars of gold possessed, received, sold or otherwise transferred by it, as may be prescribed.

- 5 (3) The person in charge of the management of any such institution shall be responsible for anything done or omitted to be done under this section.

CHAPTER IV

DECLARATION OF GOLD

10 16. (1) If any person who has made a declaration as to gold other than ornaments owned by him under Part XIIA of the Defence of India Rules, 1962, acquires by succession, intestate or testamentary, or in accordance with a permit granted by the Administrator, or parts with, after such declaration any quantity of gold, not being
15 ornament, he shall, as often as he acquires or parts with any quantity of gold, make within thirty days from the date of such acquisition or parting with, a further declaration to the Administrator in the prescribed form stating the quantity, description and other prescribed particulars of such gold acquired or parted with by him and
20 giving the prescribed particulars of the person from whom such gold was acquired or in whose favour such gold was parted with, as the case may be.

(2) If any person who did not own any gold, not being ornament, at any time during the period commencing on the 10th January,
25 1963, and ending with the 9th February, 1963, acquires, after the expiry of that period by succession, intestate or testamentary, or in accordance with a permit granted by the Administrator any quantity of gold, not being ornament, he shall, within thirty days from the date of such acquisition, make a declaration to the Administrator in
30 the prescribed form stating the quantity, description and other prescribed particulars of such gold owned by him on the date of such declaration.

(3) If any person who has made a declaration under sub-section (2) acquires by succession, intestate or testamentary, or in accordance with a permit granted by the Administrator, or parts with, any
35 quantity of gold, not being ornament, he shall, as often as he acquires or parts with any quantity of gold, make within thirty days from the date of such acquisition or parting with a further declaration to the Administrator in the prescribed form stating the quantity, description and other prescribed particulars of such gold acquired or
40 parted with by him and giving the prescribed particulars of the

person from whom such gold was acquired or in whose favour such gold was parted with, as the case may be.

(4) For the removal of doubt, it is hereby declared that a declaration referred to in this section and section 17 shall be made—

(a) in the case of gold belonging to a minor or a lunatic, by 5
the guardian or manager of such minor or lunatic, as the case may be;

(b) in the case of gold belonging to an idol or a deity, by
the manager of such idol or deity, whether known as *shebait*
or manager or by any other name; 10

(c) in the case of gold belonging to a person whose proper-
ties are under the management of a Court of Wards, by the
manager of such Court;

(d) in the case of gold belonging to a person whose proper-
ties are under the management of any administrator or receiver, 15
by such administrator or receiver;

(e) in the case of gold vested in an executor or an adminis-
trator of a will or other testamentary disposition, by such execu-
tor or administrator;

(f) in the case of gold belonging to the members of a firm, 20
by any partner of such firm;

(g) in the case of gold belonging to an undivided Hindu
family, by the head or *karta* of such family;

(h) in the case of gold which is the subject matter of any
public or private trust, by a trustee of such trust; 25

(i) in the case of gold belonging to a company incorporated
outside India, by any person in charge of the management of
such company in India;

(j) in the case of gold belonging to a temple, mutt, church,
mosque or any other religious institution by the person in charge 30
of the management of such temple, mutt, church, mosque or
other religious institution;

(k) in the case of gold which is wakf property, by the
mutawalli of such wakf;

(l) in the case of gold belonging to any society, club or
other association, by the secretary or manager of such society, 35
club or other association.

(5) No person who is required to make a declaration as to gold
other than ornament owned by him under the Defence of India Rules.

1902, or this section or exempted from making such declaration under the said Rules or sub-section (6) of this section shall, after the commencement of this Act, acquire any gold other than ornament except—

- 5 (a) by succession, intestate or testamentary, or
 (b) in accordance with a permit granted by the Administrator in this behalf.

(6) No declaration or further declaration shall be required to be made under the foregoing provisions of this section in respect of—

10 (a) any gold, whether contained in one or more pieces, owned by a minor unless the weight of such gold exceeds twenty grammes;

(b) any gold, whether contained in one or more pieces, owned by an individual other than a minor unless the weight of
 15 such gold exceeds fifty grammes;

(c) any gold, whether contained in one or more pieces, referred to in clauses (b) to (l) of sub-section (4) unless the weight of such gold exceeds fifty grammes:

Provided that no declaration or further declaration as aforesaid
 20 shall be required in respect of any gold owned by a family if the total weight of such gold whether contained in one or more pieces and whether owned by a member of the family severally or by all the members jointly or partly in the one way and partly in the other, does not exceed one hundred grammes:

25 Provided further that where the Central Government is of the opinion that it is necessary so to do for carrying out the purposes of this Act, the Government may at any time, by general or special order, require that in respect of any gold not required to be declared
 30 under clause (a) or clause (b) or clause (c) or under the foregoing proviso, a declaration or further declaration as to the quantity, description and other prescribed particulars of or relating to such gold shall be made to the Administrator by such person and in such form and manner and within such time as may be prescribed.

Explanation.—For the purposes of this sub-section and section
 35 17, the expression “family” shall be deemed to consist of—

- (i) the husband, wife and one or more minor children, or
 (ii) any two or more of them,
 but shall not be deemed to include any other person.

(7) Any person in possession or control of any gold, not being
 40 ornament, shall be presumed, until the contrary is proved, to be the owner thereof.

17. (1) Where the Central Government is of the opinion that it is necessary so to do for carrying out the purposes of this Act, that Government may at any time, by general or special order, require that any person or class of persons owning ornaments shall, within such period as may be specified in the said order, make a declaration to the Administrator in the prescribed form as to the quantity, description and other prescribed particulars of the ornaments owned by such person or each person in that class:

Provided that it shall not be necessary to make any such declaration where the value, calculated in the prescribed manner, of the ornaments does not exceed—

(a) where such ornaments are owned by a person, twenty-five thousand rupees;

(b) where such ornaments are owned by a family, fifty thousand rupees.

Explanation.—For the purposes of this section, any person in possession or control of any ornament shall be presumed, until the contrary is proved, to be the owner thereof.

(2) If any person who has made a declaration under sub-section (1) acquires or parts with any ornament after such declaration, he shall, as often as he acquires or parts with any ornament, make within thirty days from the date of such acquisition or parting with a further declaration to the Administrator in the prescribed form stating the quantity, description and other prescribed particulars of such ornament acquired or parted with by him and giving the prescribed particulars of the person from whom such ornament was acquired or in whose favour such ornament was parted with, as the case may be.

(3) If any person who, at any time during the period within which the declaration referred to in sub-section (1) is to be made, does not own any ornament, or owns ornaments not exceeding in quantity or value such limit as may be specified by the Central Government under sub-section (1), acquires thereafter any ornament or ornaments so as to exceed such limit, he shall, within thirty days from the date the limit is exceeded, make a declaration to the Administrator in the prescribed form stating the quantity, description and other prescribed particulars of such ornament or ornaments owned by him on the date of such declaration.

(4) If any person who has made a declaration under sub-section (3) acquires or parts with any quantity of ornaments, he shall,

as often as he acquires or parts with any quantity of ornaments, make, within thirty days from the date of such acquisition or parting with, a further declaration to the Administrator as provided in sub-section (2).

CHAPTER V

ADMINISTRATOR

18. (1) The Central Government shall, by notification in the Official Gazette, appoint an Administrator for carrying out the purposes of this Act.

10 (2) The Administrator shall discharge his functions subject to the general control and directions of the Central Government.

(3) The Administrator may by general or special order authorise such person (including any officer or authority subordinate to a State Government) as he thinks fit to exercise all or any of the powers exercisable by him under this Act and different persons may be authorised to exercise different powers:

Provided that no officer below the rank of Collector of Customs or Central Excise or Collector of a district shall be authorised to hear appeals under sub-section (2) of section 30.

20 (4) Subject to any general or special direction given or condition attached by the Administrator, any person authorised by the Administrator to exercise any powers may exercise those powers in the same manner and with the same effect as if they had been conferred on that person directly by this Act and not by way of authorisation.

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CHAPTER VI

RETURNS AND ACCOUNTS

19. Dealers (including certified goldsmiths) and refiners, shall furnish to the Administrator such returns as to the quantity, description and other prescribed particulars of gold in their possession or under their control in such form and within such time as may be prescribed, and different returns may be prescribed for different classes of dealers or refiners.

20. (1) Dealers (including certified goldsmiths) and refiners, shall keep such accounts and in such form and manner as may be prescribed of the gold held, bought or sold or otherwise received or disposed of by them, in respect of each transaction and different accounts may be prescribed for different classes of dealers or refiners.

(2) Every such dealer, certified goldsmith and refiner shall, if so required by the Administrator,—

(a) produce before the Administrator any account, register or other document, and

(b) furnish to the Administrator any information relating to the quantity of gold in his possession or under his control or to the purchase, sale or delivery of gold by him. 5

(3) All accounts, registers and other documents, relating to any quantity of gold or to the purchase, sale or delivery thereof and any gold in the possession or under the control of the dealer, refiner or certified goldsmith, wherever kept, shall be open to inspection by any person authorised by the Administrator in this behalf. 10

CHAPTER VII

MISCELLANEOUS PROVISIONS

21. (1) The Administrator may, if he thinks fit, issue directions or orders, not inconsistent with this Act, for carrying out the purposes of this Act. 15

(2) The Administrator, so far as it appears to him to be necessary or expedient for securing the equitable distribution and availability at fair prices of gold and ornaments, may by order published in the Official Gazette,— 20

(a) regulate the prices at which any gold or ornament may be brought or sold by any dealer or refiner, and

(b) regulate by licences, permits or otherwise, the distribution, transport, disposal, acquisition, possession, use or consumption of gold by dealers or refiners or other persons. 25

22. Any person authorised by the Administrator by general or special order, or holding a permit issued by the Administrator, for buying or otherwise acquiring gold shall observe such conditions, be subject to such restrictions and furnish such accounts or returns, or both, to the Administrator, as may be prescribed. 30

23. No person,—

(a) being the owner, lessor or landlord of any premises or the agent of such owner, lessor or landlord, shall let the same or any part thereof with the knowledge that the same or part thereof is intended to be used as a refinery or wilfully allow any person to use such premises or any part thereof as a refinery unless the refiner has been licensed under this Act; or 35

(b) being the tenant, lessee or occupier or any person in charge of any premises, shall use or allow any person to use 40

such premises or any part thereof as a refinery unless the refiner has been licensed under this Act.

24. Where the business of a dealer licensed or registered under this Act or a refinery is transferred by sale, gift, bequest or otherwise
5 or is transmitted by inheritance or is transferred by way of lease, the transferee, heir or lessee shall not carry on such business or run the refinery either in his own name or in some other name unless the transferee, heir or lessee has, before the expiry of thirty days after the date of such transfer or transmission, made to the Adminis-
10 trator an application for the issue of a licence or certificate of registration in accordance with the provisions of section 7 or section 8 or section 14:

Provided that nothing in this section shall be deemed to prohibit the transferee, heir or lessee from carrying on business as a dealer
15 or refiner for the period within which he is required to apply for such licence or registration and if he has applied for such licence or registration, until he is granted the licence or certificate of registration or is, by a notice in writing, informed by the Administrator that such licence or certificate cannot be granted to him.

20 25. (1) All particulars contained in any return or declaration made or accounts, registers or other documents produced in accordance with this Act shall, save as otherwise provided in sub-section (4), be treated as confidential, and notwithstanding anything contained in the Indian Evidence Act, 1872, no court shall be entitled
25 to require the Administrator or any person authorised by the Administrator under this Act or any officer or other employee of the Government to produce before it any such return, declaration, accounts, registers or other documents or any part thereof or to give evidence before it in respect thereof.

30 (2) Any person authorised by the Administrator under this Act and any other person discharging any functions in the implementation of the provisions of this Act shall not divulge any information relating to any particulars contained in any return or declaration made to, or any accounts, registers or other documents produced
35 before, or inspected by, the Administrator or any such person.

(3) The Administrator or any gazetted officer authorised by him in this behalf may request any officer of Government to furnish any information relating to any particulars contained in any return or declaration made to, or any accounts, registers or other documents
40 produced before or inspected by such officer of Government under the provisions of any law if, in the opinion of the Administrator or the gazetted officer aforesaid, such information is necessary for the

Implementation of the provisions of this Act; and when such request is made, the officer of Government shall comply with such request notwithstanding the provisions of any such law forbidding the furnishing of such information.

(4) Nothing in this section shall apply to and in relation to the disclosure of any of the particulars referred to in sub-section (1) or sub-section (2)—

(a) for the purposes of any prosecution for any offence, or

(b) to any officer or other employee of Government where it is necessary to make such disclosure to such officer or other employee for the purposes of this Act or of any other law.

26. (1) Any officer authorised by the Administrator in this behalf may—

(a) enter and search the establishment of a dealer or any refinery;

(b) seize any gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened, along with the package, covering or receptacle, if any, in which such gold is found;

(c) seize any books of account, return or any other document relating to any gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened.

(2) Any officer authorised by the Central Government in this behalf may—

(a) enter and search any premises, not being a refinery or establishment referred to in sub-section (1), vaults, lockers or any other place whether above or below ground;

(b) seize any gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be contravened, along with the package, covering or receptacle, if any, in which such gold is found;

(c) seize any books of account, return or any other document relating to any gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened.

(3) Any officer authorised by the Administrator in this behalf may search any person if that officer has reason to believe that such person has secreted about his person—

5 (a) any gold in respect of which such officer suspects that any provision of this Act has been, or is being, or is about to be contravened,

(b) any document relating to such gold,
and seize any such gold or document in his possession.

10 (4) When any such officer as aforesaid is about to search the person referred to in sub-section (3), he shall, if such person so requires, take such person to the nearest gazetted officer authorised by the Administrator or to the nearest magistrate.

15 (5) Any officer authorised by the Administrator in this behalf may, if he suspects that any person has contravened, or is contravening or is about to contravene any provision of this Act, detain such person and take him to a gazetted officer authorised by the Administrator or to a magistrate for a search of his person and seizure of any such gold or document as is referred to in sub-section (3).

20 (6) A gazetted officer or magistrate before whom any person is brought shall, if he sees no reasonable ground for search, forthwith discharge the person but otherwise shall direct that search be made.

(7) No female shall be searched by any one excepting a female.

25 (8) Any officer authorised by the Administrator in this behalf may, if he has reason to believe that any person has contravened, or is contravening or is about to contravene, any provision of this Act, arrest such person and shall as soon as possible inform him of the grounds for such arrest and shall take such arrested person to the nearest magistrate within a period of twenty-four hours of such arrest excluding the time necessary for the journey from the place
30 of arrest to the court of the magistrate and no such person shall be detained in custody beyond the said period without the authority of a magistrate.

35 (9) Any officer who has arrested any person under this section shall, for the purpose of releasing such person on bail or otherwise, have the same powers and be subject to the same provisions as the officer-in-charge of a police station has and is subjected to under the Code of Criminal Procedure, 1898.

(10) Any officer authorised by the Administrator in this behalf may, if he has reason to believe that any aircraft, vehicle or animal or any vessel is being, or is about to be, used for carrying any gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened, at any time stop any such vehicle, animal or vessel or, in the case of an aircraft, compel it to land, and

(a) rummage and search any part of the aircraft, vehicle or vessel;

(b) examine and search any goods in the aircraft, vehicle, vessel or on the animal;

(c) seize any such gold as is referred to above and any books of account or other document relating to such gold;

(d) break open the lock of any door or package for exercising the powers conferred by clauses (a), (b) and (c), if keys are withheld;

(e) if it becomes necessary to stop any such aircraft, vehicle or animal or vessel, he may use all lawful means for stopping it, and where such means fail, the aircraft, vehicle, vessel or animal may be fired upon.

(11) The provisions of the Code of Criminal Procedure, 1898, relating to search and seizure shall, so far as they are applicable, apply in relation to search and seizure made under this section.

(12) The Administrator shall have power—

(a) to take samples of gold from any dealer, refiner or other person in such manner as may be prescribed;

(b) to send such sample for assay or analysis to such authority as may be prescribed and to require such authority to send a report to the Administrator as a result of the assay or analysis.

(13) Where at the time of arrest of any person or seizure of any gold, document or other goods in the possession of any person, such person makes a statement to the officer making such arrest or seizure, that officer shall on demand by such person furnish him with a copy of the statement.

Explanation.—Any reference to gold in this section and in sections 29 and 30 shall, unless the context otherwise requires, include any article containing gold of any purity, referred to in sub-section (1) of section 3.

27. (1) Any gazetted officer authorised by the Administrator in this behalf may hold an inquiry for the purpose of ascertaining whether any contravention of any of the provisions of this Act has been, is being, or is about to be, committed and shall for the purposes of such inquiry have power to summon any person whose attendance he considers necessary either to give evidence or to produce any document or other thing.

(2) The Administrator may call for information from any person for the purpose of ascertaining whether or not there has been any contravention of any of the provisions of this Act.

28. (1) The following conveyances shall be liable to seizure and confiscation:—

(a) any vessel which is or has been within the Indian waters, any aircraft which is or has been in India or any vehicle which is or has been in any area in India, while constructed, adapted, altered or fitted in any manner for the purpose of concealing gold;

(b) any conveyance from which the whole or any part of gold is thrown over-board, staved or destroyed so as to prevent seizure by any officer authorised by the Administrator;

(c) any conveyance which having been required to stop or land under sub-section (10) of section 26 fails to do so, except for good and sufficient cause;

(d) any conveyance from which any gold cleared for exportation is unloaded without the permission of the officer authorised by the Administrator in this behalf;

(e) any conveyance carrying imported gold which has entered India and is afterwards found with the whole or substantial portion of such gold missing, unless the master of the vessel or aircraft is able to account for the loss of, or deficiency in, the gold.

(2) Any conveyance or animal used as a means of transport or in the carriage of any gold in respect of which any provision of this Act has been, or is being or is about to be, contravened, shall be liable to seizure and confiscation, unless the owner of the conveyance or animal proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance or animal and that each of them had taken

all such precautions against such use as are for the time being specified in the rules made in this behalf by the Central Government:

Provided that where any such conveyance or animal is used for the carriage of goods or passengers for hire, the owner of the conveyance or animal shall be given an option to pay in lieu of confiscation of the conveyance or animal, a fine not exceeding the value of such conveyance or animal.

29. (1) Any gold seized under section 26 together with the package, covering or receptacle, if any, in which such gold is found shall be liable to confiscation.

(2) Any person who in relation to any gold does or omits to do any act which act or omission would render such gold liable to confiscation under sub-section (1), or abets the doing or omission of such an act shall be liable, in addition to any liability for punishment under this Act, to a penalty not exceeding five times the value of the gold or one thousand rupees, whichever is more, irrespective of whether such gold has been confiscated.

30. (1) The confiscation, * * fine or penalty under section 28, section 29, proviso to sub-section (3) of section 31 or sub-section (8) of this section or under any rule made under this Act may be adjudged—

(a) without limit, by an officer not below the rank of Deputy Collector of Customs or Central Excise;

(b) where the value of conveyance or animal or gold or all of them together with the package, covering or receptacle, if any, in which such gold is found, liable to confiscation does not exceed ten thousand rupees, or where the fine or penalty proposed to be imposed does not exceed two thousand rupees, by an officer not below the rank of Assistant Collector of Customs or Central Excise or by any other officer of the Central Government or a State Government authorised by the Central Government in this behalf:

Provided that no order of adjudication of confiscation, fine or penalty shall be made unless the owner of the conveyance, animal or gold or other person concerned—

(i) is given a notice in writing informing him of the grounds on which it is proposed to confiscate such conveyance, animal or gold or to impose a penalty;

(ii) is given an opportunity of making a representation in writing within such reasonable time as may be specified in

the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(iii) is given a reasonable opportunity of being heard in the matter:

- 5 Provided further that the notice referred to in clause (i), and the representation referred to in clause (ii), of the foregoing proviso may, at the request of the owner or other person concerned, be oral:

10 Provided also that where no such notice is given within a period of six months of the seizure of the conveyance, animal or gold or such further period as the Collector of Customs or Central Excise may specify, such conveyance, animal or gold shall be returned after the expiry of that period to the person from whose possession it was seized.

(2) An appeal shall lie to the Administrator—

- 15 (a) from every order of adjudication of confiscation, fine or penalty under sub-section (1),

(b) from any other decision or order passed by an officer not above the rank of Collector of Customs or Central Excise, within a period of three months from the date of the communication
20 of the order or decision:

Provided that where the decision or order appealed against relates to any penalty levied under this Act, any person desirous of appealing against such decision or order shall, pending the appeal, deposit the penalty levied:

- 25 Provided further that where in any particular case, the Administrator is of opinion that the deposit of penalty levied will cause undue hardship to the appellant, he may in his discretion dispense with such deposit, either unconditionally or subject to such conditions as he may deem fit.

30 (3) Every person adjudicating under this section and the Administrator hearing any appeal under sub-section (2) shall have all the powers of a civil court under the Code of Civil Procedure, 1908, while trying a suit in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of witnesses;
35 (b) requiring the discovery and production of any document;
(c) requisitioning any public record or copy thereof from any court or office;
(d) receiving evidence on affidavits; and

(e) issuing commissions for the examination of witnesses or documents.

(4) Every person adjudicating under this section and the Administrator hearing any appeal shall be deemed to be a civil court for the purposes of sections 480 and 482 of the Code of Criminal Procedure, 1898.

(5) The Administrator may, of his own motion, call for and examine the record of any proceeding in which any order of adjudication of confiscation, fine or penalty, or any other decision or order, referred to in clause (b) of sub-section (2), has been made, but no appeal against such order or decision has been preferred under that sub-section, for the purpose of satisfying himself as to the legality or propriety of any such order or decision and may pass such order thereon as he thinks fit:

Provided that no order enhancing any penalty or fine in lieu of confiscation shall be passed under this provision unless the person affected by the proposed order has been given a reasonable opportunity of showing cause against it:

Provided further that no order shall be passed by the Administrator under this sub-section after the expiry of two years from the date of the order or decision referred to in sub-section (2).

(6) The Central Government may, of its own motion or on application made by any person aggrieved by an order passed on appeal under sub-section (2) or on revision under sub-section (5) within six months from the date of communication of such order, call for and examine the record of any proceeding in which such order has been passed on appeal or revision for the purpose of satisfying itself as to the legality or propriety of any such order and may pass such order thereon as the Central Government thinks fit.

(7) Notwithstanding anything contained in any other law—

(a) any order passed by the Central Government in revision,

(b) subject to such order of the Government, any order passed on appeal or revision under sub-section (2) or sub-section (5), and

(c) subject to the final order of the Central Government in revision and the order on appeal or revision under sub-section

(2) or sub-section (5) any order of adjudication of confiscation, fine or penalty, or any other decision or order referred to in clause (b) of sub-section (2),

shall be final and shall not be called in question in any court.

(8) Whenever confiscation of any gold or conveyance or animal is authorised by this Act, the officer adjudging it may give to the owner thereof an option to pay in lieu of confiscation such fine as the said officer thinks fit:

5 Provided that, without prejudice to the provisions of the proviso to sub-section (2) of section 28, such fine shall not exceed the value of such gold, conveyance or animal.

10 (9) For the removal of doubt it is hereby declared that the payment of fine in lieu of confiscation under sub-section (8) shall not prevent the infliction of any punishment to which the person affected is liable under the provisions of this Act.

31. (1) Whoever fails or omits to make any return as required by section 15 or 19 or any declaration including a further declaration as required by section 16 or 17 without any reasonable cause, 15 or makes any statement in such return or declaration which is false and which he either knows or believes to be false or does not believe to be true, shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both.

(2) Whoever,—

20 (i) refines, processes, melts, converts, deals or makes, manufactures or prepares any article of gold in contravention of any provision of this Act,

(ii) has in his possession or under his control any quantity of gold in contravention of any provision of this Act,

25 (iii) sells or otherwise transfers or agrees to sell or transfer, or exposes or offers for sale or transfer, or delivers or otherwise parts with, any gold in contravention of any provision of this Act,

30 (iv) buys, or otherwise acquires, or accepts gold in contravention of any provision of this Act,

(v) allows any person to use any premises or any part thereof as a refinery in contravention of any provision of this Act,

35 (vi) makes, manufactures or prepares, or places any order for the making, or the manufacture or preparation of, sells or otherwise transfers or agrees to sell or transfer, or exposes or offers for sale or transfer any ornament or any primary gold in contravention of section 3 or section 4 or any other provision of this Act,

40 (vii) possesses, delivers, sells or otherwise transfers any gold in contravention of the provisions of section 5 or section 6,

(viii) carries on business as a dealer, refiner, banker or money-lender in contravention of the provisions of section 6, 7, 8 or 14,

(ix) carries on business as a certified goldsmith in contravention of the provisions of section 13,

(x) falsely stamps any primary gold with the intention of causing it to be believed that such primary gold contains gold of such purity as is mentioned in such stamp or sells or otherwise transfers, or agrees to sell or otherwise transfer or exposes or offers for sale or transfer any such falsely stamped primary gold,

(xi) makes or counterfeits any stamp intending that the same shall be used for the purpose of stamping any primary gold, knowing the same to be counterfeit, or uses any such counterfeit stamp,

shall be punishable with imprisonment for a term which may extend to two years and also with fine:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months.

(3) Whoever contravenes any other provision of this Act for which no punishment is provided in the foregoing provisions of this section shall be punishable with imprisonment for a term which may extend to one month, or with fine, or with both:

Provided that—

(i) whoever fails or omits to keep or to produce any account or other document or to furnish any information when required to do so under any provision of this Act;

(ii) whoever fails or omits to display any licence as required by section 12,

shall be liable to a penalty not exceeding five hundred rupees to be adjudged under sub-section (1) of section 30.

(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, an offence under this section shall be tried summarily by a magistrate.

32. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the

offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director” in relation to a firm, means a partner in the firm.

33. No prosecution for any offence punishable under this Act shall be instituted against any person except by, or with the consent of, the Administrator or any person authorised by the Administrator in this behalf.

34. (1) No suit, prosecution or other legal proceedings shall lie against the Central Government or the Administrator or any person, authorised by the Central Government or the Administrator, or performing any functions in the implementation of the provisions of this Act, for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act or any rule or order made thereunder.

(2) No suit or other legal proceedings shall lie against the Central Government or the Administrator or any person, authorised by the Central Government or the Administrator, or performing any functions in the implementation of the provisions of this Act, for any damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act or any rule or order made thereunder.

35. (1) The Administrator and any person authorised by him or the Central Government, and performing any functions in the implementation of this Act shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

(2) The provisions of sections 11, 15 and 23 of the Central Excises and Salt Act, 1944, relating to—

(i) recovery of any sum payable to the Government, or
 (ii) rendering of assistance by any officer of Police or Customs or Revenue, and

(iii) failure of any Central Excise Officer, on duty, respectively, shall apply subject to such modifications and adaptations as may be specified by the Central Government by notification in the Official Gazette in regard to like matters under the provisions of this Act.

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36. Where on the recommendation of the Administrator or otherwise the Central Government is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order and subject to such conditions, if any, as it may specify in the order—

(a) exempt any dealer or any refiner or any other person from the operation of all or any of the provisions of this Act; and ¹⁰

(b) as often as may be, revoke any such order and again subject, by order any dealer or any refiner or any other person to the operation of such provisions.

37. The provisions of this Act or any rules or orders made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act. ¹⁵

38. Nothing in this Act shall apply to or in relation to— ²⁰

(a) any gold belonging to, or in the possession or under the control of, the Government,

(b) any refinery owned or occupied, or any business of a dealer carried on, by the Government.

39. The Central Government may perform all or any of the functions of the Administrator and may, by notification in the Official Gazette, exercise all or any of the powers conferred by this Act on the Administrator, if that Government is of the opinion that it is necessary or expedient in the public interest so to do. ²⁵

40. If in any territory there is no law with respect to * * sales tax in force, then, every dealer carrying on his business as such dealer in that territory, whose annual turnover is not less than ten thousand rupees, shall be required to be licensed in accordance with the provisions of this Act as if he were a dealer registered under law with respect to sales tax and accordingly all the provisions of this Act shall apply to such registered dealer. ³⁵

41. Where an order purports to have been signed by any person authorised by the Administrator in this behalf in exercise of any power conferred by or under any provision of this Act, a court shall presume, within the meaning of the Indian Evidence Act, 1872, that such order was so made by that person.

Presumption as orders.

42. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

Power make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the additional particulars to be stamped on each piece of primary gold;

(b) the conditions subject to which a pawnee may sell gold pledged with him;

(c) the forms of applications for the grant or renewal of licences, permits and certificates under this Act and the fees payable in respect of such applications;

(d) the forms of such licences, permits and certificates;

(e) the procedure for registration of a dealer under section 14;

(f) the accounts to be maintained and the returns to be submitted by public religious institutions under section 15;

(g) the forms of declarations under sections 16 and 17 and the particulars regarding gold or persons from whom or in whose favour it was acquired or parted with, as the case may be;

(h) the forms in which, and the period within which, returns as to gold shall be submitted by dealers and refiners under section 19;

(i) the forms in which accounts shall be kept by dealers and refiners under section 20 and the manner of keeping such accounts;

(j) the conditions and restrictions subject to which persons may be permitted to buy gold and the accounts and returns to be furnished by such persons;

(k) the precautions to be taken against the use of any conveyance or animal as a means of transport or in the carriage of gold in contravention of the provisions of this Act;

(l) the fees payable in respect of appeals and applications for revision under this Act;

(m) the manner of publication of notices and orders under this Act;

(n) any other matter which has to be or may be prescribed.

(3) In making rules under this section, the Central Government may provide that any person committing any breach of any rule shall, where no other penalty is provided by this Act, be liable to a penalty not exceeding two thousand rupees.

(4) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two * * successive sessions, and if, before the expiry of the session in which it is so laid or the * * session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

43. (1) As from the commencement of this Act, the provisions of Part XIIA of the Defence of India Rules, 1962, shall stand repealed and upon such repeal, section 6 of the General Clauses Act, 1897, shall apply as if the said Part were a Central Act.

(2) Notwithstanding such repeal, but without prejudice to the application of section 6 of the General Clauses Act, 1897, anything done or any action taken (including any application made to, or any order made or licence issued by, the Gold Board, Administrator or other competent authority) under or in pursuance of the provisions of Part XIIA of the Defence of India Rules, 1962, shall, so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under or in pursuance of the corresponding provision of this Act.

APPENDIX I

(Vide Para 2 of the Report)

Motion in Lok Sabha for reference of the Bill to Joint Committee.

“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:—

- (1) Shri S. V. Krishnamoorthy Rao
- (2) Shri D. Balarama Raju
- (3) Shrimati Renuka Devi Barkataki
- (4) Shri Bali Ram Bhagat
- (5) Shri Laxmi Narayan Bhanja Deo
- (6) Shri B. L. Chandak
- (7) Shri Tridib Kumar Chaudhuri
- (8) Shri Yudhvīr Singh Chaudhary
- (9) Shri Homi F. Daji
- (10) Shri M. M. Haq
- (11) Shri Prabhat Kar
- (12) Shri P. G. Karuthiruman
- (13) Shri Kindar Lal
- (14) Shri H. V. Koujalgi
- (15) Shrimati Sangam Laxmi Bai
- (16) Shri Mathew Maniyangadan
- (17) Shri M. R. Masani
- (18) Shri Jashvant Mehta
- (19) Sardar Gurmukh Singh Musafir
- (20) Shri Chhotubhai M. Patel
- (21) Shri T. Ram
- (22) Shri Shivram Rango Rane
- (23) Shri S. C. Samanta
- (24) Shri Era Sezhiyan

- (25) Shri Sheo Narain
- (26) Dr. L. M. Singhvi
- (27) Shri Rameshwar Tantia
- (28) Shri Balgovind Verma
- (29) Shri Bhishma Prasad Yadava, and
- (30) 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.”.

APPENDIX II

(Vide Para 3 of the Report)

Motion in Rajya Sabha

“That this House concurs in the recommendation of the Lok Sabha that the Rajya Sabha do join in the Joint Committee of the Houses on 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, and resolves that the following members of the Rajya Sabha be nominated to serve on the said Joint Committee:—

1. Shri Mahabir Dass
2. Shri Suresh J. Desai
3. Shri B. K. Gaikwad
4. Shri I. K. Gujral
5. Shrimati Nandini Satpathy
6. Shri C. D. Pande
7. Shri Dahyabhai V. Patel
8. Shri P. Ramamurti
9. Shri Shiva Nand Ramaul
10. Shri V. C. Kesava Rao
11. Shri Sher Khan
12. Shri Mahabir Prasad Shukla
13. Shri Rajendra Pratap Sinha
14. Shrimati Tara R. Sathe
15. Shri A. M. Tariq.”

APPENDIX III

(Vide para 7 of the Report)

Statement of memoranda/representations received by the Joint Committee

Sl. No.	Nature of document	From whom received	Action taken
1	Memorandum	Shri Gold, Silver & Jawahrat Merchants' Association, (Indore Sona Chandi Viasari Association) Indore.	Circulated to members and evidence taken on 20th July, 1964.
2	Do.	Shri Sarafa Committee, Agra.	Do.
3	Do.	The Bullion Merchants' Association, Delhi.	Do.
4	Do.	All Delhi Sarrafa Association, Delhi.	Do.
5	Do.	Shree Gujarat Suvarnakar Sangh, Ahmedabad.	Circulated to members and evidence taken on 20th and 21st July, 1964.
6	Do.	The Ahmedabad District Suvarankar Sangh, Ahmedabad.	Do.
7	Do.	Swarankar Sangh, Rajasthan, Bikaner.	Do.
8	Do.	Uttar Pradesh Swarankar Sangh, Lucknow.	Do.
9	Do.	Madhya Pradesh Swarankar Sangh, Indore.	Do.
10	Do.	Shri Chokshi Mahajan, Ahmedabad.	Circulated to members and evidence taken on 21st July, 1964.
11	Do.	Navsari Chokshy Association, Navsari.	Do.

Sl. No.	Nature of document	From whom received	Action taken
12	Memorandum	Chokshi Mahajan Association, Dabhoi.	Circulated to member and evidence taken on 21st July, 1964.
13	Do.	Shri Rajkot Sona Chandi Karigar Mandal, Rajkot.	Circulated to members and evidence taken on 22nd July, 1964
14	Do.	Ahmedabad Jadia Karigar Association, Ahmedabad.	Do.
15	Do.	Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur.	Do.
16	Do.	Shri Akhil Hind Shrimali Soni Mahamandal, Bombay.	Do.
17	Do.	The Gujarat State Gold Licence Dealers Association, Ahmedabad.	Circulated to members and evidence taken on 22nd and 23rd July, 1964.
18	Do.	Shree Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments Merchants' Association, Ahmedabad.	Do.
19	Do.]	Surat Choksi Mahajan, Surat.	Do.
20	Do.]	Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad.	Do.
21	Do.]	All India Sarafa Association, Bombay.	Do.
22	Do.]	Bombay Bullion Association Ltd., Bombay.	Circulated to members and evidence taken on 23rd and 24th July, 1964.
23	Do.	Maharashtra Rajya Saraf Sangh, Sholapur.	Do.

Sl. No.	Nature of document	From whom received	Action taken
24	Memorandum	Poona Saraf Association, Poona.	Circulated to members and evidence taken on 23rd and 24th July, 1964.
25	Do.	The Madras Jewellers' & Diamond Merchants' Association, Madras.	Do.
26	Do.	The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta.	Do.
27	Do.	Jewellers Association, Bangalore.	Do.
28	Do.	Shri V. B. Gandhi, M.P.	Circulated to members and evidence taken on 24th July 1964.
29	Do.	Akhil Bhartiya Deshi Aushadh Nirmata Sangh, Delhi.	Do.
30	Do.	Federation of Manufacturers of Ayurvedic & Siddha Medicines, Delhi.	Do.
31	Do.	Mumbai Swarna Karagir Mandal, Bombay.	Circulated to members and evidence taken on 24th and 25th July, 1964.
32	Do	Bangiya Swarna-silpi Samity, Calcutta.	Do.
	Do	Akhil Bharatiya Swarankar Sangh, Delhi.	Do.
34	Do.	Rajasthan Sona Chandi Shrimik Sangh, Jaipur.	Do.
35	Do	Goldsmith Workers' Union, Delhi.	Do.

Sl. No.	Nature of document	For whom received	Action taken
36	Memorandum	Andhra Pradesh Swarnkar Sangh, Hyderabad.	Circulated to members and evidence taken on 25th July, 1964.
37	Do.	Kanpur Swarnkar Sangh, Kanpur.	Do.
38	Do.	Central Committee of Daidvadnva Samajonnati Parishad, Bombay.	Do.
39	Do.	The Bezwada Jewellers & Bullion Merchants Association, Vijayawada.	Circulated to members and evidence taken on 25th and 27th July, 1964.
40	Do.	The Guntur Bullion & Jewellery Merchant's Association, Guntur.	Do.
41	Do.	Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad.	Do.
42	Do.	The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam.	Do.
43	Do.	All India Jewellers Association, New Delhi.	Do.
44	Do.	Saraf Association, Ujjain	Do
45	Do.	Greater Bombay Jewellers and Bullion Dealers Association, Bombay.	Do.
46	Do.	Akhil Bharata Silpa Parisramika Sangham, Kakina-da.	Circulated to members and evidence taken on the 27th July, 1964.
47	Do.	Mysore Rajya Saraf Sangh, Hubli.	Circulated to members and evidence taken on the 10th August, 1964.
48	Do.	Tamilka Vishwakarma Central Sangam, Madras.	Circulated to members and evidence taken on the 11th August, 1964.

Sl. No.	Nature of document	From whom received	Action taken
49	Memorandum .	The South India Synthetic Stores Manufacturers and Dealer Association, Tiruchirapalli.	Circulated to members.
50	Do.	Utkal Swarna-Roypya Silpi Sangha, Cuttack.	Do.
51	Do	Shri Krishna Maheshwari Mandal, Bikaner.	Do.
52	Do.	Roshanlal Jariya, Aligarh .	Do.
53	Do.	Sarafa Association, Ludhiana.	Do.
54	Do.	Sarafa Board, Kotah (Rajasthan).	Do.
55	Do.	Shri Bikaner Cycle Merchants Association, Bikaner.	Do.
56	Do.	Shri Bikaner General Merchants Association, Bikaner.	Do.
57	Do.	Shri Bikaner Anaj Committee, Bikaner.	Do.
58	Do.	Shri Bikaner Fruit Merchants Association, Bikaner.	Do.
59	Do.	Shri Lakshmi Janardana Jewellery Hall, Mandya.	Do.
60	Do.	Shri Bikaner Parchoon Anaj Committee, Phad Bazar Bikaner.	Do.
61	Do.	The Jewellers Association Chitradurga, Mysore.	Do.
62	Do.	The Goldsmiths Association Chitradurga, Mysore.	Do.
63	Do.	Chairman, Sangmeshwar Sangh, Deomukh.	Do.
64	Do.	Member, Panchayat Samiti, Narot Jaimil Singh.	Do.

Sl. No.	Nature of document	From whom received	Action taken
65	Memorandum	The Cloth Merchants Association, Davangere City (Mysore).	Circulated to members.
66	Do.	Shroff Association, Davangere city (Mysore).	Do.
67	Do.	Goldsmiths Association Davangere City (Mysore).	Do.
68	Do.	Swarnkar Mandali, Jamkhandi Taluka, Shroff Bazar, Jamkhandi, Dist. Bijapur.	Do.
69	Do.	The Jewellers and Bullion Merchants, Dindigul.	Do.
70	Do.	Bhanwad Suvarnkar Association, Bhanwad (Jamnagar Distt.).	Do.
71	Do.	Shri G. S. Mittal, 505, Vishnu Puri, Aligarh (U.P.)	Do.
72	Do.	Suvarnkar Mandal, J.U.C.	Do.
73	Do.	Suvarnkar Mandal, Phagwara.	Do.
74	Do.	Shri Grain Seeds and Oil Merchants Chamber Ltd., Latur, Maharashtra.	Do.
75	Do.	Adati Association of Nilanger, Distt. Osmanabad (Maharashtra).	Do.
76	Do.	The Tiruchengodu Wholesale Rice and Paddy Merchants Association, Tiruchengodu.	Do.
77	Do..	Northern Rly. Mazdoor Union, Bikaner Division.	Do.
78	Do.	Government Press Employees Union, Bikaner.	Do.
79	Do.	President, Sowarnkar Mandal, Gobindgarh & Amloh, Patiala Distt.	Do.

Sl. No.	Nature of document	From whom received	Action taken
80	Memorandum	President, Sona Chandi Vaivasaya Sangh, Laker, Gawalior, M.P.	Circulated to members
81	Do.	Secretary Swarnkar Mandal, Rajpura.	Do.
82	Do.	M.P. Swarnakar Sangh, Vidisha Shakha Distt.	Do.
83	Do.	Rashtriya Gypsum Karamchari Sangh, Jamsar, Bikaner.	Do.
84	Do.	President, Jetpur Gold & Silver Merchants Association, Jetpur.	Do.
85	Do.	Secretary, Swarnakar Sangh, Sirohi.	Do.
86	Do.	Shri Bikaner Vayapar Mandal, Bikaner.	Do.
87	Do.	Congress Committee, Ferozepur.	Do.
88	Do.	District Swarnakar Mandal, Patiala.	Do.
89	Do.	Shri Bikaner Radio Dealer Association Bikaner.	Do.
90	Do.	All India Scheduled Castes and Scheduled Tribes Railway Employees Association, Bhatinda.	Do.
91	Do.	President, Chiploon Municipality.	Do.
92	Do.	Sangli Hardware Association	Do.
93	Do.	Charamkar Udog Mandal, Sangli.	Do.
94	Do.	Kapra Vaipari Sangh, Sangli.	Do.
95	Do.	Stationers and General Merchants Association, Sangli.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
96	Memorandum	Sangli Distt. Medicine Dealers' Association, Sangli.	Circulated to members.
97	Do.	Sangli Saraf Association	Do.
98	Do.	All Kerala Gold Workers Union, Changanacherry.	Do.
99	Do.	District Socialist Party, Hissar.	Do.
100	Do.	Sanatan Dharam Yuvak Sabha, Ferozepur.	Do.
101	Do.	Arya Samaj, Rani Talab, Ferozepur.	Do.
102	Do.	Secretary, Akali Jatha, Bhatinda.	Do.
103	Do.	The Fazilka Ahrtis Association.	Do.
104	Do.	Swarnkar Mandal, Nabha	Do.
105	Do.	Merchant Association, Athni.	Do.
106	Do.	Kumar Jewellers, Rampur	Do.
107	Do.	The Akali Jatha, Jullundur.	Do.
108	Do.	Secretary, Distt. Jansangh, Hissar.	Do.
109	Do.	District Swarnkar Sabha, Hissar.	Do.
110	Do.	Swarankar Sangh, Beavar	Do.
111	Do.	Northern Rly. Mazdoor Union, Workshop Branch, Bikaner.	Do.
112	Do.	Shri Bikaner Cloth Merchants Association, Bikaner.	Do.
113	Do.	Swarankar Sangh, Bhilwara	Do.
114	Do.	K. V. Sreenivasa Gupta & Sons, Jewellers & Iron Merchants, Mandya.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
115	Memorandum	Pondicherry Shroff Merchants Association.	Circulated to members.
116	Do.	Kshtriya Tank Sabha, Bhatinda.	Do.
117	Do.	Swarankar Mandal, Ajnala (U.P.).	Do.
118	Do.	The Dindigul Oil Mills Association.	Do.
119	Do.	T. P. Viswabrahma Mahasabha, Vellakinar, Alleppey.	Do.
120	Do.	Association Sarafa, Shivpuri (M.P.).	Do.
121	Do.	Saraf Association of Ausha, Distt. Osmanabad.	Do.
122	Do.	Swarankar Sangh, Rajladasar, Distt. Churu.	Do.
123	Do.	Metal Merchants Association, Davangere City Mysore State.	Do.
124	Do.	Shri Sarafa Association, Sarafa Bazar, Mandsoor (M.P.).	Do.
125	Do.	Saraf Association, Udgir, Distt. Osmanabad.	Do.
126	Do.	Suvarna Karigar Mandal, Surat.	Do.
127	Do.	Saraff Mandal, Nipani, Belgaum.	Do.
128	Do.	Vanita Samaj, Mahila Samaj and Akkamahadevi Samaj, Davangere city.	Do.
129	Do.	Secretary, Shri Kshtriya Khurakir Samiti, Farukhabad.	Do.
130	Do.	The Nose Pins Manufacturers Welfare Association, Amritsar.	Do.
131	Do.	Bhartiya Jan Sangh, Sawai Madhopur.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
132	Memorandum	Shri Sarafa Committee, Bharatpur.	Circulated to members.
133	Do.	Shri Kodamal Soni Advocate, Ratangarh, Rajasthan.	Do.
134	Do.	Kolhapur Grain Merchants Association, Kolhapur.	Do.
135	Do.	The Lawyers Association, Davangere City (Mysore).	Do.
136	Do.	The Chemists and Druggists Association, Davangere city.	Do.
137	Do.	Pudukkottai Bullion Merchants Association.	Do.
138	Do.	Davangere City Municipality.	Do.
139	Do.	District Swarankar Sangh, Moradabad.	Do.
140	Do.	Shri Mumbadevi Dagina Bazar Association, Bombay.	Do.
141	Do.	Khambhalia Savarnkar Association, Khambhalia (Jamnagar).	Do.
142	Do.	Shri Agarwal Navyuvak Mandal, Sawai Madhopur.	Do.
143	Do.	Shri Digamber Jain Navyuvak Mandal, Swami Madhopur.	Do.
144	Do.	Shukla Yujurvedi Madhyadin Shakha Mandal, Kolhapur.	Do.
145	Do.	Swarnkar Namak Utpadak Sehkari Samiti Ltd., Chhapar (Rajasthan).	Do.
146	Do.	M.L.A. (Rajasthan Vidhan Sabha) (Name not legible)	Do.
147	Do.	District Vaid Sabha, Sawai Madhopur	Do.

Sl. No.	Nature of documents	From whom received	Action taken
148	Memorandum	Devag Shikshan Samaj, Kolhapur.	Circulated to members.
149	Do.	Tripura Swarna-o-Roupya Silpi Samiti.	Do.
150	Do.	Shri Hirachand Ratanchand Shah and others.	Do.
151	Do.	A Srirangiah Setty, Mandya	Do.
152	Do.	Shukravar Painth Bhagini Mandal, Kolhapur.	Do.
153	Do.	Bhagini Mandal, Malkapur.	Do.
154	Do.	Bangarapet Jewellers Association.	Do.
155	Do.	Swarankar Mandal, Patti	Do.
156	Do.	Bhartiya Janasangh, Kapurthala.	Do.
157	Do.	The Ellor Jewellers and Bullion Merchants Association, Ellor.	Do.
158	Do.	The Pandharpur Saraf Association, Pandharpur.	Do.
159	Do.	Parik Samaj Sampati Trust, Bikaner.	Do.
160	Do.	Mysore Chamber of Commerce, Bangalore.	Do.
161	Do.	Rashtriya Jal Mazdoor Union, Bikaner.	Do.
162	Do.	Swarankar Sangh Association, Agra.	Do.
163	Do.	President Saraf Association, Osmanabad.	Do.
164	Do.	Gold Smith Union, Samana, Panjab.	Do.
165	Do.	President Latur Taluka Saraf Association, Latur, Distt. Osmanabad, Maharashtra.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
166	Memorandum	Pritam Singh, President, Central Rajput Sabha, Patiala.	Circulated to members.
167	Do.	President, Arya Samaj, Patiala.	Do.
168	Do.	Shri Sanatan Harikeertan Sabha, Mandir Satnarayan, Kapurthala.	Do.
169	Do.	Bhartiya Jansangh, Bhiwani (Hissar).	Do.
170	Do.	Bikaner Shoe Merchants Association, Bikaner.	Do.
171	Do.	Secretary, Jila Vaidya Sabha, Bikaner.	Do.
172	Do.	Amreli District Swaranakar Mandal, Amreli.	Do.
173	Do.	Fruit Association, District Sholapur.	Do.
174	Do.	Raipur Sarafa Vyavasaik Sangh, Raipur, M.P.	Do.
175	Do.	Bombay Sharoffs Association, 233A, Shroff Bazar, Bombay-2.	Do.
176	Do.	The Cannanore Jewellery Merchants Association.	Do.
177	Do.	Bullion Merchants Association, Nagpur, Maharashtra State.	Do.
178	Do.	Bikaner Iron Merchants Association, Bikaner.	Do.
179	Do.	Bikaner Flour Mill Owners Association, Bikaner.	Do.
180	Do.	Karaikudi Kasukkadai & Rathna Vyaparigal Sangham.	Do.
181	Do.	Secretary, Kendriya Arya Sabha, Amritsar.	Do.
182	Do.	President, Bajahi Kashatriya Sabha, Amritsar.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
183	Memorandum	Secretary, Swarankar Mandal Una (Hoshiarpur)	Circulated to members.
184	Do.	Hon. Secretary, Karnatak Chamber of Commerce & Industry, Hubli.	Do.
185	Do.	Nikhil Assam Swarna Silpi Samity, Nowgong, Assam.	Do.
186	Do.	Hony. Secretary, Merchants Association, Ambasamudram.	Do.
187	Do.	The Secretary, Sarafa Committee, Sikar, Rajasthan.	Do.
188	Do.	President, Kolhapur Saraf Vyapari Sangh, Kolhapur-2.	Do.
189	Do.	Rajasthan Sarafa Sangh, Manak Chowk, Jaipur,	Do.
190	Do.	Jamnagar Suvarnakar Audhyogik Mandal, Jamnagar.	Do.
191	Do	Jewellers Association Bhanwan, Johri Bazar Jaipur.	Do.
192	Do.	C. N. Dasar and C. N. Shama Sunder, Anekere St. Mandya.	Do.
193	Do.	Pro. N. Sathge Krishna Jewellery Mart, Jain Street, Mandya.	Do.
194	Do.	Punjab Swarnakar Mandal Amritsar.	Do.
195	Do.	Bhartiya Jan Sangh, Amritsar.	Do.
186	Do.	Sarafa Association, Swai Madhopur.	Do.
197	Do.	Swarankar Mandal, Khemkaran.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
198	Memorandum	Vaniyambadi Jewellers Association, Vaniyambadi, Madras.	Circulated to members.
199	Do.	M. P. Swarankar Sangh, Arang.	Do.
200	Do.	President, Swarankar Mandal, Sangrur.	Do.
201	Do.	Themnindia Sivachara Telugu Jangamer, Sanga, Triuchengodu (Salem).	Do.
202	Do.	Shroff Association, Athni.	Do.
203	Do.	Panchal Vishva Brahman Deshastha Sonar and Swarankar Dnyati Bandhav, Kolhapur.	Do.
204	Do.	Brahmin Sabha, Hissar.	Do.
205	Do.	All Orissa Swarna Roupya Silpi Sangh.	Do.
206	Do.	Shri Sarafa Sangh, Bundi (Rajasthan).	Do.
207	Do.	Athni Taluka Swarankar Sangh	Do.
208	Do.	Shri Lala Jalu Sunar, Rajgarh.	Do.
209	Do.	Shri Patan Chokshi Mahajan Association, Patan.	Do.
210	Do.	Shri Balaji Yuvak Mandal, Kolhapur.	Do.
211	Do.	Hindu Sawa Sammiti, Dadri	Do.
212	Do.	Kolhapur Urban Cooperative Bank Ltd.	Do.
213	Do.	The Khudra Kirana Union, Dadari.	Do.
214	Do.	Kolhapur Kapar Vayapari Sangh.	Do.
215	Do.	The Shahupuri Merchants Association Ltd., Shahupuri, Kolhapur.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
216	Memorandum	The Commercial Co-operative Bank Ltd. Kolhapur.	Circulated to members.
217	Do.	The Upleta Goldsmith Workers Committee.	Do.
218	Do.	Pramanit Swarankar Sangh Poona.	Do.
219	Do.	District Jansangh, Bhatinda.	Do.
220	Do.	Kolhapur Sugar Mills Bhagini Mandal.	Do.
221	Do.	Swarankar Mandal, Jandiala Guru.	Do.
222	Do.	Tenkasi Jewellers & Bullion Merchants Association, Tenkasi.	Do.
223	Do.	Bharatya Jan Sangh, Ferozepur.	Do.
224	Do.	President, Malwa Dal, Sangrur.	Do.
225	Do.	President, Akali Jatha, Sangrur.	Do.
226	Do.	Communist Party, Sangrur.	Do.
227	Do.	Bhartya Jansangh, Sangrur.	Do.
228	Do.	Pan Bazar Association, Patan.	Do.
229	Do.	Tea & Kirana Merchants Association, Patan.	Do.
230	Do.	Medical Association, Patan.	Do.
231	Do.	President's Hotel Bazar Association, Patan.	Do.
232	Do.	President, Shri Harij Taluka Wholesale Jaggery Merchants Association, Harij, Mehsana.	Do.
233	Do.	Patan Mahajan, Patan.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
234	Memorandum	Kamboi Naranpura Village Panchayat, Kamboi Naranpura.	Circulated to members.
235	Do.	Sarpanch, Harij Village Panchayat, Harij, Mehsana.	Do.
236	Do.	President, Shri Harij Grain Merchants Association, Harij.	Do.
237	Do.	The Chokshi & Soni Mahajan Association, Patan.	Do.
238	Do.	Motilal Vibhukhandas Import Export & Commission Agents, Bombay.	Do.
239	Do.	Stri Arya Samaj, Rishi Kunda, Pucca Bagh, Jullundur City.	Do.
240	Do.	Swarnakar Mandal, Philaur, Distt. Jullundur.	Do.
241	Do.	District Communist Party, Karnal.	Do.
242	Do.	Arya Samaj, Rishikunj, Jullundur.	Do.
243	Do.	Aggarwal Vaish Panchayat, Panipat.	Do.
244	Do.	Bhartiya Jan Sangh, Panipat.	Do.
245	Do.	Bhartya Jan Sangh, Pathankot.	Do.
246	Do.	Secretary, S.S.D. High School, Pathankot.	Do.
247	Do.	Bullion & Ornaments' Merchants' Association, Guru Bazar, Amritsar.	Do.
248	Do.	Sewa Samiti, Bhiwani	Do.
249	Do.	All India Women Conference, Jullundur Branch.	Do.
250	Do.	President, Akali Jatha, Karnal.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
251	Memorandum	Secretary, Nagar Beopar Mandal, Bhiwani.	Circulated to members.
252	Do.	District Swarnakar Mandal, Jullundur.	Do.
253	Do.	Swarnakar Mandal, Tehsil Nakodar (Jullundur)	Do.
254	Do.	District Gurdaspur Swarnakar Mandal, H.O. Batala.	Do.
255	Do.	Beopar Mandal, Karnal	Do.
256	Do.	Swarnakar Mandal, Tehsil Nawan Shahar, Jullundur District.	Do.
257	Do.	Trichengodu Dyeing Factory Owners' Association.	Do.
258	Do.	Dindigul Cloth Merchants Association.	Do.
259	Do.	Kerala Gold Workers Union, Ernakulam District Council.	Do.
260	Do.	Merchants Chamber, Chitradurga.	Do.
261	Do.	Agaran Vellanchettiar Mahajana Sangam, Tiruchengodu.	Do.
262	Do.	Shahade Taluka Swarnkar Sangh, Distt. Dhulia.	Do.
263	Do.	Rotary Club, Davangere City.	Do.
264	Do.	Doctors Association, Davangere City.	Do.
265	Do.	Traders Association, Davangere City.	Do.
266	Do.	Cloth Association, Tumkur	Do.
267	Do.	Social Workers Home, Karnal.	Do.
268	Do.	Kirana Association, Latur (Distt. Osmanabad).	Do.
269	Do.	Tiruchengodu Town Nagaratha Ayera Vaiseyar Sangam, Tiruchengodu.	Do.

Sl. No.	Nature of document	From whom received	Action taken
270	Memorandum	All Punjab Swarnakar Mandal, H.O. Amritsar.	Circulated to members.
271	Do.	General Secretary, Shri Guru Singh Sabha, Amritsar.	Do.
272	Do.	Shri Satya Narain Pareek, Director, Bharatiya Vidya Mandir Shodh Pratisthan, Bikaner.	Do.
273	Do.	Communist Party of India, District Committee, Amritsar.	Do.
274	Do.]	Secretary Swarnakar Mandal, Patiala.	Do.
275	Do.]	Zila Swarnakar Mandal, Amritsar.	Do.
276	Do.]	Janta Sevak Samaj, Moradabad.	Do.
277	Do.]	Certain People of Sambalpur.	Do.
278	Do.]	Arya Stri Samaj, Mandi Bans, Moradabad.	Do.
279	Do.]	Shri Ajmer Sarafa Sangh, Ajmer.	Do.
280	Do.]	Churu Distt. Swarnakar Sangh, Ratangarh.	Do.
281	Do.	Shroff Association, Raichur	Do.
282	Do.	Saraf Association of Taluqa Ahmedpur, Distt. Osmanabad.	Do.
283	Do.]	Shri S. N. Narasimha Murthy, Prop, Shri Gayathri Jewellery Mart, Mandya.	Do.
284	Do.]	Daivagya Vanita Samaj, Mangalwar Peth, Kolhapur.	Do.
285	Do.]	Arya Kshatri Sahkari Patpedhi, Ltd., Kolhapur.	Do.

Sl. No.	Nature of document.	From whom received	Action taken
286	Memorandum	Athni Taluka Doctors Association, Athni.	Circulated to members
287	Do.	Jewellers Association, Arsitkere.	Do.
288	Do.	President, Bar Association, Bhadravati.	Do.
289	Do.	Bhadravati Taluk Gold Smith Association, Bhadravati.	Do.
290	Do.	Merchants Association, Bhadravati.	Do.
291	Do.	Jewellers Association, Bhadravati.	Do.
292	Do.	Chittoor Jewellers & Bullion Merchants Association, Chittoor.	Do.
293	Do.	Nellai Viebarigal Sangam, Tirunelveli.	Do.
294	Do.	Tirunelveli Brassware Merchants Association, Tirunelveli.	Do.
295	Do.	Bullion Merchants Association, Tirunelveli.	Do.
296	Do.	Hubli Goldsmiths Association, Hubli.	Do.
297	Do.	Konark Swarna Silpi Sangh, Bajpur.	Do.
298	Do.	Vidarbha Chamber of Commerce, Akola.	Do.
299	Do.	Laxmi Narayan Mandir Trust, Kolhapur.	Do.
300	Do.	Morvi-Malia Taluka Swarnakar Mandal, Morvi.	Do.
301	Do.	President, Social Club Kolhapur and 11 other institutions.	Do.
302	Do.	Andhra Chamber of Commerce, Madras.	Do.

Sl. No.	Nature of document	From whom received	Action taken
303	Memorandum	Trichinopoly Distt. Chamber of Commerce, Tiruchirapalli.	Circulated to members
304	Do.	Mukkal Nalan Kapper Sangam, Tenkasi.	Do.
305	Do.	Porbandar Chamber of Commerce, Porbandar.	Do.
306	Do.	Chamber of Commerce, Tiruchur.	Do.
307	Do.	Nellai-Kemari Districts Merchants Association, Tirunelveli.	Do.
308	Do.	Kadgi Bazar Association, Patan.	Do.
309	Do.	Ghee Bazar Association, Patan.	Do.
310	Do.	Iron & Hardware Association, Patan.	Do.
311	Do.	Hosiery Bazar Association, Patan.	Do.
312	Do.	Kirana Bazar Association, Patan.	Do.
313	Do.	Shree Patan Jaggery, Sugar, Rice Bazar Association, Patan.	Do.
314	Do.	Varkala Gold Workers Union, Varkala.	Do.
315	Do.	Tirunelveli Piece Goods Merchants Association, Tirunelveli.	Do.
316	Do.	Madhya Pradesh Sarafa Association Bhopal.	Do.
317	Do.	Oil Bazar Association, Patan.	Do.
318	Do.	Shroff Association, Dharwar City.	Do.
319	Do.	Sona Chandi Kalakar Sangh, Udaipur.	Do.

Sl. No.	Nature of Document	From whom received	Action taken.
320	Memorandum	Secretary Swarnakar Mandal, Rewari.	Circulated to members
321	Do.	Madhya Pradesh Swarnakar Sangh, Maha Samund.	Do.
322	Do.	Akhil Bhartiya Swarnakar Sangh, Distt. Branch, Raipur.	Do.
323	Do.	Madhya Pradesh Swarnakar Sangh, Branch, Raipur.	Do.
324	Do.	Bellary Jewellers Association, Bellary.	Do.
325	Do.	Viswakarma Swarnakar Society Parlakimedi, Ganjam.	Do.
326	Do.	Some opinions of a few Political, social and Labour Leaders.	Do.
327	Do.	Bellary District Chamber of Commerce, Bellary.	Do.
328	Do.	Kollegal Jewellers Association, Kollegal.	Do.
329	Do.	Moradabad Mercantile Chamber, Moradabad.	Do.
330	Do.	Sarrafa Committee, Moradabad.	Do.
331	Do.	Bhartiya Jan Sangh, Moradabad.	Do.
332	Do.	Shri Gujarat Swarnakar Sangh, Ahmedabad.	Do.
333	Do.	All Kerala Gold Workers Union, Tellichery Taluka, Tellichery.	Do.
334	Do.	Sarrafa Traders Committee, Jaipur.	Do.
335	Do.	Tiruchi Distt. Gold Smith Society, Tiruchirapalli.	Do.
336	Do.	Kolhapur Chemists Association, Kolhapur.	Do.

Sl. No.	Nature of document	From whom received	Action taken
337	Memorandum	Nellai Commission Merchants Association, Tirunelveli.	Circulated to members.
338	Do.	Shri Swarnakar Shramik Sangh, Chhapar Distt., Churu.	Do.
339	Do.	Paddy & Rice Merchants Association, Dindugal.	Do.
340	Do.	Marwari Association, Tumkur.	Do.
341	Do.	Veera Shiva Sangha and Samaja, Tumkur.	Do.
342	Do.	Jewellers Association, Bhadravati.	Do.
343	Do.	Gold Smith Association Tumkur.	Do.
344	Do.	Grain Merchants' Association Tumkur.	Do.
345	Do.	Moradabad Chemists Association, Moradabad.	Do.
346	Do.	Kirana and Bhusar Merchants' Association Kolhapur.	Do.
347	Do.	Moradabad Bartan Committee.	Do.
348	Do.	Saraf Association, Baramati (Poona)	Do.
349	Do.	Kirana Merchants Association, Moradabad.	Do.
350	Do.	Grain Merchants Association, Sawai Madhopur.	Do.
351	Do.	Arya Kshtriya Samaj, Kolhapur.	Do.
352	Do.	Bullion Association, Amhasamudram.	Do.
353	Do.	Secretary, Kolhapur District Talin Sangh.	Do.

Sl. No.	Nature of document	From whom received	Action taken
354	Memorandum	The Hardware Merchants Association, Kolhapur.	Circulated to members.
355	Do.	Ratnagiri Taluqa Swarankar Mandal, Ratnagiri.	Do.
356	Do.	Raipur Mill Mazdoor Union, Raipur (M.P.)	Do.
357	Do.	Shri Rajasthan Swarnkar Sangh, Pali, Marwar.	Do.
358	Do.	Secretary, Udaipi Bullion Marchants Association.	Do.
359	Do.	President, Town Municipality Tunkar.	Do.
360	Do.	President, Churu District Jan Sangh.	Do.
361	Do.	Swarankar Sharamik Sangh, Atru.	Do.
362	Do.	Loha Girah Nirman & Kal-udog Vayapari Sangh, Moradabad.	Do.
363	Do.	Sindi Suvarnkari Mandal, (Address not given)	Do.
364	Do.	Sona Mahamandal (Address not given).	Do.
365	Do.	The Sonaputty Bullion Merchants' Association Calcutta.	Do.
366	Do.	Khadya Vyapar Mandal, Moradabad.	Do.
367	Do.	Sweepr Union, Raipur.	Do.
368	Do.	Chhatisgarh Trunk Mazdoor Union, Raipur.	Do.
369	Do.	All Kerala Gold Workers Union, Cannanore Distt. Committee, Cannanore.	Do.
370	Do.	Mysore Paper Mills Labourers' Association Bhadravati.	Do.

Sl. No.	Nature of document	From whom received	Action taken
371	Memorandum	Moradabad Bullion Association, Moradabad.	Circulated to members.
372	Do.	Arya Samaj Purani Mandi Jammu.	Do.
373	Do.	Shri Krishna, P. O. Nala Machhratta, Farrukhabad.	Do.
374	Do.	Shri Sambhav Nath Swetambar Jain Mandir (Trust), Kolhapur.	Do.
375	Do.	Mysore Iron and Steel Works Labourers' Association, Bhadravati.	Do.
376	Do.	Swarnakar Mandal, Jammu Province, Jammu.	Do.
377	Do.	Mill-owners' Association, Tumkur.	Do.
378	Do.	Akalkot Taluka Sarafa Sangh, Akalkot.	Do.
379	Do.	Kolhapur Municipal Borough, Kolhapur.	Do.
380	Do.	Tumkur Jewellers, Association, Tumkur.	Do.
381	Do.	Arya Vysya Sangha, Tumkur.	Do.
382	Do.	P. W. D. Mazdoor Union, Raipur.	Do.
383	Do.	Shree Bikaner Chemists Association, Bikaner.	Do.
384	Do.	Power House Mazdoor Union, Bikaner.	Do.
385	Do.	Tiruchengodu and Sankari Rs. Shroff Merchants Association Tiruchengodu.	Do.
386	Do.	Sikar Zila Swarnakar Sangh, Sikar.	Do.
387	Do.	Tiruchengodu Nagara Kullar Valibar Sangam, Tiruchengodu.	Do.

Sl. No.	Nature of document	From whom received	Action taken
388	Memorandum	Mathar Sangam, Tiruchengodu.	Circulated to members.
389	Do.	Saraf Association of Tuljapur, District Osmanabad.	Do.
390	Do.	Delhi Jewellers Association, New Delhi.	Do.
391	Do.	Swarnakar Autoricksaw Drivers Sangh, Ahmedabad.	Do.
392	Do.	Lorry Owners Association, Tiruchengodu.	Do.
393	Do.	Bullion Association, Beawar.	Do.
394	Do.	Chiploon Taluka Swarana Karagir Mandal, Chiploon, District Ratnagiri	Do.
395	Do.	Shri Bikaner Zila Chini Vyapar Sangh, Bikaner.	Do.
396	Do.	Uttar Pradesh Swarnakar Sangh, District Branch, Lucknow.	Do.
397	Do.	Tiruchinapalli Goldsmiths Welfare Association, Tiruchinapalli.	Do.
398	Do.	Shri Girdhari Lal Anand, President Sarafa Associations, Jammu-Kashmir State.	Do.
399	Do.	Shri Ladoo Lal, Chittorgarh (Rajasthan).	Do.
400	Do.	Suvarnakar Association, Nandurbar, District Dhulia (Maharashtra).	Do.
401	Do.	Hosiery Nirmata and Vaosai Sangh, Gwalior.	Do.
402	Do.	P. Keshwa Vitobha Bhandarkar & Bros., Mangalore.	Do.

Sl. No.	Nature of document	From whom received	Action taken
403	Memorandum.	Jamjodhpur Swarnkar Association, Jamjodhpur	Circulated to members.
404	Do.	The Pollachi Shroff Merchants' Association, Pollachi.	Do.
405	Do.	Broach Choksi Mahajan Broach.	Do.
406	Do.	Nagraj S. Punmiya Barsi.	Do.
407	Do.	Osmanabad District 'Saraf' Association, Lature.	Do.
408	Do.	Gold and Silver Merchants Association, Porbander.	Do.
409	Do.	The Trivandrum Gold Mts. Association, Trivandrum.	Do.
410	Do.	Saraf Association, Hubli	Do.
411	Do.	J. & K. Democratic National Conference, Pacca Danga, Jammu Tawi, J. & K. State.	Do.
412	Do.	Param Hans Satsang Bhavan Shahbad, Markanda.	Do.
413	Do.	Secretary, Arya Samaj, Kaithal.	Do.
414	Do.	Dr. L. C. Gupta, President Social Sudhar Sabha, All India Jammu and Kashmir, Jammu.	Do.
415	Do.	A. R. Raykar, President Karawar Taluka, Suvarnakar Mandal, Brahman Galli, Karawar.	Do.
416	Do.	Salem Nagara Shroff Vartheke Sangam, Shevapet, Salem.	Do.
417	Do.	Ratna Giri Jila Survarnakar Mandal, Ratnagiri.	Do.

Sl. No.	Nature of document	From whom received	Action taken
418	Memorandum	Secretary, Shiromani Akali Dal, Baradari, Shri Darbar Sahib Amritsar.	Circulated to members
419	Do.	General Secretary, Distt. Swarnakar Mandal, Kapurthala.	Do.
420	Do.	The Indian Chamber of Commerce, Guntur.	Do.
421	Do.	Sarrafa Association, Rampur.	Do.
422	Do.	Bharatiya Jan Sangh, Rampur.	Do.
423	Do.	Swarankar Sangh, Allahabad.	Do.
424	Do.	Bharatiya Jana Sangh, Abohar.	Do.
425	Do.	Swarnkar Mandal, Malerkotla.	Do.
426	Do.	Bharatiya Jan Sangh, Malerkotla.	Do.
427	Do.	Sholapur Saraf Association, Sholapur (Maharashtra State).	Do.
428	Do.	Swarankar Sangh, Rampur	Do.
429	Do.	Sarrafa Association, Karmala.	Do.
430	Do.	G. A. Pai, Ernakulam	Do.
431	Do.	Ram Barose Lal, Rampur	Do.
432	Do.	Sarrafa Committee, Rampur	Do.
433	Do.	Swarankar Sabha, Karnal	Do.
434	Do.	Swarankar Mandal, Bhatinda	Do.
435	Do.	Nilanga Saraf Association, Nilanga.	Do.

Sl. No.	Nature of document	From whom received	Action taken
436	Memorandum	Mill Employees Koolikara Sangha, Kerala Samajam and Labourers. Davangere.	Circulated to members
437	Do.	Hotel Proprietors and Hotel Workers Sangha, Davangere.	Do.
438	Do.	Akhil Bharatiya Purvar Samiti, Ferozabad.	Do.
439	Do.	Bharatiya Jan Sangh, Julundur.	Do.
440	Do.	The Taluka Board, Davangere.	Do.
441	Do.	Jan Sangh, Latur	Do.
442	Do.	Gold Dealers' Association, Padra.	Do.
443	Do.	Swarankar Sangh, Ferozabad.	Do.
444	Do.	Shroff Varthakara Sangha, Mysore.	Do.
445	Do.	Taluka Swarankar Sangh, Udgir	Do.
446	Do.	Merchants Association, Bhatinda.	Do.
447	Do.	Ram Lal, Kanpur	Do.
448	Do.	Marwari Sangha, Davangere.	Do.
449	Do.	Kodinar Suvarnkar Mandal, Kodinar.	Do.
450	Do.	Bihar State Bullion Mts. Association, Patna.	Do.
451	Do.	Mathurai Jewellers and Bullion Mts. Association, Madurai.	Do.
452	Do.	Mahila Mandal Association, Latur, District Osmanabad.	Do.

Sl. No.	Nature of documents	From whom received	Action taken
453	Memorandum	Hotel Association Latur, Osmanabad.	Circulated to members
454	Do.	Sarafa Association Kalam, Osmanabad.	Do.
455	Do.	Cloth Association, Latur, (Osmanabad).	Do.
456	Do.	Sarrafa Vyapar Committee, Alwar (Rajasthan).	Do.
457	Do.	Baroda Chokshi Mahajan Mandal, Baroda.	Do.
458	Do.	Sita Ram Bajaj, Kapara Committee, Rampur.	Do.
459	Do.	Western U. P. Chamber of Commerce, Bombay Bazar, Meerut Cantt.	Do.
460	Do.	Gold, Silver and Jewellers Association, Ayyampet, Madras.	Do.
461	Do.	Andhra Pradesh Suvarnkar Sangam, Lakshimi Sadan, Kothapet, Gungur.	Do.
462	Do.	U. P. Vaidya Sammelan, Tehsil Vaidya Sabha, Ferozabad, U.P.	Do.
463	Do.	Trichy Shroff and Jewellers Association, Triruchirappalli.	Do.
464	Do.	Maharashtra Chamber of Commerce, 12, Rampart Row Fort Bombay.	Do.
465	Do.	Shri Sarrafa (Gold-Silver) Association, Udaipur, (Rajasthan).	Do.
466	Do.	Girdhari Lal Saraf, Karol Bagh, New Delhi.	
467	Do.	President, Swarnkar Mandal, Tehsil Taran Taran.	Do

Sl. No.	Nature of documents	From whom received	Action taken
468	Memorandum	Barkat Ram Saraf, Municipal Commissioner, Gurdaspur.	Circulated to members
469	Do.	Sona Chandi Shramik Sangh, Sardar Shahar (Rajasthan).	Do.
470	Do.	Swarnakar Hitkarini Sabha Sardar Shahar (Rajasthan)	Do.
471	Do.	Secretary, Swarnakar Sangh, Sardar Shahar (Rajasthan).	Do.
472	Do.	Lucknow Swarnkar Sangh, Lucknow.	Do.
473	Do.	Shimoga Jewellers Association, Shimoga.	Do.
474	Do.	Svarankar Mandal, Malkapur.	Do.
475	Do.	Shri Shriram Agarwal Saraf, Bankers and Exchange, Shivaji Marg, Bareilly.	Do.
476	Do.	Shri Amar Singh Verma, Chandra Art Press, Sadar Bazar, Meerut Cantt.	Do.
477	Do.	Shri Purushotam Das Soni, Ramchandra Lane, Upper Bazar, Ranchi.	Do.
478	Do.	Shri Indore Bullion Exchange Ltd., 49, Bada Saraffa, Indore.	Do.
479	Do.	Secretary, Provincial National Conference, Jammu.	Do.
480	Do.	Shimoga Chamber of Commerce, Shimoga.	Do.
481	Do.	Pradhan, Swarankar Mandal, Batala (Punjab).	Do.
482	Do.	Secretary, P. S. P., Batala (Punjab).	Do.

Sl. No.	Nature of documents	From whom received	Action taken
483	Memorandum .	Bhartya Jan Sangh, Batala (Punjab).	Circulated to members.
484	Do.	President, Akali, Dal Batala (Punjab).	Do.
485	Do.	President, Sarrafa Association, Batala (Punjab).	Do.
486	Do.	President, Sarrafa Association, Gurdaspur (Punjab).	Do.
487	Do.	Secretary, Bullion Association, Beaver (Rajasthan).	Do.
488	Do.	Rashtriya Mill Mazdoor Sangh Beaver (Rajasthan).	Do.
489	Do.	Secretary, Cloth Merchants' Association, Beaver (Rajasthan).	Do.
490	Do.	President, Gold and Silver Merchant-Karigar Association, Gondal.	Do.
491	Do.	Tasgaon Taluka Swaran Kamgar Sangh, Tasgaon.	Do.
492	Do.	Imitation Jewellery Manufacturers' and Traders' Association, Machilipatnam.	Do.
493	Do.	Secretary, the Jewellers' Association, Vijayapuram, Tiruvarur.	Do.
494	Do.	Secretary, Shri Navsari Swarankar Association, Gujrat.	Do.
495	Do.	Madhya Pradesh Swarnakar Sramik Sangh, Indore.	Do.
496	Do.	North Arcot Dt. Ornamental Workers Association, Vellore.	Do.
497	Do.	All the Jewellers of Hassan District, Hassan (Mysore State).	Do.

Sl. No.	Nature of documents	From whom received	Action taken
498	Memorandum .	Vellore Shroff Viyabarigal Sangam (Regd.), Vellore.	Circulated to members.
499	Do.	Saraffa Association, Dinanagar (Punjab).	Do.
500	Do.	Shri A. N. Nanda, Retired Dy. Director of Inspection, Directorate of Customs and Excise, Advocate, New Delhi.	Do.
501	Do.	Bagalkot Bullion Association, Bagalkot.	Do.
502	Do.	The Puri Zilla Swarnsilpi Sangha, Dt. Puri, Orissa.	Do.
503	Do.	Federation of Andhra Pradesh, Chambers of Commerce and Industry, Secunderabad.	Do.
504	Do.	Tax Payers' Association, Ahmedabad.	Do.
505	Do.	Associated Ayurvedic Pharmacies, Vijayawada.	Do.
506	1,99,173 presentations letters/telegrams.	Different individuals etc.	Placed in Parliament Library & members informed.

APPENDIX IV

(Vide para 8 of the Report)

List of the Associations/individuals who gave evidence before the Joint Committee.

Serial No.	Names of Associations/individuals	Dates on which evidence was taken
1	Shri Gold Silver and Jawahrat Merchants' Association (In dore Sona Chandi Viapari Association), Indore.	20th July, 1964
2	Shri Sarafa Committee, Agra	Do.
3	The Bullion Merchants' Association, Delhi	Do.
4	All Delhi Sarafa Association, Delhi	Do.
5	Shree Gujarat Suvarnakar Sangh, Ahmedabad	20th and 21st July, 1964
6	The Ahmedabad District Suvarnakar Sangh, Ahmedabad.	Do.
7	Swarankar Sangh Rajasthan, Bikaner	Do.
8	Uttar Pradesh Swarankar Sangh, Lucknow.	Do.
9	Madhya Pradesh Swarnkar Sangh, Indore.	Do.
10	Shri Chokshi Mahajan, Ahmedabad	21st July* 1964.
11	Navsari Chokshy Association, Navsari.	Do.
12	Chokshi Mahajan Association, Dabhoi.	Do.
13	Shri Rajkot Sona Chandi Karigar Mandal, Rajkot.	22nd July, 1964
14	Ahmedabad Iadia Karigar Association, Ahmedabad.	Do.
15	Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur.	Do.
16	Shri Akhil Hind Shrimali Soni Mahamandal, Bombay.	Do.
17	The Gujarat State Gold Licence Dealers Association, Ahmedabad.	22nd and 23rd July, 1964
18	Shree Ratanpole and Richey Road Gold Silver and Jewellery ornaments Merchants' Association, Ahmedabad.	Do.

Serial No.	Names of the Associations, individuals	Dates on which evidence was taken
19	Surat Choksi Mahajan, Surat	22nd & 23rd July, 1964
20	Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad	Do.
21	All India Sarafa Association, Bombay	Do.
22	Bombay Bullion Association Ltd., Bombay	23rd and 24th July, 1964.
23	Maharashtra Rajya Saraf Sangh, Sholapur	Do.
24	Poona Saraf Association, Poona	Do.
25	The Madras Jewellers' and Diamond Merchants' Association, Madras	Do.
26	The Calcutta Jewellers' Gold Silver Smiths' Association, Calcutta	Do.
27	Jewellers Association Bangalore	Do.
28	Shri V.B. Gandhi M.P.	24th July, 1964
29	Akhil Bhartiya Deshi Aushadh Niirmata Sangh, Delhi	Do.
30	Federation of Manufacturers of Ayurvedic and Siddha Medicines, Delhi.	Do.
31	Mumbai Swarna Karagir Mandal, 'Bombay	24th and 25th July, 1964
32	Bangiya Swarna-silpi Samity, Calcutta	Do.
33	Akhil Bharatiya Swarnakar Sangh, Delhi	Do.
34	Rajasthan Sona Chandi Shrimik Sangh, Jaipur	24th and 25th July, 1964
35	Goldsmiths Workers' Union, Delhi	Do.
36	Andhra Pradesh Swarnkar Sangh, Hyderabad.	25th July, 1964
37	Kanpur Swarnkar Sangh, Kanpur	Do.
38	Central Committee of Daivadnva Samaj-jonnati Parishad, Bombay	Do.
39	The Bezwada Jewellers and Bullion Merchants Association, Vijayawada.	25th and 27th July, 1964
40	The Guntur Bullion and Jewellery Merchants' Association, Guntur.	Do.

Serial No.	Names of Associations/individuals	Dates on which evidence was taken
41	Andhra Pradesh Gold, Silver, Jewellery and Diamond Merchants' Association, Secunderabad.	25th & 27th July, 1964
42	The Bullion-Jewellery and Diamond Merchants' Association, Masulipatam.	Do.
43	All India Jewellers Association, New Delhi.	Do.
44	Saraf Association, Ujjain.	Do.
45	Greater Bombay Jewellers and Bullion Dealers Association, Bombay.	Do.
46	Akhil Bharata Silpa Parisramika Sangham, Kakinada.	27th July, 1964.
47	Shri S. S. Khera, Secretary, Cabinet Secretariat.	10th August, 1964.
48	Shri P. C. Bhattacharya, Governor, Reserve Bank of India.	Do.
49	Mysore Rajya Saraf Sangh, Hubli	Do.
50	Shri B. D. Pande, Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.	10th and 11th August, 1964
51	Tanilka, Vishwakarma, Central Sangam, Madras.	11th August, 1964

APPENDIX V

Minutes of the Sittings of the Joint Committee on the Gold (Coin) Bill, 1963

I

First Sitting

The Committee met on Tuesday, the 9th June, 1964 from 16.16.13 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shrimati Renuka Devi Barkataki
3. Shri Bali Ram Bhagat
4. Shri B. L. Chandak
5. Shri Prabhat Kar
6. Shri Kindar Lal
7. Shrimati Sangam Laxmi Bai
8. Sardar Gurmukh Singh Musafir
9. Shri T. Ram
10. Shri Shivram Rango Rane
11. Shri S. C. Samanta
12. Shri Era Sezhiyan
13. Shri Sheo Narain
14. Shri Balgovind Verma
15. Shri T. T. Krishnamachari

Rajya Sabha

16. Shri Suresh J. Desai
17. Shri B. K. Gaikwad
18. Shri I. K. Gujral
19. Shrimati Nandini Satpathy
20. Shri C. D. Pande

21. Shri Shiva Nand Ramaul
22. Shri V. C. Kesava Rao
23. Shri Sherkhan
24. Shri Mahabir Prasad Shukla
25. Shri Rajendra Pratap Sinha
26. Shrimati Tara R. Sathe
27. Shri A. M. Tariq.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

2. The Committee considered whether any evidence should be taken by them and whether it was necessary to issue a press communique advising associations and individuals desirous of presenting their views or suggestions before the Committee in respect of the Bill, to submit written memoranda thereon.

3. It was decided that a press communique be issued advising public bodies, associations or individuals who are desirous of presenting their views or suggestions or giving evidence before the Committee in respect of the Bill to send written memoranda thereon to the Lok Sabha Secretariat by the 9th July, 1964.

4. The Committee authorised the Chairman to decide, after examining the memoranda received, as to which of the associations etc. might be called to give oral evidence before the Committee.

5. The Committee desired that relevant literature relating to gold control in India and abroad available with Government might be

circulated to members sufficiently in advance so that they might have time to study the same.

6. The Committee decided to sit from 20th July, 1964 onwards for hearing oral evidence.

7. The Committee then adjourned to meet again on Monday, the 20th July, 1964 at 09:00 hours.

II

Second Sitting

The Committee met on Monday, the 20th July, 1964 from 09:04 to 13:04 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri M. M. Haq
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri M. R. Masani
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane

21. Shri S. C. Samanta
22. Shri Era Sezhiyan
23. Shri Sheo Narain
24. Dr. L. M. Singhvi
25. Shri Balgovind Verma
26. Shri Bhishma Prasad Yadava.

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri V. C. Kesava Rao
35. Shri Sherkhan
36. Shri Mahabir Prasad Shukla
37. Shri Rajendra Pratap Sinha
38. Shrimati Tara R. Sathe.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

.. ITNESSES

I. *Shri Gold, Silver & Jawahrat Merchants' Association, (Indore Sona Chandi Viapari Association) Indore*

1. Shri Prabhulal Ojha
2. Shri Shyamsunder Nagar
3. Shri Ishwarchandra Upadhyaya.

II. *Shri Sarafa Committee, Agra*

1. Shri Karori Mal
2. Shri Ram Baboo.

III. *The Bullion Merchants' Association, Delhi*

1. Shri Ramautar
2. Shri Amarnath
3. Shri Madanlal
4. Shri Ruplal.

IV. *All Delhi Sarrafa Association, Delhi*

1. L. Mehtab Singh Jain
2. Shri Mali Ram Hira.

V. *Shri Gujarat Suvarnakar Sangh, Ahmedabad*

1. Shri Manilal Rugnath Ranpura
2. Shri Damodardas Kanjibhai Soni
3. Shri Ghanshyamdas Chhaganlal Soni
4. Shri M. M. Doshi.

VI. *The Ahmedabad District Suvarnakar Sangh, Ahmedabad*

1. Shri Bansi Lal D. Soni
2. Shri Bhure Lal J. Patadia
3. Shri Ishwar Lal D. Soni
4. Shri Hira Lal T. Minawala
5. Shri Hargobind Das Soni.

VII. *Swarankar Sangh, Rajasthan, Bikaner*

1. Shri Jasraj Soni
2. Shri Bhenwar Lal.

VIII. *Uttar Pradesh Swarankar Sangh, Lucknow*

1. Shri Ram Chander Sahay
2. Shri O. P. Rustogi
3. Shri Ram Kishore Rustogi
4. Shri Rup Kishore Varma.

IX. Madhya Pradesh Swarnkar Sangh, Indore
Shri Basant Kumar Janwra.

2. The Committee heard the evidence given by the representatives of the Associations named above. The representatives of the Associations at S. Nos. I to IV were heard together. The representatives of the Associations at S. Nos. V to IX gave evidence together. Their evidence was not concluded.

3. A verbatim record of evidence given was taken.

4. The Committee then adjourned to meet again on Tuesday, the 21st July, 1964 at 09:00 hours.

II

Third Sitting

The Committee met on Tuesday, the 21st July, 1964 from 09:05 to 13:02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—Chairman

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Homi F. Daji
9. Shri M. M. Haq
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri M. R. Masani
17. Shri Jashvant Mehta

18. Sardar Gurmukh Singh Musafir
19. Shri Chhotubhai M. Patel
20. Shri T. Ram
21. Shri Shivram Rango Rane
22. Shri S. C. Samanta
23. Shri Era Sezhiyan
24. Shri Sheo Narain
25. Dr. L. M. Singhvi
26. Shri Balgovind Verma
27. Shri Bhishma Prasad Yadava
28. Shri T. T. Krishnamachari

Rajya Sabha

29. Shri Mahabir Dass
30. Shri B. K. Gaikwad
31. Shri I. K. Gujral
32. Shrimati Nandini Satpathy
33. Shri C. D. Pande
34. Shri Dahyabhāi V. Patel
35. Shri P. Ramamurti
36. Shri Shiva Nand Ramaul
37. Shri V. C. Kesava Rao
38. Shri Sherkhan
39. Shri Mahabir Prasad Shukla
40. Shri Rajendra Pratap Sinha
41. Shrimati Tara R. Sathe.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES

I. *Shree Gujarat Suvarnakar Sangh, Ahmedabad*

1. Shri Manilal Rugnath Ranpura
2. Shri Damodardas Kanjibhai Soni
3. Shri Ghanshyamdas Chhaganlal Soni
4. Shri M. M. Doshi.

II. *The Ahmedabad District Suvarnakar Sangh, Ahmedabad*

1. Shri Bansi Lal D. Soni
2. Shri Bhure Lal J. Patadia
3. Shri Ishwar Lal D. Soni
4. Shri Hira Lal T. Minawala
5. Shri Hargobind Das Soni

III. *Swarankar Sangh, Rajasthan, Bikaner*

1. Shri Jasraj Soni
2. Shri Bhenwar Lal.

IV. *Uttar Pradesh Swarankar Sangh, Lucknow*

1. Shri Ram Chander Sahay
2. Shri O. P. Rustogi
3. Shri Ram Kishore Rustogi
4. Shri Rup Kishore Varma.

V. *Madhya Pradesh Swarnkar Sangh, Indore*

Shri Basant Kumar Janwra.

VI. *Shri Chokshi Mahajan, Ahmedabad*

1. Shri Sarabhai M. Chokshi
2. Shri M. G. Merchant
3. Shri Bhailalbai Dahyabhai Chokshi
4. Shri Chitranjan B. Dave.

VII. *Navsari Chokshy Association, Navsari*

1. Shri Ranchhoddas D. Choksi
2. Shri Narendra H. Parikh
3. Shri Shyamlal G. Choksi
4. Shri Sudhanbhai T. Choksi.

VIII. *Chokshi Mahajan Association, Dabhoi*

1. Shri Bhogi Lal Gobardhan Das
2. Shri Chandulal Bhogi Lal.

2. The Committee resumed hearing of evidence given by the representatives of the Associations mentioned at S. Nos. I to V. Thereafter representatives of the Associations at S. Nos. VI to VIII were heard together.

3. A verbatim record of evidence given was taken down.

4. The Committee decided to commence their next session of sittings on Monday, the 10th August, 1964 at 09:00 hours.

5. The Committee then adjourned to meet again on Wednesday, the 22nd July, 1964 at 09.00 hours.

IV

Fourth Sitting

The Committee met on Wednesday, the 22nd July, 1964 from 09:05 to 13:02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Homi F. Daji
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati. Sangam Laxmi Bai
15. Shri Mathew Maniyangadan

16. Shri M. R. Masani
17. Shri Jashvant Mehta
18. Sardar Gurmukh Singh Musafir
19. Shri Chhotubhai M. Patel
20. Shri T. Ram
21. Shri Shivram Rango Rane
22. Shri S. C. Samanta
23. Shri Era Sezhiyan
24. Shri Sheo Narain
25. Dr. L. M. Singhvi
26. Shri Balgovind Verma
27. Shri Bhishma Prasad Yadava
28. Shri T. T. Krishnamachari

Rajya Sabha

29. Shri Mahabir Dass
30. Shri B. K. Gaikwad
31. -Shri I. K. Gujral
32. Shrimati Nandini Satpathy
33. Shri C. D. Pande
34. Shri Dahyabhai V. Patel
35. Shri P. Ramamurti
36. Shri Shiva Nand Ramaul
37. Shri V. C. Kesava Rao
38. Shri Sherkhan
39. Shri Mahabir Prasad Shukla
40. Shri Rajendra Pratap Sinha
41. Shrimati Tara R. Sathe.

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman. Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES

I. *Shri Rajkot Sona Chandi Karigar Mandal, Rajkot*

1. Shri Manilal Rugnath Ranpura.
2. Shri Jamnadas V. Parekh.

II. *Ahmedabad Jadia Karigar Association, Ahmedabad*

1. Shri Ramlal Verma
2. Shri Kalicharan Jadiya
3. Shri M. G. Merchant.

III. *Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur*

Shri V. N. Sanglikar.

IV. *Shri Akhil Hind Shrimali Soni Mahamandal, Bombay*

1. Shri Jamnadas N. Jadia
2. Shri Maganlal J. Parekh
3. Shri Harilal D. Jhaveri.

V. *The Gujarat State Gold Licence Dealers Association, Ahmedabad*

1. Shri Ramanlal P. Chokshi
2. Shri Shantilal K. Chokshi
3. Shri M. G. Merchant
4. Shri Chitaranjan B. Dave
5. Shri N. H. Chokshi.

VI. *Shree Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments' Merchants' Association, Ahmedabad*

1. Shri S. L. Zaveri
2. Shri N. A. Kansara
3. Shri B. S. Kansara
4. Shri M. G. Merchant.

VII. *Surat Choksi Mahajan, Surat*

1. Shri Hemendra Dahyabhai Choksi
2. Shri Navinchandra Virchandbhai Choksi
3. Shri R. D. Choksi
4. Shri S. G. Choksi.

VIII. *Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce),
Ahmedabad*

Shri M. G. Merchant.

IX. *All India Sarafa Association, Bombay*

1. Shri Vali Mohamed Sonawala
2. Shri P. Gopalkrishnaiah
3. Shri B. S. Mahajan
4. Diwan Daulat Ram
5. Shri Sheelchand Jain
6. Shri Rajendrakumar Berry
7. Shri M. G. Merchant
8. Shri J. R. Gagrat.

2. The Committee heard the evidence given by the representatives of the Associations named above. The representatives of the Associations mentioned at S. Nos. I to IV were heard together. Thereafter, representatives of the Associations at S. Nos. V to IX were heard together. Their evidence was not concluded.

3. A verbatim record of evidence given was taken down.

4. The Committee then adjourned to meet again on Thursday, the 23rd July, 1964 at 09·00 hours.

V

Fifth Sitting

The Committee met on Thursday, the 23rd July, 1964 from 09·03 to 13·00 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri

8. Shri Yudhvīr Singh Chaudhary
9. Shri Homi F. Daji
10. Shri Prabhāt Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musaffi
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Era Sezhiyan
23. Shri Seo Narain
24. Dr. L. M. Singhvi
25. Shri Balgovind Verma
26. Shri Bishma Prasad Yadava

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri Shiva Nand Ramaul
35. Shri V. C. Kesava Rao
36. Shri Sherkhan
37. Shri Mahabir Prasad Shukla
38. Shri Rajendra Pratap Sinha
39. Shrimati Tara R. Sathe

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehojia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES

I. *The Gujarat State Gold Licence Dealers Association, Ahmedabad*

1. Shri Ramanlal P. Chokshi
2. Shri Shantilal K. Chokshi
3. Shri M. G. Merchant
4. Shri Chitaranjan B. Dave
5. Shri N. H. Chokshi

II. *Shree Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments Merchants' Association, Ahmedabad*

1. Shri S. L. Zaveri
2. Shri N. A. Kansara
3. Shri B. S. Kansara
4. Shri M. G. Merchant

III. *Surat Choksi Mahajan, Surat*

1. Shri Hemendra Dahyabhai Choksi
2. Shri Navinchandra Virchandbhai Choksi
3. Shri R. D. Choksi
4. Shri S. G. Choksi

IV. *Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad*

Shri M. G. Merchant.

V. *All India Sarafa Association, Bombay*

1. Shri Vali Mohamed Sonawala
2. Shri P. Gopalkrishnaiah
3. Shri B. S. Mahajan

4. Dewan Daulat Ram
5. Shri Sheelchand Jain
6. Shri Rajendrakumar Berry
7. Shri M. G. Merchant
8. Shri J. R. Gagraat.

VI. *Bombay Bullion Association Ltd., Bombay*

1. Shri Chandulal Kasturchand
2. Shri Mangulal Trikamlal
3. Shri Jayendra A. Mehta.

VII. *Maharashtra Rajya Saraf Sangh, Sholapur*

1. Shri B. R. Kanegaonkar
2. Shri S. N. Gokhale
3. Shri Y. S. Gadgil.

VIII. *Poona Saraf Association, Poona*

1. Shri K. P. Joshi
2. Shri D. N. Joryekar.

IX. *The Madras Jewellers' & Diamond Merchants' Association, Madras*

1. Shri V. Pandurangiah
2. Shri P. Gopalkrishniah
3. Shri Harendra M. Mehta.

X. *The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta*

1. Shri N. L. Mookerjee
2. Shri B. K. Chandra.

XI. *Jewellers Association, Bangalore*

1. Shri R. Sethurajan
2. Shri J. Jeshtmal.

2. The Committee resumed hearing of evidence given by the representatives of the Associations mentioned at S. Nos. I to V. Thereafter, representatives of the Associations at S. Nos. VI to XI were heard together. Their evidence was not concluded.

3. A verbatim record of evidence given was taken down.

4. The Committee decided to sit, if necessary, on Monday, the 27th July, 1964 also to complete the evidence of the representatives of the Associations called for the present series of-sittings of the Committee.

5. The Committee then adjourned to meet again on Friday, the 24th July, 1964 at 09:00 hours.

VI

Sixth Sitting

The Committee met on Friday, the 24th July, 1964 from 09:05 to 13:00 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri Jashvant Mehta
16. Sardar Gurmukh Singh Musafir
17. Shri Chhotubhai M. Patel
18. Shri T. Ram
19. Shri Shivram Rango Rane
20. Shri S. C. Samanta

21. Shri Era Sezhiyan
22. Shri Sheo Narain
23. Shri Balgovind Verma
24. Shri Bhishma Prasad Yadava
25. Shri T. T. Krishnamachari

Rajya Sabha

26. Shri Mahabir Dass
27. Shri B. K. Gaikwad
28. Shri I. K. Gujral
29. Shrimati Nandini Satpathy
30. Shri Dahyabhai V. Patel
31. Shri P. Ramamurti
32. Shri V. C. Kesava Rao
33. Shri Sherkhan
34. Shri Mahabir Prasad Shukla
35. Shri Rajendra Pratap Sinha
36. Shrimati Tara R. Sathe.

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
2. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary*

WITNESSES

- I. *Bombay Bullion Association Ltd., Bombay*
 1. Shri Chandulal Kasturchand
 2. Shri Mangulal Trikamlal
 3. Shri Jayendra A. Mehta.

II. *Maharashtra Rajya Saraf Sangh, Sholapur*

1. Shri B. R. Kanegaonkar
2. Shri S. N. Gokhale
3. Shri Y. S. Gadgil.

III. *Poona Saraf Association, Poona*

1. Shri K. P. Joshi
2. Shri D. N. Jorvekar.

IV. *The Madras Jewellers' and Diamond Merchants' Association, Madras*

1. Shri V. Pandurangiah
2. Shri P. Gopalakrishniah
3. Shri Harendra M. Mehta.

V. *The Calcutta Jewellers' Gold and Silver Smiths' Association, Calcutta.*

1. Shri N. L. Mookerjee
2. Shri B. K. Chandra.

VI. *Jewellers Association, Bangalore*

1. Shri R. Sethurajan
2. Shri J. Jeshtmal.

VII. Shri V. B. Gandhi, M.P.

VIII. *Akhil Bhartiya Deshi Aushadh-Nirmata Sangh, Delhi*

1. Shri Jyotish Chandra Bhattacharya
2. Shri Gyanveer Suchdeva.

IX. *Federation of Manufacturers of Ayurvedic and Siddha Medicines, Delhi.*

1. Shri G. V. Puranik.
2. Shri G. M. Parikh

X. *Mumbai Swarna Karagir Mandal, Bombay*

1. Shri Ramjibhai Sagal Minawala
2. Shri Dattatraya Shreedhar Devrakhakar

XI. *Bangiya Swarna-silpi Samity, Calcutta*

1. Shri Anil Basu
2. Shri Sunil Chatterjee
3. Shri Parbati Charan Roy.

XII. *Akhil Bhartiya Swarnakar Sangh, Delhi*

1. Shri Bhavani Sankar A. Soni
2. Shri Anil Basu
3. Shri Krishan Lal
4. Shri Chiranjit Lal
5. Shri Suryakanth
6. Shri N. Veerachary
7. Sardar Jaswant Singh
8. Shri Ramchander Sahay
9. Shri Basant Kumar Janwra.

XIII. *Rajasthan Sona Chandi Shrimik Sangh, Jaipur*

1. Shri Shyamlal Varma
2. Shri Ramnath Kalia
3. Shri Sohan Lal Varma
4. Shri Ram Bharose Lal

XIV. *Goldsmith Workers' Union, Delhi*

1. Shri Shankar Prasad Das
2. Sardar Jaswant Singh.

2. The Committee resumed hearing of evidence given by the representatives of the Associations mentioned at S. Nos. I to VI. Then the Committee heard Shri V. B. Gandhi, M. P. Thereafter the representatives of the Associations mentioned at S. Nos. VIII and IX were heard together. The representatives of the Associations at S. Nos. X to XIV were also heard together. Their evidence was not concluded.

3. A verbatim record of evidence given was taken down.

4. The Committee then adjourned to meet again on Saturday, the 25th July, 1964 at 09.00 hours.

VII

Seventh Sitting

The Committee met on Saturday, the 25th July, 1964, from 09.12 to 13.00 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Prabhat Kar
9. Shri P. G. Keruthiruman
10. Shri Kindar Lal
11. Shri H. V. Koujalgi
12. Shrimati Sangam Laxmi Bai
13. Shri Mathew Maniyangadan
14. Shri Jashvant Mehta
15. Sardar Gurmukh Singh Musafir
16. Shri Chhotubhai M. Patel
17. Shri T. Ram
18. Shri Shivram Rangor Rane
19. Shri S. C. Samanta
20. Shri Era Sezhiyan
21. Shri Sheo Narain
22. Shri Bhishma Prasad Yadava

Rajya Sabha

23. Shri Mahabir Dass
24. Shri B. K. Gaikwad
25. Shri I. K. Gujral

26. Shrimati Nandini Satpathy
27. Shri Dahyabhai V. Patel
28. Shri Shiva Nand Ramaul
29. Shri V. C. Kesava Rao
30. Shri Sherkhan
31. Shri Mahabir Prasad Shukla
32. Shri Rajendra Pratap Sinha
33. Shrimati Tara R. Sathe

DRAFTSMAN

1. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law,*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES

I. *Mumbai Swarna Karagir Mandal, Bombay*

1. Shri Ramjibhai Sagal Minawala
2. Shri Dattatraya Shreedhar Devrukhkar

II. *Bangiya Swarna-silpi Samity, Calcutta*

1. Shri Anil Basu
2. Shri Sunil Chatterjee
3. Shri Parbati Charan Roy.

III. *Akhil Bharatiya Swarnakar Sangh, Delhi*

1. Shri Bhavani Sankar A. Soni
2. Shri Anil Basu
3. Shri Krishan Lal
4. Shri Suryakanth
5. Shri Suryakanth
6. Shri N. Veerachary

7. Sardar Jaswant Singh
8. Shri Ramchander Sahay
9. Shri Basant Kumar Janwra

IV. *Rajasthan Sona Chandi Shrimik Sangh, Jaipur*

1. Shri Shyamlal Varma
2. Shri Ramnath Kalia
3. Shri Sohan Lal Varma
4. Shri Ram Bharose Lal.

V. *Goldsmith Workers' Union, Delhi*

1. Shri Sankar Prasad Das
2. Sardar Jaswant Singh.

VI. *Andhra Pradesh Swarnkar Sangh, Hyderabad*

Shri N. Veerachary.

VII. *Kanpur Swarnkar Sangh, Kanpur*

1. Shri Swadhin Varma
2. Shri Daulat Ram Tula
3. Shri Ram Bharose Lal
4. Shri Balak Ram.

VIII. *Central Committee of Vaivadnya Samajonnati Parishad, Bombay*

Shri Jagannath V. Jamsandekar.

IX. *The Bezwada Jewellers & Bullion Merchants Association, Vijayawada*

1. Shri K. Venkateswara Rao
2. Shri Andaluri Appa Rao
3. Shri Y. Srinivasan Rao
4. Shri M. Venkatarao.

X. *The Guntur Bullion & Jewellery Merchants' Association, Guntur*

1. Shri Naraharisetty Anjaneyulu Naidu
2. Shri Sogmal Punnamchand
3. Shri Nimmala Sambasiva Rao

XI. *Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad*

1. Shri Arunarthula Shankariah
2. Shri Pelala Kondaiah

XII. *The Bullion-Jewellery & Diamond Merchants' Association,
Masulipatam*

1. Shri Maddula Panduranga Rao
2. Shri V. Subba Rao
3. Shri D. Subba Rao

XIII. *All India Jewellers Association, New Delhi*

1. Shri Sultan Singh Bakliwal
2. Shri Bachoobhai Zaveri
3. Shri Bijoy Narain
4. Shri K. C. Godha
5. Shri Man Mohan Lal
6. Shri V. C. Soorana.

XIV. *Saraf Association, Ujjain*

1. Shri Sejumal Parakh
2. Shri Tar Sahib
3. Shri Bansi Lal

XVI. *Greater Bombay Jewellers and Bullion Dealers Association,
Bombay*

1. Shri H. K. Shroff
2. Shri S. G. Pethe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis

2. The Committee resumed hearing of evidence given by the representatives of the Associations mentioned at S. Nos. I to V. The representatives of these Associations were joined by the representatives of the Associations at S. Nos. VI to VIII. Thereafter, the representatives of the Associations at S. Nos. IX to XV were heard together. Their evidence was not concluded.

3. A verbatim record of evidence given was taken down.

4. The Committee then adjourned to meet again on Monday, the 27th July, 1964 at 09.00 hours.

VIII

Eighth Sitting

The Committee met on Monday, the 27th July, 1964 from 09.07 to 12.24 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri B. L. Chandak
6. Shri Yudhvīr Singh Chaudhary
7. Shri Prabhat Kar
8. Shri Kindar Lal
9. Shrimati Sangam Laxmi Bai
10. Sardar Gurmukh Singh Musafir
11. Shri Chhotubhai M. Patel
12. Shri T. Ram
13. Shri Shivram Rango Rane
14. Shri S. C. Samanta
15. Shri Era Sezhiyan
16. Shri Sheo Narain
17. Dr. L. M. Singhvi
18. Shri Balgovind Verma
19. Shri Bhisma Prasad Yadava

Rajya Sabha

20. Shri Mahabir Dass ●
21. Shri B. K. Gaikwad
22. Shri I. K. Gujral
23. Shrimati Nandini Satpathy
24. Shri C. D. Pande
25. Shri Dahyabhai V. Patel
26. Shri Shiva Nand Ramaul
27. Shri V. C. Kesava Rao
28. Shri Sherkhan
29. Shri Mahabir Prasad Shukla

30. Shri Rajendra Pratap Sinha
31. Shrimati Tara R. Sathe

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary*

WITNESSES

- I. *The Bezwada Jewellers & Bullion Merchants Association, Vijayawada*
 1. Shri K. Venkateswara Rao
 2. Shri Andaluri Appa Rao
 3. Shri Y. Srinivasa Rao
 4. Shri M. Venkatarao.
- II. *The Guntur Bullion & Jewellery Merchants' Association, Guntur*
 1. Shri Naraharisetty Anjaneyulu Naidu
 2. Shri Sogmal Punnamchand
 3. Shri Nimmala Sambasiva Rao.
- III. *Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad*
 1. Shri Arunarthula Shankariah
 2. Shri Pelala Kondaiah.
- IV. *The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam*
 1. Shri Maddula Panduranga Rao
 2. Shri V. Subba Rao
 3. Shri D. Subba Rao.

V. *All India Jewellers Association, New Delhi*

1. Shri Sultan Singh Bakliwal
2. Shri Bachoobhai Zaveri
3. Shri Bijoy Narain
4. Shri V. C. Soorana
5. Shri K. C. Godha
6. Shri Bholla Nath
7. Shri Man Mohan Lal.

VI. *Saraf Association, Ujjain*

1. Shri Sejumal Parakh
2. Shri Tare Sahib
3. Shri Bansi Lal.

VII. *Greater Bombay Jewellers and Bullion Dealers Association, Bombay*

1. Shri H. K. Shroff
2. Shri S. G. Pethe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis.

VIII. *Akhil Bharata Silpa Parisramika Sangham, Kakinada*

1. Shri Nalabati
2. Shri S. L. Kantham.

2. The Committee resumed hearing of evidence given by the representatives of the Associations mentioned at S. Nos. I to VII above. The Committee also heard the representatives of the Association at S. No. VIII.

3. A verbatim record of the evidence given was taken down.

4. The Committee decided to hear the officers of the Ministry of Finance on the 10th August, 1964 before hearing further evidence of the interested parties on that day.

5. The Chairman announced that the Committee would take up clause by clause consideration of the Bill from the 11th August, 1964.

6. The Chairman suggested that notices of amendments should be sent to the Lok Sabha Secretariat as early as possible.

7. The Committee then adjourned to meet again on Monday, the 10th August, 1964 at 09.00 hours.

IX

Ninth Sitting

The Committee met on Monday, the 10th August, 1964 from 09.02 to 13.02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Ranuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvair Singh Chaudhary
9. Shri M. M. Haq
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Sheo Narain
23. Dr. L. M. Singhvi
24. Shri Balgovind Verma
25. Shri Bhishma Prasad Yadava
26. Shri T. T. Krishnamachari.

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad

29. Shri I. K. Gujral
30. Shrimati Nandani Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri Shiva Nand Ramaul
34. Shri V. C. Kesava Rao
35. Shri Sherkhan
36. Shri Mahabir Prasad Shukla
37. Shri Rajendra Pratap Sinha
38. Shrimati Tara R. Sathe.

DRAFTSMEN

Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri Rama Rau, *Deputy Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES

- I. Shri S. S. Khera, *Secretary, Cabinet Secretariat.*
- II. Shri P. C. Bhattacharya, *Governor, Reserve Bank of India.*
- III. *Mysore Rajya Saraf Sangh, Hubli.*
 1. Shri G. S. Tenginkai
 2. Shri Bhagavandas Dahaji
 3. Shri G. T. Rathod.
- IV. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*

2. The Committee heard the evidence given by the witnesses mentioned above. Sarvashri S. S. Khera and P. C. Bhattacharya were heard together. The evidence of Shri B. D. Pande was not concluded.

3. A verbatim record of evidence given was taken.
4. The Committee then adjourned to meet again on Tuesday, the 11th August, 1964 at 09:00 hours.

X

Tenth Sitting

The Committee met on Tuesday, the 11th August, 1964 from 09.05 to 12.02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri M. R. Masani
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Sheo Narain
23. Dr. L. M. Singhvi
24. Shri Balgovind Verma
25. Shri Bishma Prasad Yadava.

26. Shri T. T. Krishnamachari

Rajya Sabha

27. Shri Mahavir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri Shri Shiva Nand Ramaul
35. Shri V. C. Kesava Rao
36. Shri Sherkhan
37. Shri Mahabir Prasad Shukla
38. Shri Rajendra Pratap Sinha
39. Shrimati Tara R. Sathe
40. Shri A. M. Tariq.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri Rama Rau, *Deputy Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES

- I. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*

II. *Tamilka Vishwakarma Central Sangam, Madras.*

1. Shri T. M. Natarajanar
2. Shri V. A. Ponnusami Achari
3. Shri K. Sambandachari
4. Shri T. K. Varadappachari

2. The Committee resumed hearing of evidence of Shri B. D. Pande, Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue, and concluded it. Thereafter, the representatives of the Tamilaka Vishwakarma Central Sangam, (Madras) were heard.

3. A verbatim record of evidence given was taken.

4. The following motion moved by a member was negatived.

“That this Joint Committee, having heard the evidence adduced before it and becoming cognisant of the various aspects and implications of the Bill, has come to the conclusion that the measure seeks to combat a symptom while ignoring the disease, is incapable of being effectively enforced and is thus misconceived. The Committee therefore, recommends to the Lok Sabha that the Bill be not proceeded with and the mover of the Bill may be permitted to withdraw it.”

5. The Committee then adjourned to meet again on Wednesday, the 12th August, 1964 at 09.00 hours.

XI

Eleventh Sitting

The Committee met on Wednesday, the 12th August, 1964 from 09.03 to 12.17 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Dhanja Deo
6. Shri B. L. Chandak

7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvīr Singh Chaudhary
9. Shri P. G. Kuruthiruman
10. Shri Kindar Lal
11. Shri H. V. Koujalgi
12. Shrimati Sangam Laxmi Bai
13. Shri Mathew Maniyangadan
14. Shri M. R. Masani
15. Shri Jashvant Mehta
16. Sardar Gurmukh Singh Musafir
17. Shri Chhotubhai M. Patel
18. Shri T. Ram
19. Shri Shivram Rango Rane
20. Shri S. C. Samanta
21. Shri Era Sezhiyan
22. Shri Sheo Narain
23. Shri Balgovind Verma
24. Shri Bhisma Prasad Yadava
25. Shri T. T. Krishnamachari.

Rajya Sabha

26. Shri Mahabir Dass
27. Shri B. K. Gaikwad
28. Shri I. K. Gujral
29. Shrimati Nandini Satpathy
30. Shri C. D. Pande
31. Shri Dahyabhai V. Patel
32. Shri P. Ramamurti
33. Shri Shiva Nand Ramaul
34. Shri V. C. Kesava Rao
35. Shri Sherkhan
36. Shri Mahabir Prasad Shukla
37. Shri Rajendra Pratap Sinha
38. Shrimati Tara R. Sathe.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*

2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
 2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance.*
 3. Shri Rama Rau, *Deputy Secretary, Ministry of Finance Department of Revenue.*
 4. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

2. The Committee took up clause by clause consideration of the Bill.

3. *Clause 2.*—The following amendments were accepted:—

(1) Page 1, line 16,

after “granted” insert “or deemed to be granted”.

(2) Page 2, lines 34-35,

for “clause (c) sub-section (1) of section 5 of the Banking Companies Act, 1949” substitute “clause (c) of section 5 of the Banking Companies Act, 1949”.

(3) Page 3,

for lines 27-28, substitute—

“(j) ‘refinery’ means a place where gold is melted, assayed, refined, alloyed or subjected to any other process for the purpose of making primary gold and includes a place where gold is assayed at the request of any dealer or other person, whether for the purpose of making primary gold or not, but does not include any place used by a dealer for the purposes permitted under clause (d)”.

The clause, as amended, was adopted.

4. *Clause 3.*—The following amendments were accepted:—

Page 4,

(i) for lines 4—6, substitute—

“unless such dealer, refiner or other person is, on an application made by him in this behalf (which shall be accompanied by such fee as the Administrator may

by direction specify and different fees may be specified for different classes of cases) authorised by the Administrator, by general or special order, to make, manufacture or prepare such article; and in granting such authorisation, the Administrator may, by the order aforesaid, also require such dealers, refiners or other persons or any class of them to pay such charges for supervision by the Administrator as may be specified in such order."

(ii) line 10,

after "A dealer" insert "(including a certified goldsmith)
The clause, as amended, was adopted.

5. Clause 4.—The following amendment was accepted:—

Page 5, line 10,

for "shall put a stamp" substitute "shall unless the Administrator by notification in the Official Gazette otherwise directs, put a stamp."

The clause, as amended, was adopted.

6. Clauses 5 and 6.—The clauses were adopted without amendment.

7. Clause 7.—The following amendments were accepted:—

Page 8, (i), line 28,

after "provisions of this Act", insert—

"or the provisions of any other law for the time being in force in so far as it prohibits or restricts the bringing into or taking out of India of any goods (including coins, currency, whether Indian or foreign, and foreign exchange), or the dealings in such goods by way of acquisition or otherwise."

(ii) after line 35 add—

"(8) In the case of any dealer who immediately before the date of coming into force of this Act was licensed as a dealer under Part XIIA of the Defence of India Rules, 1962, the provisions for the application of a licence will not apply and the licence of such dealer thereon in accordance with the provisions contained therein would only be required to be renewed on the expiration thereof."

The clause, as amended, was adopted.

8. *Clause 8.*—The following amendment was accepted;
Page 10,

after line 12, add—

“(9) In the case of any refiner who immediately before the date of coming into force of this Act was licensed as a refiner under Part XIIA of the Defence of India Rules, 1962, the provisions for the application of a licence will not apply and the licence of such refiner would only be required to be renewed on the expiration thereof in accordance with the provisions contained hereinbefore.”

The clause, as amended, was adopted.

9. *Clause 9.*—The following amendments were accepted:—

Page 10, (i) line 13,

for “shall” substitute “may”

(ii) lines 17-18,

after “provisions of this Act”, insert—

“or the provisions of any other law for the time being in force in so far as it prohibits or restricts the bringing into or taking out of India of any goods (including coins, currency, whether Indian or foreign and foreign exchange), or the dealings in such goods by way of acquisition or otherwise”.

The clause, as amended, was adopted.

10. *Clauses 10 to 12.*—The clauses were adopted without amendment.

11. *Clause 13.*—The following amendments were accepted:—

(1) Page 11,

(i) *for lines 19—22, substitute—*

“subject to such restrictions relating to the purity and weight of gold contained in the new ornament or ornaments as may be prescribed”.

(ii) *for lines 23—29, substitute—*

“(2) No such dealer shall after the commencement of this Act accept any such ornament or ornaments for the purpose of making, manufacturing or preparing new ornament or ornaments as aforesaid, unless he has before such commencement obtained under Part XIIA of the Defence of India Rules, 1962, a certificate recognising him as a goldsmith:

Provided that if the Administrator considers it necessary in the public interest so to do, he may, on application

made to him in this behalf by a dealer, grant to him a certificate recognising him as a goldsmith in such form and on payment of such fee as may be prescribed."

(iii) for lines 30—42, substitute—

"(3) A certificate granted under Part XIIIA of the Defence of India Rules, 1962, shall, unless the context otherwise requires, be deemed for the purposes of this Act to be a certificate granted under this section."

(2) Page 12,

(i) lines 3—5,

omit "and the provisions of this section relating to the first issue of a certificate shall apply as far as may be in relation to such renewal."

(ii) after line 36, add—

"(8) A dealer who may, in accordance with the provisions of this section, accept any ornament or ornaments having gold of a purity exceeding fourteen carats for the purpose of making, manufacturing or preparing new ornament or ornaments having gold of a purity exceeding fourteen carats, may send to any other such dealer who possesses equipments for drawing wires or casting dies, or who is a specialist in stone setting, enamelling or polishing,—

(a) the ornament or ornaments so accepted, whether before or after melting, for the purpose of drawing wires or casting dies; or

(b) where new ornament or ornaments have been made, manufactured or prepared out of the ornament or ornaments so accepted, such new ornaments for setting stones, enamelling or polishing, and such other dealer shall, after drawing wires or casting dies or, as the case may be, after setting stones, enamelling or polishing, return them to the dealer from whom they were received."

The clause, as amended, was adopted.

12. Clause 14.—The clause was adopted without amendment.

13. Clause 15.—The following amendment was accepted:—

Page 13, line 25,

after "gold" insert "of any purity".

The clause, as amended, was adopted.

14. Clauses 16-17.—Consideration of the clauses was taken up but further discussion thereon was postponed. The draftsman was

directed to submit draft amendments to the clauses in the light of discussion in the Committee.

15. *Clauses 18 to 25.*—The clauses were adopted without amendment.

16. The Committee then adjourned to meet again on Thursday, the 13th August, 1964 at 09.00 hours.

XII

Twelfth Sitting

The Committee met on Thursday, the 13th August, 1964 from 09.02 to 12.02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri P. G. Karuthiruman
10. Shri Kindar Lal
11. Shri H. V. Koujalgi
12. Shrimati Sangam Laxmi Bai
13. Shri Mathew Maniyangadan
14. Shri M. R. Masani
15. Shri Jashvant Mehta
16. Sardar Gurmukh Singh Musafir
17. Shri Chhotubhai M. Patel
18. Shri T. Ram
19. Shri Shivram Rango Rane
20. Shri S. C. Samanta
21. Shri Era Sezhiyan

22. Shri Sheo Narain
23. Dr. L. M. Singhvi
24. Shri Balgovind Verma
25. Shri Bhishma Prasad Yadava
26. Shri T. T. Krishnamachari

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri Shiva Nand Ramaul
35. Shri V. C. Kesava Rao
36. Shri Sherkhan
37. Shri Mahabir Prasad Shukla
38. Shrimati Tara R. Sathe
39. Shri Rajendra Pratap Sinha

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance.*
3. Shri Rama Rau, *Deputy Secretary, Ministry of Finance, Department of Revenue.*
4. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

2. The Committee resumed clause by clause consideration of the Bill.

3. *Clause 16.*—The following amendment was accepted:—

Page 16, after line 18, insert—

“Provided that no declaration or further declaration as aforesaid shall be required in respect of any gold owned by a family if the total weight of such gold whether contained in one or more pieces and whether owned by a member of the family severally or by all the members jointly or partly in the one way and partly in the other, does not exceed one hundred grammes:

Provided further that where the Central Government is of the opinion that it is necessary so to do for carrying out the purposes of this Act, the Government may at any time, by general or special order, require that in respect of any gold referred to in clause (a) or clause (b) or clause (c) or in the foregoing proviso, a declaration or further declaration as to the quantity, description and other prescribed particulars of or relating to such gold shall be made to the Administrator by such person and in such form and manner and within such time as may be prescribed.

Explanation.—For the purposes of this sub-section and section 17, the expression “family” shall be deemed to consist of—

- (i) the husband, wife and one or more minor children, or
- (ii) any two or more of them, but shall not be deemed to include any other person.”

The clause, as amended, was adopted.

4. *Clause 17.*—The following amendment was accepted:—

Page 16, for lines 30-33 substitute—

“Provided that it shall not be necessary to make any such declaration where the value, calculated in the prescribed manner, of the ornaments does not exceed—

- (a) where such ornaments are owned by a person, twenty-five thousand rupees;
- (b) where such ornaments are owned by a family, fifty thousand rupees.”

The clause, as amended, was adopted.

5. *Clause 26.*—The following amendments were accepted:—

(1) Page 20,

(i) line 30,

for “Any person” substitute “Any officer”

(ii) line 39,

for “such gold” substitute “gold in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened.”

(2) Page 21,

(i) line 1,

for “Any person” substitute “Any Officer”

(ii) line 11,

for “such gold” substitute “gold in respect of which he suspects that any provision of this Act has been or is being, or is about to be, contravened.”

(iii) after line 18, add—

“and seize any such gold or document in his possession.”

(iv) after line 27, add—

“and seizure of any such gold or document as is referred to in sub-section (3)”

(3) Page 22,

after line 37 add—

“(13) Where at the time of arrest of any person or seizure of any gold, document or other goods in the possession of any person, such person makes a statement to the officer making such arrest or seizure, that officer shall on demand by such person furnish him with a copy of the statement.

Explanation.—Any reference to gold in this section and in sections 29 and 30 shall, unless the context otherwise requires, include any article containing gold of any purity, referred to in sub-section (1) of section 3.”

The clause, as amended, was adopted.

6. *Clause 27.*—The clause was adopted without amendment.

7. *Clause 28.*—The following amendment was accepted:—

Page 24, line 7,

for “the gold which was sought to be so conveyed or carried” substitute “such conveyance or animal”

The clause, as amended, was adopted.

8. *Clause 29.*—The following amendment was accepted:—

Page 24,

for lines 16-17, *substitute*—

“five times the value of the gold or one thousand rupees, whichever is more, irrespective of whether such gold has been confiscated”

The clause, as amended, was adopted.

9. *Clause 30.*—The following amendments were accepted:—

(1) Page 24, (i) line 23,

for “collector” *substitute* “Deputy Collector”

(ii) line 24,

for “conveyance or gold or both” *substitute* “conveyance or animal or gold or all of them”

(iii) after line 31, *add*—

“Provided that no order of adjudication of confiscation or penalty shall be made unless the owner of the conveyance, animal or gold or other person concerned—

(i) is given a notice in writing informing him of the grounds on which it is proposed to confiscate such conveyance, animal or gold or to impose a penalty;

(ii) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(iii) is given a reasonable opportunity of being heard in the matter:

Provided further that the notice referred to in clause (i), and the representation referred to in clause (ii), of the foregoing proviso may, at the request of the owner or other person concerned, be oral:

Provided also that where no such notice is given within a period of six months of the seizure of the conveyance, animal or gold or such further period as the Collector of Customs or Central Excise may specify, such conveyance, gold or animal shall be returned after the expiry of that period to the person from whose possession it was seized.”

(2) Page 25. (i) *after* line 23, *add*—

“(4A) The Administrator may, of his own motion, call for and examine the record of any proceeding in which any order of adjudication of confiscation or penalty, or any other decision or order referred to in clause (b) of sub-section (2), has been made, but no appeal against such order or decision has been preferred under that sub-section, for the purpose of satisfying himself as to the legality or propriety of any such order or decision and may pass such order thereon as he thinks fit:

Provided that no order enhancing any penalty or fine in lieu of confiscation shall be passed under this provision unless the person affected by the proposed order has been given a reasonable opportunity of showing cause against it:

Provided further that no order shall be passed by the Administrator under this sub-section after the expiry of two years from the date of the order or decision referred to in sub-section (2).”

(ii) lines 25-26,

for “appellate order of the Administrator under sub-section (2)” *substitute* “order passed on appeal under sub-section (2) or on revision under sub-section (4A)”

(iii) lines 28-29,

for “the Administrator has passed an order on appeal” *substitute* “such order has been passed on appeal or revision.”

(iv) line 35,

for “in appeal by the Administrator” *substitute* “on appeal or revision under sub-section (2) or sub-section (4A)”

(v) line 37,

for “the appellate order of the Administrator” *substitute* “the order on appeal or revision under sub-section (2) or sub-section (4A)”

(3) Page 26,

after line 4, *add*—

“Provided that, without prejudice to the provisions of the proviso to sub-section 2) of section 28, such fine shall

not exceed the value of such gold, conveyance or animal.”

The clause, as amended, was adopted.

10. *Clause 31.*—The following amendments were accepted:—
Page 27,

(i) *for lines 16 and 17, substitute*

“shall be punishable with imprisonment for a term which may extend to two years and also with fine:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgement of the Court, such imprisonment shall not be for less than six months.”

(ii) *after line 28, add*

“to be adjudged under sub-section (1) of section 30”.

the clause as amended, was adopted.

11. *Clauses 32 to 34.*—The clauses were adopted without amendment.

12. *Clause 35.*—The following amendment was accepted:—
Page 29, line 2,

for “shall, as far as may be, apply” substitute “shall apply subject to such modifications and adaptations as may be specified by the Central Government by notification in the Official Gazette”

The clause, as amended, was adopted.

13. *Clauses 36 to 41.*—The clauses were adopted without amendment.

14. *Clause 42.*—The draftsman was directed to redraft sub-clause (4) of the clause on the lines of section 159 of the Customs Act, 1962.

Subject to the above, the clause was adopted.

15. *Clause 43.*—The clause was adopted without amendment.

16. *Clause 1.*—The following amendment was accepted:—
Page 1, line 5,

for “1963” substitute “1964”

The clause, as amended, was adopted.

17. *Enacting Formula*.—The following amendment was accepted:

Page 1, line 1,

for "Fourteenth" substitute "Fifteenth".

The Enacting Formula, as amended, was adopted.

18. *Title*.—The title was adopted without amendment.

19. The draftsman was directed to correct patent errors and to carry out amendments of consequential nature in the Bill.

20. The Committee decided that the evidence given before them might be laid on the Tables of both the Houses and the memoranda submitted by the associations, who gave evidence might be placed in the Parliament Library for reference by members.

21. The Chairman informed the Committee of the provisions of Direction 87 regarding minutes of dissent.

22. The Committee then adjourned to meet again on Monday, the 7th September, 1964, at five minutes after the rising of Lok Sabha to consider their draft report.

XIII

Thirteenth Sitting

The Committee met on Monday, the 7th September, 1964 from 17.07 to 17.23 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*.

MEMBERS

Lok Sabha

2. Shrimati Renuka Devi Barkataki
3. Shri Bali Ram Bhagat
4. Shri B. L. Chandak
5. Shri Tridib Kumar Chaudhuri
6. Shri Yudhvir Singh Chaudhary
7. Shri Homi F. Daji
8. Shri Prabhat Kar
9. Shri P. G. Karuthiruman
10. Shri Kindar Lal
11. Shri Mathew Maniyangadan

12. Shri M. R. Masani
13. Shri Jashvant Mehta
14. Sardar Gurmukh Singh Musafir
15. Shri Chhotubhai M. Patel
16. Shri T. Ram
17. Shri Shivram Rango Rane
18. Shri S. C. Samanta
19. Shri Sheo Narain
20. Dr. L. M. Singhvi
21. Shri Balgovind Verma
22. Shri Bhishma Prasad Yadava

Rajya Sabha

23. Shri Mahabir Das
24. Shri B. K. Gaikwad
25. Shri I. K. Gujral
26. Shri Dahyabhai V. Patel
27. Shri Shiva Nand Ramaul
28. Shri V. C. Kesava Rao
29. Shri Sherkhan
30. Shri Mahabir Prasad Shukla
31. Shri Rajendra Pratap Sinha.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

2. The Committee adopted the Bill as amended.
3. The Committee then considered and adopted the draft report.

4. The Chairman announced that the minutes of dissent, if any, might be sent to the Lok Sabha Secretariat so as to reach them by 12.00 hours on Thursday, the 10th September, 1964.

5. The Committee authorised the Chairman and, in his absence, Shri Shivram Rango Rane to present the Report on their behalf and to lay the evidence on the Table of the House after the presentation of the Report.

6. The Committee also authorised Shri Rajendra Pratap Sinha and, in his absence Shri B. K. Gaikwad to lay the Report and the evidence on the Table of Rajya Sabha.

7. The Chairman announced that the Report would be presented to Lok Sabha on the 11th September, 1964 and laid on the Table of Rajya Sabha on the same day.

The Committee then adjourned.

LOK SABHA
JOINT COMMITTEE
ON THE
GOLD (CONTROL) BILL, 1963

EVIDENCE



LOK SABHA SECRETARIAT
NEW DELHI

September 1964/Bhadra, 1886 (Saka)

Price : Rs. 4.00

Witnesses Examined

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Page.
I.	Shri Gold, Silver & Jawahrat Merchants' Association, (Indore Sona Chandi Viapari Association) Indore. <i>Spokesmen :</i> 1. Shri Prabhulal Ojha 2. Shri Shyamsunder Nagar 3. Shri Ishwarchandra Upadhyaya.	20-7-1964	3
II.	Shri Sarafa Committee, Agra <i>Spokesmen :</i> 1. Shri Karori Mal 2. Shri Ram Baboo.	20-7-1964	3
III.	The Bullion Merchants' Association, Delhi. <i>Spokesmen :</i> 1. Shri Ramautar 2. Shri Amarnath 3. Shri Madanlal 4. Shri Ruplal.	20-7-1964	3
IV.	All Delhi Sarrafa Association, Delhi <i>Spokesmen :</i> 1. L. Mehtab Singh Jain 2. Shri Mali Ram Hira.	20-7-1964	3
V.	Shree Gujarat Suvarnakar Sangh, Ahmedabad <i>Spokesmen :</i> 1. Shri Manilal Rugnath Ranpura 2. Shri Damodardas Kanjibhai Soni 3. Shri Ghanshyamdas Chhaganlal Soni 4. Shri M. M. Doshi.	20-7-1964 & 21-7-1964	& 46
VI.	The Ahmedabad District Suvarnakar Sangh, Ahmedabad <i>Spokesmen :</i> 1. Shri Bansi Lal D. Soni 2. Shri Bhure Lal J. Patadia 3. Shri Ishwar Lal D. Soni 4. Shri Hira Lal T. Minawala 5. Shri Hargobind Das Soni	20-7-1964 & 21-7-1964	33 & 46
VII.	Swarankar Sangh, Rajasthan, Bikaner <i>Spokesmen :</i> 1. Shri Jasraj Soni 2. Shri Bhenwar Lal.	20-7-1964 & 21-7-1964	33 & 47
VIII.	Uttar Pradesh Swarankar Sangh, Lucknow <i>Spokesmen :</i> 1. Shri Ram Chander Sahay 2. Shri O. P. Rustogi 3. Shri Ram Kishore Rustogi 4. Shri Rup Kishore Varma.	20-7-1964 & 21-7-1964	34 & 47

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Page
IX.	Madhya Pradesh Swarnkar Sangh, Indore . <i>Spokesman :</i> Shri Basant Kumar Janwra.	20-7-1964 & 21-7-1964	34 & 47
X.	Shri Chokshi Mahajan, Ahmedabad . <i>Spokesmen :</i> 1. Shri Sarabhai M. Chokshi 2. Shri M. G. Merchant. 3. Shri Bhailalbai Dahyabhai Chokshi 4. Shri Chitranjan B. Dave.	21-7-1964	77
XI.	Navsari Chokshy Association, Navsari <i>Spokesmen :</i> 1. Shri Ranchhodas D. Choksi 2. Shri Narendra H. Parikh 3. Shri Shyamlal G. Choksi 4. Shri Sudhanbhai T. Choksi.	21-7-1964	77
XII.	Chokshi Mahajan Association, Dabhoi <i>Spokesmen :</i> 1. Shri Bhogi Lal Gobardhan Das 2. Shri Chandulal Bhogi Lal.	21-7-1964	77
XIII.	Shri Rajkot Sona Chandi Karigar Mandal, Rajkot . <i>Spokesmen :</i> 1. Shri Manilal Rughnath Ranpura 2. Shri Jamnadas V. Parekh.	22-7-1964	87
XIV.	Ahmedabad Jadia Karigar Association, Ahmedabad . <i>Spokesmen :</i> 1. Shri Ramlal Verma 2. Shri Kalicharan Jadiya 3. Shri M. G. Merchant.	22-7-1964	87
XV.	Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur <i>Spokesman :</i> Shri V. N. Sanglikar.	22-7-1964	87
XVI.	Shri Akhil Hind Shrimali Soni Mahamandal, Bombay <i>Spokesmen :</i> 1. Shri Jamnadas N. Jadia 2. Shri Maganlal J. Parekh 3. Shri Harilal D. Jhaveri.	22-7-1964	87
XVII	he Gujarat State Gold Licence Dealers Association, Ahmedabad <i>Spokesmen :</i> 1. Shri Ramanlal P. Chokshi 2. Shri Shantilal K. Chokshi 3. Shri M. G. Merchant 4. Shri Chitaranjan B. Dave 5. Shri N. H. Choksi	22-7-1964 & 23-7-1964	87 & 131

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Page
XVIII.	Shri Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments' Merchants' Association, Ahmedabad <i>Spokesmen :</i> 1. Shri S. L. Zaveri 2. Shri N. A. Kansara 3. Shri B. S. Kansara 4. Shri M. G. Merchant	22-7-1964 & 23-7-1964	88 & 131
XIX.	Surat Choksi Mahajan, Surat <i>Spokesmen :</i> 1. Shri Hemendra Dahayabhai Choksi 2. Shri Navinchandra Virchandbhai Choksi 3. Shri R. D. Choksi. 4. Shri S. G. Choksi.	22-7-1964 & 23-7-1964	88 & 131
XX.	Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce) Ahmedabad <i>Spokesman :</i> Shri M. G. Merchant.	22-7-1964 & 23-7-1964	88 & 131
XXI.	All India Sarafa Association, Bombay <i>Spokesmen :</i> See also memorandum at the end 1. Shri Vali Mohamed Sonawala 2. Shri P. Gopalkrishnaiah 3. Shri B. S. Mahajan. 4. Diwan Daulat Ram 5. Shri Sheelchand Jain 6. Shri Rajendrakumar Berry 7. Shri M. G. Merchant 8. Shri J. R. Gagratt.	22-7-1964 & 23-7-1964	88 & 132
XXII.	Bombay Bullion Association Ltd., Bombay <i>Spokesmen :</i> 1. Shri Chandulal Kasturchand 2. Shri Mangulal Trikamlal 3. Shri Jayendra A. Mehta.	23-7-1964 & 24-7-1964	164 & 178
XXIII.	Maharashtra Rajya Saraf Sangh, Sholapur <i>Spokesmen :</i> 1. Shri B. R. Kanegaonkar 2. Shri S. N. Gokhale 3. Shri Y. S. Gadgil.	23-7-1964 & 24-7-1964	164 & 178
XXIV.	Poona Saraf Association, Poona <i>Spokesmen :</i> 1. Shri K. P. Joshi 2. Shri D. N. Jorvekar.	23-7-1964 & 24-7-1964	164 & 179
XXV.	The Madras Jewellers' & Diamond Merchants' Association, Madras <i>Spokesmen :</i> 1. Shri V. Pandurangiah 2. Shri P. Gopalakrishniah 3. Shri Harendra M. Mehta.	23-7-1964 & 24-7-1964	164 & 179

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Pages
XXVI.	The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta. <i>Spokesmen :</i> 1. Shri N. L. Mookerjee 2. Shri B. K. Chandra.	23-7-1964 & 24-7-1964	164 & 179
XXVII.	Jewellers Association, Bangalore <i>Spokesmen :</i> 1. Shri R. Sethurajan 2. Shri J. Jeshtmal.	23-7-1964 & 24-7-1964	164 & 179
XXVIII.	Shri V. B. Gandhi, M.P.	24-7-1964	179
XXIX.	Akhil Bhartiya Deshi Aushadh Nirmata Sangh, Delhi <i>Spokesmen :</i> 1. Shri Jyotish Chandra Bhattacharya 2. Shri Gyanveer Suchdeva.	24-7-1964	179
XXX.	Federation of Manufacturers of Ayurvedic & Siddha Medicines, Delhi <i>Spokesmen :</i> 1. Shri G. V. Puranik 2. Shri G. M. Parikh.	24-7-1964	179
XXXI.	Mumbai Swarna Karagir Mandal, Bombay <i>Spokesmen :</i> 1. Shri Ramjibhai Sagal Minawala 2. Shri Dattatraya Shreedhar Devrukhkar.	24-7-1964 & 25-7-1964	216 & 221
XXXII.	Bangiya Swarna-silpi Samity, Calcutta <i>Spokesmen :</i> 1. Shri Anil Basu 2. Shri Sunil Chatterjee 3. Shri Parbati Charan Roy.	24-7-1964 & 25-7-1964	216 & 221
XXXIII.	Akhil Bharatiya Swarnakar Sangh, Delhi <i>Spokesmen :</i> 1. Shri Bhavani Sankar A. Soni 2. Shri Anil Basu 3. Shri Krishan Lal 4. Shri Charanjit Lal 5. Shri Suryakanth 6. Shri N. Veerachary 7. Sardar Jaswant Singh 8. Shri Ramchander Sahay 9. Shri Basant Kumar Janwra.	24-7-1964 & 25-7-1964	216 & 221
XXXIV.	Rajasthan Sona Chandi Shrimik Sangh, Jaipur . <i>Spokesmen :</i> 1. Shri Shyamlal Varma 2. Shri Ramnath Kalia 3. Shri Sohan Lal Varma 4. Shri Ram Bharose Lal.	24-7-1964 & 25-7-1964	217 & 221

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Page
XXXV.	Goldsmith Workers' Union, Delhi <i>Spokesmen :</i> 1. Shri Sankar Prasad Das 2. Sardar Jaswant Singh.	24-7-1964 & 25-7-1964	217 & 221
XXXVI.	Andhra Pradesh Swarnkar Sangh, Hyderabad <i>Spokesmen :</i> Shri N. Veerachary.	25-7-1964	
XXXVII.	Kanpur Swarnkar Sangh, Kanpur <i>Spokesmen :</i> 1. Shri Swadhin Varma 2. Shri Daulat Ram Tula 3. Shri Ram Bharose Lal 4. Shri Balak Ram.	25-7-1964	222
XXXVIII.	Central Committee of Daivadnya Samajon nati Parishad, Bombay <i>Spokesman :</i> Shri Jagannath V. Jamsandekar.	25-7-1964	22 :
XXXIX.	The Bezwada Jewellers & Bullion Merchants Association, Vijayawada <i>Spokesmen :</i> 1. Shri K. Venkateswara Rao. 2. Shri Andaluri Appa Rao 3. Shri Y. Srinivasa Rao 4. Shri M. Venkatarao.	25-7-1964 & 27-7-1964	222 & 261
XL.	The Guntur Bullion & Jewellery Merchants' Association, Guntur. <i>Spokesmen :</i> 1. Shri Naraharisetty Anjaneyulu Naidu 2. Sha Sogmal Punnamchand 3. Shri Nimmala Sambasiva Rao.	25-7-1964 & 27-7-1964	253 & 261
XLI.	Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad <i>Spokesmen :</i> 1. Shri Arunarthula Shankariah 2. Shri Pelala Kondaiah.	25-7-1964 & 27-7-1964	254 & 26
XLII.	The Bullion-Jewellery & Diamond Merchants' Association, Masulipatnam <i>Spokesmen :</i> 1. Shri Maddula Panduranga Rao 2. Shri V. Subba Rao 3. Shri D. Subba Rao.	25-7-1964 & 27-7-1964	254 & 261
XLIII.	All India Jewellers Association, New Delh <i>Spokesmen :</i> 1. Shri Sultan Singh Bakliwal 2. Shri Bachoobhai Zaveri 3. Shri Bijoy Narain	25-7-1964 & 27-7-1964	254 & 261

Sl. No.	Names of Associations/Individuals and their spokesmen	Dates of hearing	Page
	4. Shri V. C. Soorana 5. Shri K. C. Godha 6. Shri Bholla Nath 7. Shri Man Mohan Lal.		
LIV.	Saraf Association, Ujjain <i>Spokesmen :</i> 1. Shri Sejumal Parakh 2. Shri Tare Sahib 3. Shri Bansi Lal.	25-7-1964 & 27-7-1964	254 & 262
XLV.	Greater Bombay Jewellers and Bullion Dealers Association, Bombay <i>Spokesmen :</i> 1. Shri H. K. Shroff 2. Shri S. G. Pethe 3. Shri A. B. Jhaveri 4. Shri B. S. Mahajan 5. Shri N. D. Karkhanis	25-7-1964 & 27-7-1964	254 & 262
XLVI.	Akhil Bharata Silpa Parisramika Sangham, Kakinada <i>Spokesmen :</i> 1. Shri Nalabati 2. Shri S. L. Kantham.	27-7-1964	262
XLVII.	Shri S. S. Khera, <i>Secretary, Cabinet Secretariat.</i>	10-8-1964	296
XLVIII.	Shri P. C. Bhattacharya, <i>Governor, Reserve Bank of India</i>	10-8-1964	296
XLIX.	Mysore Rajya Saraf Sangh, Hubli <i>Spokesmen :</i> 1. Shri G. S. Tenginkai 2. Shri Bhagavandas Dahaji 3. Shri G. T. Rathod.	10-8-1964	296
L.	Shri B. D. Pande, <i>Gold Control Administrator, and Additional Secretary, Ministry of Finance, Department of Revenue</i>	10-8-1964 & 11-8-1964	296 & 337
LI.	Tamilka Vishwakarma Central Sangam, Madras. <i>Spokesmen :</i> 1. Shri T. M. Natarajanar 2. Shri V. A. Ponnusami Achari 3. Shri K. Sambandachari 4. Shri T. K. Vardappachari.	11-8-1964	363

JOINT COMMITTEE ON THE GOLD (CONTROL) BILL, 1963.
MINUTES OF EVIDENCE GIVEN BEFORE THE JOINT COMMITTEE
ON THE GOLD (CONTROL) BILL, 1963.

Monday, the 20th July, 1964 at 09.04 hours

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo.
6. Shri B. L. Chandak
7. Shri Tribid Kumar Chaudhuri
8. Shri M. M. Haq
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri M. R. Masani
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Era Sezhiyan
23. Shri Sheo Narain
24. Dr. L. M. Singhvi
25. Shri Balgovind Verma
26. Shri Bishma Prasad Yadava

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri V. C. Kesava Rao
35. Shri Sher Khan
36. Shri Mahabir Prasad Shukla

37. Shri Rajendra Pratap Sinha
38. Shrimati Tara R. Sathe.

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidhambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES EXAMINED

- I. Shri Gold, Silver & Jawaharat Merchants' Association, (Indore Sona Chandi Viapari Association) Indore.
 1. Shri Prabhulal Ojha
 2. Shri Shyamsunder Nagar
 3. Shri Ishwarchandra Upadhyaya.
- II. Shri Sarafa Committee, Agra
 1. Shri Karori Mal
 2. Shri Ram Baboo.
- III. The Bullion Merchants' Association, Delhi
 1. Shri Ramautar
 2. Shri Amarnath
 3. Shri Madanlal
 4. Shri Ruplal.
- IV. All Delhi Sarrafa Association, Delhi
 1. L. Mehtab Singh Jain
 2. Shri Mali Ram Hira.
- V. Shree Gujarat Suvarnakar Sangh, Ahmedabad
 1. Shri Manilal Rugnath Ranpura
 2. Shri Damodardas Kanjibhai Soni
 3. Shri Ghanshyamdas Chhaganlal Soni
 4. Shri M. M. Doshi.

VI. The Ahmedabad District Suvarankar Sangh, Ahmedabad

1. Shri Bansi Lal D. Soni
2. Shri Bhure Lal J. Patadia
3. Shri Ishwar Lal D. Soni
4. Shri Hira Lal T. Minawala
5. Shri Hargobind Das Soni.

VII. Swarankar Sangh, Rajasthan, Bikaner

1. Shri Jasraj Soni
2. Shri Bhenwar Lal.

VIII. Swarankar Sangh, Rajasthan, Bikaner

1. Shri Ram Chander Sahay
2. Shri O. P. Rustogi
3. Shri Ram Kishore Rustogi
4. Shri Rup Kishore Varma.

IX. Madhya Pradesh Swarnkar Sangh, Indore

Shri Basant Kumar Janwra.

I. Shri Gold, Silver & Jawahrat Merchants' Association, (Indore Sona Chandi Viapari Association) Indore.

Spokesmen:

1. Shri Prabhulal Ojha
2. Shri Shyamsunder Nagar
3. Shri Ishwarchandra Upadh-

yaya.

II. Shri Sarafa Committee, Agra.

Spokesmen:

1. Shri Karori Mal
2. Shri Ram Baboo.

III. The Bullion Merchants' Association, Delhi.

Spokesmen:

1. Shri Ramautar
2. Shri Amarnath
3. Shri Madanlal
4. Shri Ruplal.

IV. All Delhi Sarrafa Association, Delhi.

Spokesmen:

1. L. Mehtab Singh Jain
2. Shri Mali Ram Hira.

(Witnesses were called in and they took their seats)

Chairman: Gentlemen, the evidence you give will be treated as public. It will be printed and distributed to our Members. Even if you want any portion of the evidence to be treated as confidential, it is bound to be printed and distributed to our Members.

The Memoranda you have submitted to the Committee have been distributed to the members. The memoranda given by your four associations are almost similar and that is why we have put you together, and I hope

there would not be any conflict. If you want to make any new points or stress any particular point you may please do so. You need not repeat the arguments you have advanced in your memoranda.

श्री प्रभुलाल ओझा : यह सिद्ध हो चुका है कि शासन द्वारा जिन उद्देश्यों को लेकर स्वर्ण बिल लाया गया था उन उद्देश्यों में से कोई भी उद्देश्य सफल नहीं हुआ है। सोने का चोरी से आयात होना भी बन्द नहीं हुआ है और सोने के भाव भी कम नहीं हुए हैं। साथ ही साथ सोने के प्रति लोगों

का आकर्षण भी कम नहीं हुआ है। जहां तक भावों का सम्बन्ध है, आज स्थिति यह है कि अन्तर्राष्ट्रीय भाव से यहां का भाव दुगुना है। इस की वजह से बड़ी दिक्कत का सामना शासन और दूसरों को भी होने वाला है। सोने का चोरी से आना मुख्यतः तटीय व्यवस्था की हमारी कमजोरी को साबित करता है। सरकार को इसे जितनी सख्ती के साथ रोकना चाहिये था उस सख्ती के साथ वह इसको रोक नहीं सकी है। कहीं न कहीं ऐसी कमजोरी है, ऐसी मिस्टेक है कि यह हमारे देश के अन्दर आ जाता है।

जहां तक सोने के प्रति लोगों के आकर्षण का सम्बन्ध है, वह कम नहीं हुआ। उसका कारण यह है कि चौदह कैरट के आभूषण हमारे यहां लोकप्रिय नहीं हुए हैं और इन आभूषणों की मांग भी नहीं है। इस में मजदूरी भी अधिक लगती है और इसका रंग भी पालिश खराब होने के बाद बिगड़ जाता है।

भाव कम न होने का जहां तक सम्बन्ध है, जो सोना हमारे देश में पुराने आभूषणों के रूप में था, वह भी बाजार में आता रहता था। लेकिन नियंत्रण होने के बाद यह स्थिति हो गई है कि पुराना सोना जोकि बाजार में ग्राहकों द्वारा लाया जाता है, वह लाया जाना बन्द हो गया है क्योंकि उनको यह मालूम हो गया है कि हमें इसके बाद जो चीज वापिस मिलेगी वह चौदह कैरट की वापिस होगी। इस तरह से आप देखेंगे कि सरकार का जो मंशा था कि छिपा हुआ सोना बाहर आ जाये, वह और गहराई में चला गया है। उसके गहराई में चले जाने से यह स्थिति बन गई है कि और भी ब्लैक के सोने की मांग बढ़ गई है।

जो हमारी परम्परायें रही हैं, उनको देखते हुए यह कहा जा सकता है कि अभी तक जनता इस देश में इस रूप से तैयार नहीं हुई है कि वह सोने का इस्तेमाल समुचित रूप से बन्द कर दे। किसी के यहां ब्याह शादी हो या कोई और बात हो तो कुछ न कुछ सोने

की आवश्यकता रहती ही है। अगर सोना खुले बाजार में नहीं मिलता है तो वह किसी न किसी तरह से उसको लेता है और उसका नतीजा यह होता है कि ब्लैक और अधिक हो जाती है, उसको और भी ज्यादा बढ़ावा मिलता है।

इस बिल के साथ चौदह कैरट के जेवर बनाने का प्रतिबन्ध व्यापारी लोगों पर लगाया गया है। साथ ही स्वर्णकारों को छूट दे दी गई है कि पुराने आभूषणों का निर्माण वे उसी रूप में कर सकते हैं, उतने ही कैरट में कर सकते हैं। यह एक असमानता है और इससे हम व्यापारियों का जो चौदह कैरट का थोड़ा बहुत व्यापार चलता भी था, वह भी समल नष्ट हो गया है। हम लोगों को काफी हानि उठानी पड़ी है।

हिन्दुस्तान के अन्दर जनता सोने के आभूषण सिर्फ इसलिए नहीं इस्तेमाल करती है कि ये शृंगार की वस्तुयें हैं बल्कि जनता इनका सिक्योरिटी के रूप में भी इस्तेमाल करती है। यह चीज खास तौर पर ग्रामीण जनता पर लागू होती है जोकि सत्तर पचहत्तर प्रतिशत है। वह इसका इस्तेमाल शृंगार के रूप में नहीं बल्कि यह ज़रूरत के वक्त काम आयेगा इस रूप में इस्तेमाल करती है। जब तक शासन की तरफ से लोगों के लिए रोज़ी रोटी की व्यवस्था नहीं कर दी जाती है तब तक लोगों में यह जो प्रवृत्ति है सोना रखने की ताकि वक्त ज़रूरत इसका इस्तेमाल किया जा सके, इसको रोका नहीं जा सकता है।

व्यापारियों को ही हानि इस गोल्ड कंट्रोल की वजह से नहीं उठानी पड़ी है शासन को भी इससे बहुत हानि हुई है। मैं इंदौर के चार व्यापारियों के फिगरज़ लाया हूं जोकि सोने का धंधा करते थे। उन्होंने 1960-61 में 18 लाख 12 हजार 293 रुपये की सेल की और 1961-62 में 16 लाख 20 हजार 96 रुपये की सेल की। लेकिन नियंत्रण होने के पश्चात् उन लोगों की सेल 81 हजार 989 रुपये ही रह गई। उन्होंने जहां

1960-61 में 9 हजार 61 रुपया सेलज टैक्स का दिया वहां 81,000 रुपया 1961-62 में दिया । लेकिन नियंत्रण लगने के पश्चात् 444 रुपया ही सेलज टैक्स का दिया । इस तरह से सेलज टैक्स से होने वाली आमदनी पांच प्रतिशत भी नहीं रही । इसके साथ ही शासन को इनकम टैक्स में भी काफी हानि उठानी पड़ती है ।

अब जो कैरट का प्रतिबन्ध है इससे व्यापारियों का व्यवसाय बिल्कुल समाप्त हो गया है । मेरा तो आप लोगों से निवेदन है कि कैरट का प्रतिबन्ध समाप्त कर दिया जाये । साथ ही जो शुद्ध होने के लिए भी प्रतिबन्ध लगाया गया है कि इसका निर्माण न किया जाये और बुलियन 14 कैरट का ही बनाया जाये, उससे भी काफी हानि हुई है ।

व्यापारियों के पास जो कच्चा माल आता था वह 14 कैरट के बनने की वजह से ही आना रुक गया है । अगर कैरट का प्रतिबन्ध न रहे तो जो हमारे यहां का सोना है वही बाजार में चलता रहे और लोगों की जरूरतें पूरी होती रहें । और सही माने में यह स्थिति रहती है कि जब किसी आदमी को सोना या कोई चीज सही तरीके से नहीं मिलती तो वह उस को पाने के लिए गलत तरीका इस्तेमाल करता है । अगर उसे सही तरीके से चीज मिल जाती है तो कोई भी आदमी गलत तरीका इस्तेमाल नहीं करना चाहता । लेकिन अगर उसको किसी चीज की आवश्यकता है और वह उसको सही तरीके से नहीं मिलती, और उसका उस चीज के बिना काम नहीं चलता, तो वह आदमी गलत रास्ते जाता है । हमारे यहां इन्दौर में 170 व्यापारी थे और अब 70 लाइसेंसों रहे हैं और वह भी इस वजह से रह गये कि रिन्यूअल फीस 25 रुपये कर दी गयी थी, लेकिन अगर ऐसा ही व्यवसाय रहा तो अगले साल इतने लोग भी इस धन्धे में रहने वाले नहीं हैं ।

रिफाइनरीज की भी बड़ी दिक्कत है । मध्य प्रदेश के लिए केवल दो रिफाइनरीज

दी गयी हैं जब कि सोने का बहुत सा काम, चाहे वह 14 कैरट का हो या अन्य हो, इन्दौर में होता है । इन्दौर में एक रिफाइनरी दी है । लेकिन कोई भी आदमी जो सौ या दो सौ मील की दूरी पर रहता है इन्दौर की रिफाइनरी को नहीं आवेगा । इसलिए रिफाइनरी की अधिक व्यवस्था होनी चाहिए ।

सोने का आयात किया जाना अति आवश्यक है । हमारे यहां इसका इतना कम उत्पादन होता है कि उससे हमारे लोगों की जरूरतें पूरी नहीं हो सकतीं । हमारे यहां से जो पुराने आभूषणों का या चांदी का निर्यात करने वाले हैं उन्हें अगर सोना आयात करने दिया जाये तो अति उत्तम होगा । अन्तर्राष्ट्रीय भाव से दुगुने भाव पर हमारे यहां सोना बिकता है । इसमें बहुत फायदा है । अगर शासन स्वयं इस काम को करे तो उसे भी काफी फायदा हो सकता है ।

लोगों को अपने पास 50 ग्राम तक सोना रखने की सीमा रखी गयी है । इन लोगों को जरूरत पड़ने पर अगर अपना सोना बेचना पड़े तो बड़ी दिक्कत का सामना करना पड़ता है । इन्हें क्वरिंग लेने के लिए सेंट्रल एक्साइज में जाना पड़ता है और वहां दुनिया भर के ब्योरे देने पड़ते हैं । खैर, वह आदमी किसी प्रकार काम चला सकता है । लेकिन जिनके पास 50 ग्राम से कम है और जिनको डिक्लेयर करने की जरूरत नहीं रहती उनको बड़ी दिक्कत होती है । वे साधारण स्थिति के आदमी होते हैं । उसे आज जरूरत है 100 रुपये की और वह अपना बुलियन बेचना चाहता है, तो वह नहीं बेच सकता । और वह इतना सरल आदमी है कि सेंट्रल एक्साइज तक जाना उसके लिए दूभर है क्योंकि वह छोटी स्थिति का आदमी है । तो यह नियंत्रण हट जाये और जिस के पास अपना 50 ग्राम से कम सोना है उसको बेचने की छूट हो जानी चाहिए ।

नियंत्रण में एक सबसे खराब बात यह है, जिससे कि आप सब लोग अवगत होंगे,

कि जब किसी भी वस्तु पर नियंत्रण होता है तो वह भ्रष्टाचार को बढ़ावा देता है। सोने पर नियंत्रण भी भ्रष्टाचार को बढ़ावा देने वाला साबित हुआ है। अगर शासन इस दृष्टि से सोचे और जो भी काम करे अगर उसका जनता तथा उस ट्रेड से सम्बन्धित लोगों की सलाह से करे तो रास्ता बड़ा सुगम हो सकता है और उससे व्यापार को, जनता को या किसी को भी हानि नहीं पहुंचेगी। मेरा तो नम्र निवेदन है कि इस नियंत्रण की वजह से व्यापारियों का बहुत बड़ा नुकसान हुआ है और कम से कम जो छोटे व्यापारी थे और जो किसी तरह इस व्यवसाय से अपनी गुजर कर लेते थे उनका रोटी रोजी का सवाल तो बड़ा विकट हो गया है। वे ऐसे पूंजीपति भी नहीं हैं कि किसी अन्य व्यवसाय में लग जायें। यह बहुत जबरदस्त चीज है, और इन लोगों की एक बड़ी तादाद है। तो मेरा नम्र निवेदन है कि शासन इस पर विचार करे और सब आप लोग इस पर ध्यान से सोचें और नियंत्रण को पूरे रूप से हटा दें, यही मेरा निवेदन है।

Shri Upadhyaya: The main intention of the Gold (Control) Bill was to get a declaration of the gold lying in the country and it was estimated that gold worth Rs. 4,000 crores is lying within the boundaries of India. But, the gold so far declared is officially estimated to be about Rs. 45 crores far short of the official estimation of expected declaration. This will give an idea as to how much public are responding to the Government policy about declaration.

Secondly, the powers given to the executive, that is, the Gold Administrator are very wide and sweeping. According to our Constitution, there should be separation of judiciary from the executive. But, under the Bill, the Gold Administrator will be both the prosecutor and the judge. It would be in the best interests of the country to separate the powers of the executive from that of the judiciary so that there would be a fair trial.

Then, coming to the provision relating to appeals resulting from the imposition of penalties, the Bill says that the amount would be deposited first and then he would prefer his appeal. This will cause great hardship to those persons who want to prefer an appeal. Already, their money and gold would be locked up in the adjudication proceedings. Added to that, if they have to deposit the money first and then prefer an appeal, it will be very difficult. So, I would submit that a person must be allowed to prefer an appeal before depositing the penalty.

Thirdly, the Gold (Control) Bill provides for summary trial for all offences. There is no doubt that it will result in great hardship to the affected people. In the interests of fair trial and dispensation of justice, people should be given a fair and full trial.

Then, from the experience of the working of the Gold (Control) Order for the last one and a half years I can say that as a general policy the excise officers try to take confessions on the spot. This must be restricted. There must be fair trial. What we find at present is, the moment a suspicion fact is known to the department an adjudication order is passed. So, I would submit that complete evidence regarding the case must be recorded first and then the case adjudicated.

Then, coming to the limit of 50 grams for an individual, in my opinion heavy restrictions are put on him under the Gold (Control) Bill. He cannot sell his gold unless he obtains a permit.

I may further submit to your Honour that if the poor people, who are having with them a very small quantity of gold, are to adopt this long procedure, there is no security for them because their attempts to contact traders and obtain money in times of urgency and need will be a failure. Therefore, this imposition of

50 grams for transaction limit must be relaxed if the Bill is passed.

Then, no procedure has been prescribed by the Bill in respect of adjudication proceedings. The entire legal procedure about adjudication must be in the know of the public.

At present, we are completely in the dark about vital statistical information. There must be a machinery to bring us home whatever complete figures are there. They must be known to us. Only then this policy can be a successful policy.

Lastly, this Bill provides for adjudication of a case on the basis of a mere suspicion. This is a very wide power given to the Gold Administrator. This must be removed.

श्री राम बाबू : आदरणीय अध्यक्ष महोदय, मुझको गोल्ड कंट्रोल बिल के सिलसिले में यह अर्ज करना है कि जिस उद्देश्य से गोल्ड कंट्रोल रूल्स बनाये गये थे और जिसके कि परिणामस्वरूप यह गोल्ड कंट्रोल बिल पार्लियामेंट के सामने है वह अपने उन उद्देश्यों की पूर्ति करने में बिल्कुल असफल रहा है ।

• गोल्ड कंट्रोल बिल से हमारे सदाचार को बहुत बड़ी ठेस लगी है । आम जनता में सोने का जो मोह है वह कम नहीं हुआ है जिसकी कि वजह से हम लोगों के नैतिक स्तर को बहुत ज्यादा ठेस लगी है । हमको पर्सनली इन बातों का अनुभव है कि कितनी जनता 22 कैरेट और 24 कैरेट के सोने के जेवर पसन्द करती है और कितनी जनता 14 कैरेट के सोने के जेवरात पसन्द करती है ।

दूसरी बात यह है कि इस कानून के बनाने और संरक्षण करने में और मशीनरी आदि को मेटेन करने में काफी रुपया खर्च करना पड़ रहा है और काफी रुपया उसे उन्हें रिहैबिलिटेड करने, उनके पुनर्वास में मदद देने में खर्च करना पड़ रहा है । उसके मुकाबले

गवर्नमेंट अगर इस गोल्ड को फ्री कर देती तो इतना उनको खर्च नहीं पड़ता । गवर्नमेंट को उससे कोई लाभ नहीं हुआ है ।

दूसरी चीज यह है कि फौरेन करैन्सी यानी हमारे रुपये की फौरेन वैल्यू फौरेन मार्केट में गोल्ड कंट्रोल बिल के बाद इतनी एप्रोशिएट नहीं हुई है जितनी कि होनी चाहिए थी । यह सब कारण दरअसल में इन्फ्लेशनरी टेंडेंसीज के हैं लेकिन दोष इसके लिए सारा मढ़ा जाता है गोल्डस्मिथ्स पर जो कि गवर्नमेंट का गलत खयाल है ।

एक अन्य बात यह है कि चूँकि सोने पर रुपया उधार नहीं मिल रहा है इसलिए प्रोडक्शन एक्टिविटीज में हमारा सोना काम में नहीं आता है । गोल्ड रूल्स ने प्रोडक्शन को हिट किया है क्योंकि गोल्ड सिक्कोरिटी पर लॉस नहीं मिलते । हम ने अपने मेमोरेण्डम में आंकड़े दिये हैं और जो कि रिजर्व बैंक आफ इंडिया की स्वयं की लेटेस्ट फीगर्स हैं जिनके कि मुताबिक इंडियन बैंक्स ने सन् 1962 में गोल्ड और औरनामेंट्स पर 200 करोड़ रुपया लोन दिया । प्राइवेट लॉस गोल्ड पर करीब 300 करोड़ रुपया प्रति वर्ष अनुमान किये गये हैं । लेकिन अब चूँकि सोने और सोने के जेवरात पर लोन देने की मुमानियत है इसलिये यह करीब 500 करोड़ रुपया प्रोडक्टिव इनवैस्टमेंट में नहीं आ रहा है ।

डिस्क्रिमिनेशन का भी प्रतिकूल प्रभाव पड़ा है । सर्टिफाइड गोल्डस्मिथ्स को जो रियायतें और सुविधायें दी गई हैं उससे यह गोल्ड कंट्रोल एक नौमिनक्लेचर बन कर रह गया है, केवल नाम मात्र का गोल्ड कंट्रोल है । दरअसल यह बिल्कुल अपंग हो गया है । जो काम गोल्ड कंट्रोल ऐक्ट और गोल्ड कंट्रोल रूल्स से पहले हो सकता था आज इन रूल्स के रहते हुए और कानून के रहते हुए भी सब कुछ सम्भव हो गया है । यह जो पुराने जेवरात को गलाने और गला कर

उसी प्योरिटी के जेवर बनाने की सुविधा दी गई है उसकी आड़ में आज भी दरअसल सारे नये जेवर उन पुराने जेवरों की शकल में ही गल कर आते हैं ।

हमारा आगरा जिला में समझता हूँ भारतवर्ष में सबसे प्रमुख जिला है जहाँ कि गोल्ड की इंडस्ट्री में सब से अधिक खपत होती है । यहाँ इंडस्ट्री में जो गोल्ड काम में आता है वह लिक्विड गोल्ड की शकल में कनवर्ट होता है । मुझे इस बात की जानकारी है कि वहाँ स्मगल्ड गोल्ड की खपत खूब होती है । जहाँ हजारों तोले का परमिट मिलता है दरअसल उन हजारों तोले की परमिट की आड़ में लाखों तोले का व्यापार होता है और लाखों तोला सोना लिक्विड गोल्ड की शकल में बदल जाता है । यह मेरी अर्ज सदाचार और भ्रष्टाचार के विषय में है जिसकी कि ओर मैं माननीय अध्यक्ष महोदय और अन्य माननीय सदस्यों का ध्यान दिलाना चाहूँगा ।

हमारे जिले में फीरोजाबाद नामक स्थान में गोल्ड बैंगिल्स की इंडस्ट्री चलती है जहाँ लिक्विड गोल्ड काम में आता है । श्रीमन्, स्वयं देख सकते हैं और उनके शासन के सम्बद्ध अधिकारी भी बतला सकते हैं कि सब से ज्यादा गोल्ड की परमिट फीरोजाबाद या आगरे जिले की इंडस्ट्री को ही मिली हुई है । अब परमिट तो उसे मिली है फकत 5000 तोले महीना की लेकिन मेरा दावा है कि दरअसल वहाँ 5000 तोले रोज का सोना पानी होकर उसमें खप जाता है । वैसे मुझे किसी इंडस्ट्री की बुराई नहीं करनी है लेकिन यह जरूर कहना चाहूँगा कि उससे हमारे सदाचार को ठेस पहुँच रही है । होता यह है कि परमिटेड गोल्ड हर वक्त भट्टी पर मौजूद रहता है और अनपरमिटेड गोल्ड इस्तेमाल होता चला जाता है । अनुभव से सिद्ध हो गया है कि कंट्रोल बिल्कुल नाकामयाब हुए हैं । जनरल

तौर पर मैं कहना चाहूँगा कि कंट्रोलों से कामयाबी नहीं हो सकती है ।

Shri Rajendra Pratap Sinha: He is saying that they get permit for 5,000. Is it per month or per quarter?

Shri Ram Baboo: Per quarter.

गोल्ड कंट्रोल जहाँ प्रोडक्शन को हिट करेगा, सरकारी खजाना काफ़ी टैक्स रेवेन्यू से वंचित रहेगा वहाँ ऐज ओल्ड आर्ट एंड क्रैफ्ट भी बर्बाद हो जाने वाला है । यह ज्वैलरी, जैम-कटिंग, इनैमिलिंग आदि के काम से फौरन एक्सचेंज काफ़ी कमाया जा सकता था वह भी बन्द हो गया है और इस धंधे में लगे लाखों लोग बेकार हो गये हैं ।

गोल्ड कंट्रोल स्मगलिंग को रोकने में कामयाब नहीं हो रहा है, न ही गोल्ड का कंजम्प्शन घट रहा है और न ही इंटरनेशनल रेट के अनुसार गोल्ड की इंटरनल प्राइस ही कम हो रही है । जितनी स्मगलिंग को चैक करने के लिये टाइटनिंग होगी उतनी ही सोने के भाव और बढ़ेंगे और गोल्ड के स्मगलिंग की टेंडेंसी और ज्यादा बढ़ेगी क्योंकि उनको ज्यादा फायदा होगा । अगर आज सोने के इम्पोर्ट की इजाजत दे दी जाये, तो सोने के भाव 20 से 40 रुपये पर 10 ग्राम तक फौरन गिर सकते हैं । अगर गोल्ड कंट्रोल हट जाये, तो मौजूदा ऊंची प्राइसिस नहीं रह सकती हैं । मई, जून में सोने की जो प्राइसिज थीं, उन्होंने हमारे जीवन के रिकार्ड को मात कर दिया है । स्मगल्ड सोना 150 रुपये तोला से ऊपर तक बिका है ।

अन्त में मैं यह कहना चाहता हूँ कि जनता में सोने के प्रति मोह अभी भी है । जो भी राष्ट्र के जिम्मेदार व्यक्ति हैं, चाहे वे आफिसर हों और चाहे नेता हों, उन सब को बीबियां यह चाहती हैं कि हमको 22 कैरेट के जेवर बना कर दीजिए, हम को 14 कैरेट के जेवर पसन्द नहीं हैं ।

Shri Madan Lal: Sir, with respect to your honour, I would like to say some important points regarding Gold (Control) Bill, 1963 in addition to my memorandum which is already in your honourable hands. There were three main objects which compelled the Government to bring the rules in force and for which now an Act is going to be made. The first point is to check smuggling.

Chairman: Some of the points have already been made by other witnesses. If there are any new points which you have got, you may kindly tell them.

Shri Madan Lal: So far as the question of smuggling is concerned, my Association is of the opinion that the smuggling cannot be checked, unless the vast difference of price in gold is curtailed. The price of gold in India at present is Rs. 145 a tola, while the international price is Rs. 62 a tola. This difference of Rs. 83 in price is the contributory factor for the smuggler to do the undesirable business. If the Government are desirous of checking this smuggling, this difference in price should be curtailed. This can only be done by allowing free trade and import of this precious metal. We are told that import cannot be permitted because we have got no foreign exchange. But, the Government have incurred heavy loss in foreign exchange due to the smuggling of gold and this loss is much more. By not allowing import, the Government is incurring heavy loss in customs duty, sales tax, telegraph and telephone revenues etc. Unless the price of gold is brought down, the prices of other similar essential commodities cannot come down. In order to check the rise in prices of essential commodities, Government should sell to individuals the gold at international price. Unfortunately, our Government itself is selling gold at a much higher price which is prevailing in the market. The Government gets gold at international price. This policy of Government is also encouraging people not to part with the gold. In order to bring out the hoarded stock of gold, the price should be brought

down and that is only possible if free-trade and import of gold is allowed.

Unlike other countries, the masses in India are not so much educated. They consider the gold in their possession as an insurance policy. When they are in trouble, they get this precious metal converted into cash very easily and immediately. No other commodity except gold can be so easily converted. But for the gold in their possession, the refugees from Pakistan would have found it very difficult to get themselves rehabilitated in India. The problem of rehabilitation would have posed a serious position to the Government also. In order to check the lure of gold, the masses should be educated. There should be a legislation for giving old age pensions to old people, maintenance allowance to orphans and widows etc. Such people should be given quick help, as they get it from the conversion of this precious metal.

Now, the hoarding capacity of people has also decreased because gold is not available. Previously the people used to purchase gold with their extra money, with the black money they get. Since gold is not available in free market, they have begun to invest their extra money in other essential commodities with the result that there is steep rise in their prices. Hence, public should be given a chance to reveal their black money without unnecessary harassment. If the public is relieved of black money, then people will get everything in due price. This is my submission.

Shri Mali Ram Hira: With due respect to the Chairman and honourable Members, I take leave to place before you some important points, other than those contained in my memorandum.

There is an importance attached to gold in our religious books and it is used as *mangal sutra* for the ladies as a point of their being neither virgins

nor widows. The gold is kept with the ladies as *stree dan* and it is spared even by the income-tax orders. The ladies do not part with this gold in their lives and they part with the gold only when they die. This is so because in India there is no system of old age pensions, family pensions, relief for unemployed etc.

During the last 18 months, the Government have failed to implement the Gold Control rules effectively with the result that smuggling has not stopped. Firstly in the whole of the world the gold resources have increased. Even in our Hathi mines and Kolar mines, the gold that is produced goes into Government treasury. It is not sold in foreign market. This has led to such a high price of gold in India while the international price is low. So, the Government must fix some rate and should supply gold to the people from these resources. Then only this smuggling can be stopped.

That has not been done because some permit has been issued to the people (for the actual users) for electro-plating and other purposes. The rate was fixed at 112 per 10 grammes. The intention of the Government was to reduce the rates of gold. The Government must have put in the international price because they have not been able to issue that at international price when it has got a reserve. The Government has been able to import gold to the value of 5 Arabs 47 crores and odd while it has been able to export gold to the value of 3 Arabs 79,74,60,061 tolas of gold ornaments to the foreign countries leaving a balance of 1 Arab and 50 crores of gold in reserve. It has been estimated in the foreign countries that if we import 40,000 crores of gold, there will be an initial loss of 96 crores to the Exchequer of Government and that will upset the international price of gold.

There were comments in the Papers that a firm exported gold worth 2½

lakhs tolas. That brought destruction in the market and brought no exchange to this country. For this purpose, the Government should export goods to such countries like Russia, France and other countries which are gold producing countries and which have surplus gold. Government should bring gold from those countries and sell it to the market here. Government may create a system whereby only the actually needy people (those who need for purposes of celebrating marriage etc.) should buy the gold. They should maintain accounts for the gold purchased. In knowledgeable circle, in the bullion market, according to the estimates published, from the Western Asian countries, gold smuggled into India in 1961-62 was of the order of 3 millions involving a loss of foreign exchange of 2 million U.S. dollars worth Rs. 96 crores. If it is imported, then this loss would have been covered because, in that case, Government would be recovering from the dealers 12½ per cent per tola by way of customs duties, excise duties etc. In this way, there will be no loss to Government—the Exchequer. To this extent, the Government will be benefited. The smugglers are now in a position to bring gold and sell them in the blackmarket. They are given a lift because of the fact that the international price of gold is put at Rs. 62½. Smuggling of gold can be stopped only if Government tries to bring some imported gold from other countries. Facilities should be given for export too. As has been announced by Government in their notification dated 8th May, 1963, Government desires that the people may manufacture some of the ornaments in the workshops and export them to the foreigners in foreign countries. In that scheme, there is one snag. Whatever ornaments are exported to the other countries, we shall also have to bring from those countries four types of goods worth 15 per cent of the value of ornaments viz., Platinum, Wires and nuts, sheets and chemicals and varnishes. These may be utilised

for the purpose of manufacturing certain spare parts, testing and controlled apparatus and instruments etc. 10 per cent of the value of the exports may be utilised for import of paper; 10 per cent of the value of the exports may be utilised for import of catalogues etc. Out of the remaining 15 per cent of the value of exports, 10 per cent may be utilised for import of gold directly by the exporter and the balance of the value of the exports will have to be utilised for handicrafts and handloom exports. I think the whole position is that only 90 per cent of the exports will go to the other end. No trader in this country or even in the whole world will try to export any commodity without any use and benefit to him. The result will be that the Gold Control Order will go out of order. Even upto this date, only a certain class of people are the privileged people. My request to the hon'ble Committee will be that the people who export goods should be allowed to import gold of the same value so that they can manufacture ornaments and sell them to the foreign countries which will enable the Government to bring in foreign exchange at a higher level.

Even in foreign countries, there is no bar on the quality of ornaments to be manufactured by the dealers and sold to the public. In France, there is a 15 carat standard gold and even above that, can be produced. There is no bar of manufacturing 22 carat gold ornaments such as bangles etc. In Russia, there is no bar. This is a socialist country on which lines we are running through. There should be no bar here on the manufacture of ornaments of any quality.

Therefore, I request that there should be no bar on the quality of the ornaments to be manufactured for the public. Even if it is decided that the Bill is to be continued, there should be some concession to certain categories of people to keep certain types of ornaments upto a certain standard and certain quantity. There should be no bar in quality of gold. As it is

there is a drawback in the whole Bill which has been placed before you. That is, the self-employed goldsmith is a new creation who has been allowed to manufacture or re-make the old ornaments including the new ones with the same quality and therefore, my submission is that the saraf and dealer is part and parcel of the trade because of the fact that one goldsmith manufacturing gold ornaments cannot do that. He has to seek the help of sarafs and dealers for the purpose of manufacturing and sale of ornaments to the customers they have with them. When a dealer who has sold five or ten years ago an ornament of a higher quality to a public man, he cannot handle that ornament for polishing and repairing that. If any other party comes, the polishing and repairing of that gold ornament can be done only by the self-employed goldsmiths. My submission to the hon. Members is this. Supposing one gentleman comes and purchases gold ornaments, he will not be allowed nor will I be allowed to take the ornaments for re-polishing or for simple repairing. In that case, I shall have to send the customer to some other self-employed goldsmith. This will be a great injustice done to the trade.

Chairman: You don't do that. Only the goldsmith does that.

Shri Mali Ram Hira: My request is that we have got our own workshops. The workers are with us. They are part and parcel of our trade. If I am allowed, I shall get old ornaments for polishing and repairing. That would mean I shall be totally isolated from the customers for the time being. It would also mean a great difference between the classes of people. One is a newly created one. The Government are getting revenue by way of central excise, income-tax etc. If a new man is given permission to manufacture or polish the old ornaments, it would become lesser and lesser. Therefore, my submission is that whatever arrangement is existing at the moment should be allowed for the

purpose of polishing and repairing of old ornaments.

In the new Act the administrator is being given powers to regulate by licences, permits or otherwise the distribution, transport, disposal, acquisition, possession, use or consumption of gold by dealers or refiners. But there is no provision made that the Government will supply gold to the dealers or the public from their own resources. If these powers of regulation about distribution and other things are being taken by the Government, then the distribution of the gold by the exchequer should also be guaranteed.

The sarafs have been an important factor for the purpose of mortgaging gold. Even now when ornaments are mortgaged with the banks, they get a certificate from the jeweller. We have stated this point at p. 4 of our memorandum. Whatever the value of the ornament, the bankers issue some type of loan to the people, because the banks have been given the privilege in regard to mortgage of ornament, not gold. But a dealer has been barred. If I can buy an old ornament of 22 ct. gold and keep it with me and this can be regulated by my entering the same into my books, there is no difficulty if I am given the right in regard to mortgage of an ornament and keep this regularly entered into my books. So I submit that that privilege should be granted.

The people of this country are mostly illiterate and they are not conversant with the schemes of the Government. If a man opens an account in the post office savings bank he shall have to undergo many difficulties like comparing his signature exactly etc. while getting his money back. So people keep a little gold with them in the shape of ornaments as savings. At the time of need they sell it. This should be allowed. If it is 14 ct. gold, the country's climate is not suitable for it. In the hot weather it becomes black. Therefore 14 ct. should be raised. This, I submit, is a point

which should be considered by the hon. Members of this Committee.

L. Mehtab Singh Jain: I wish to submit that the dealers are not smugglers. Smugglers are a different community. It is only a very few in number who smuggle gold in India. But on account of those people the whole of the community of dealers and sarafs is going to suffer. There should be some quarter given to these sarafs to carry on their trade.

In these days of inflation and high prices the cost of promulgating the Gold Control Order and the loss of revenue to Government is, I think very much higher in comparison to the loss in foreign exchange.

Besides, we have got gold mines, the Kolar Mines and the Hatti Mines. If they are worked out I think they can give the Government sufficient gold.

An emergency gold deposit scheme may serve the purpose in a way to bring black gold into the open books. If such a scheme is introduced, then, just as some time back the Income-tax authorities announced that if the account is brought in the open books for a certain period then they won't be harassed, in the same way if black gold is allowed to be brought in the open market then there may not be hoarding and people may be refrained from hoarding.

Besides, this hoarding is done even in foreign countries. We have got some record about it.

There may be some check on the quantity, but there should not be any check on the quality of the gold to be used in the country.

By the introduction of this Gold Control there is a great amount of interference on the religious duties of man. We have given one example in our memorandum. For example, take a man who according to his belief wishes that a copper kalash but

plastered with gold leaves, as is the ancient practice, be put on the dome of a certain gurdwara, temple, Shivala or mosque. He cannot do it. He is prohibited from this right of offering his meek contribution to the Almighty's cause. He cannot be granted gold for this purpose, as there is no provision for it in the Bill. Even now all the old temples etc. have gold covers and people believe that by offering these kalashes to the temples etc. they fulfil certain religious obligations. So this should be allowed.

Chairman: God should not be so greedy!

L. Mehtab Singh Jain: The Gods don't want them, Sir. But that is the will or the belief of the people.

And there are some more suggestions. The public should be slowly educated to give up their allurements to gold.

Chairman: All this you have made out in your memorandum. They need not be repeated.

Now questions. Shri Masani may start.

Shri M. R. Masani: I have found the evidence to be extremely cogent and impressive. But I have just one or two little points on which I would like some clarification for my own enlightenment.

One of the witnesses said that Government sells gold at higher prices while offering only the international price. Could that first part of the statement be explained a little, at what price they sell and for what purpose?

Shri Mali Ram Hira: Government, while issuing permits to the electroplaters throughout the country, issue gold at the rate of Rs. 120 for 10 grammes.

Shri V. T. Dehejia: Who says this? Does Government say so?

Shri Mali Ram Hira: The State Bank of India. I have got evidence to prove it.

Shri M. R. Masani: If it is challenged, the witness might be asked to explain it.

Shri V. T. Dehejia: I will get it from them. Would the witness be able to say on whose behalf that statement is made?

Shri Mali Ram Hira: On behalf of the Government.

Shri Ramautar: When we met Mr. Pande we were told that Hatti gold is being sold through the State Bank.

Shri Ram Baboo: Government sells gold to the industrialists in Ferozabad at Rs. 112 per 10 grammes. I have referred to it in my evidence.

Shri V. T. Dehejia: Would you kindly produce one receipt?

Shri Mali Ram Hira: Yes.

Shri M. R. Masani: Could this be elucidated, Sir, because it is an interesting point?

Shri V. T. Dehejia: Gold from the Hatti Mine is sold through the State bank.

Shri M. R. Masani: So Government approves of it.

Shri Ramautar: Every quarter the price is fixed by the Government.

Shri M. R. Masani: The Government's point seems to be that they are not the sellers but that they authorise and approve the sale at that price.

Shri Mali Ram Hira: This gold is issued from the State Bank.

Shri M. R. Masani: Could the receipt be produced, Sir?

Chairman: You produce it tomorrow at 9 o'clock.

Shri V. T. Dehejia: There is not the least doubt that the State Bank sells

it. On that point, there is no doubt . . .

Shri M. R. Masani: But the State Bank is Government.

Shri V. T. Dehejia: Through whom Government sell gold? What does the good book of Shri M. R. Masani say on this point?

Shri M. R. Masani: I do not know. I am only trying to learn. This is a subject with which many of us are not familiar.

An Hon. Member: We are not able to follow what is going on.

Chairman: The witness has stated that the State Bank sells gold at Rs. 112 or so for 10 gms. He will produce the receipt tomorrow.

Shri Jashvant Mehta: What is the version of Government about this?

Shri B. R. Bhagat: The version of Government is that this gold does not belong to Government, and Government does not sell through the State Bank. In the past, this sale was made through the Reserve Bank, but now it is made through the State Bank. This gold belongs to the Hatti gold mines, which is a company and therefore, this gold is not Government property.

Chairman: How does the Reserve Bank sell it, or how did it sell it in the past?

Shri V. T. Dehejia: It does not sell gold.

Shri C. D. Pande: If Government issue a permit, and there is no other agency except the State Bank through which the man can purchase the gold, then where else can he purchase gold from?

Chairman: We can argue on this point later between ourselves.

Shri C. D. Pande: This question arises out of the denial made by Shri Dehejia.

Shri M. R. Masani: My second question is about the bifurcation between self-employed goldsmiths and others. The witness objects to it?

Shri Hali Ram Hira: Yes.

Shri M. R. Masani: Your case is that you also should be allowed as dealers or shroffs or jewellers to be able to repair and refine gold ornaments?

Shri Mali Ram Hira: Yes.

Shri M. R. Masani: I am just trying to imagine what must be happening in the light of these rather unreasonable restrictions. I take it that when your client comes to you and says 'Will you kindly do this for me', you would probably quietly call a self-employed goldsmith and give the ornament to him, and get it done through him, pay him his fee and then charge your client a little higher. Would it not happen like that?

Shri Mali Ram Hira: That is not the position. Actually, the position is this. When a customer comes to me, I take the ornament from the customer and tell him 'We are running our own workshop, we have our goldsmiths and jewellers there . . .

Shri M. R. Masani: But you are not allowed to use them now?

Shri Mali Ram Hira: No, we are not allowed to use them now.

Shri M. R. Masani: Therefore, as a man of business, would you not say: 'All right, if the law is so foolish, I shall call some self-employed goldsmith, give it to him, pay him the fee, take commission on it and then give it to my client?'

Shri Mali Ram Hira: Supposing I had my shop and I were doing this type of business there, the gold would be frozen at once, as also the gold ornaments, because I am not authorised to deal in them.

Shri M. R. Masani: You will do it stealthily, if you can?

Shri Mali Ram Hira: Yes. Then I shall have to run to a self-employed goldsmith and get it done through him under the garb of a commission agent. I do not like that.

Shri M. R. Masani: In other words, you will have to do stealthily what you should be allowed to do openly.

Chairman: Why should he be allowed to do it at all? The client can directly go to a self-employed goldsmith and get it repaired. Why should there be a middle man?

Shri Ram Baboo: I would like to make one submission in this regard. On 1st January, 1963, I sold some ornaments worth Rs. 10,000 to one of my customers. He came to me after a year, saying, 'This requires repair'. As a businessman, would I be justified in saying 'Please go away, I would not touch this thing, because I am not allowed to do this kind of repair now?' I have no other means now except to tell him 'Please come along with me, I shall take you to a certified goldsmith, and he will do the job for you'. I take the risk for the value of the ornament, because the client may not know the goldsmith, whereas he knows me, and I pay income-tax and sales-tax etc., and I am a man of some worth. So, he says 'All right, on your saying, I shall give it to him. When should I come to take it back'. I shall tell him 'Well, you may come tomorrow and take it'. In the meantime, suppose the goldsmith has charged me Rs. 5; I shall add another five rupees to that and tell my client 'Well, he has charged me Rs. 10', and this five rupees will be pocketed by me without being accounted for even to Government. This is the situation which will arise on account of the discrimination made in regard to repairs etc.

Chairman: As a seller, are you not bound to guarantee the soundness of the article?

Shri Ram Baboo: Certainly, we are bound.

Chairman: Supposing you have sold something not up to the mark, then the fault is yours. If the article goes wrong, then there must have been something fishy about it.

Shri Mali Ram Hira: Supposing we bring an engine from foreign countries with parts made of iron, and it is guaranteed for ten years, but actually after one year, it just falls on the roadside, then what will happen? This case is also similar to that.

Shri Tridib Kumar Chaudhuri: May I know the number of workers employed in the workshops of the shroffs or jewellers etc., and to what extent they have become unemployed or thrown out of work because you are not now allowed to have your own workshops to do repair works etc.?

Shri Mali Ram Hira: That is not the position. We can run our own workshops according to the new Act, but the work is so little that it is not profitable for us to maintain the workshops with that large number of workers which we used to have.

Shri Era Sezhiyan: You have stated in your memorandum that either Government should itself import gold and sell in the country or that private parties be allowed to import it against exported goods and Government may charge duty on it.

Can you give us any estimate of the amount of foreign exchange that should be allowed for this purpose per year, till the country gets saturated with gold?

Shri Mali Ram Hira: During the years 1901—1931, Government imported gold worth Rs. 5,47,75,47,829.

Shri Era Sezhiyan: That comes to about Rs. 18 crores a year. But now, the amount may go up to Rs. 40 or 50 crores, and it may even go up to Rs. 100 crores. Could we allow a drain on foreign exchange to that extent now?

Shri Mali Ram Hira: My submission is that if Government import gold into the country, Government will

have to lose only a few crores of rupees every year, whereas we can get gold worth about Rs. 400 crores or so from the other countries, and on that Government can charge excise duty at the rate of Rs. 12 per tola. So, Government will actually benefit by this. Moreover, if this gold is sold to the people at international prices, automatically, the price of the smuggled gold will also come down.

Shri Ramautar: The price in India is Rs. 145 per tola, whereas it is Rs. 62 in foreign countries.

Shri Era Sezhiyan: In other words, your suggestion is that you should buy at Rs. 62 and sell it at Rs. 145.

Dr. L. M. Singhvi: I find that the witnesses have not given in their memorandum any of their objections to the specific provisions, in the Bill. I would like to be enlightened in that regard. I proceed on the basis that the witnesses here represent the class of dealers. I would like to know what their experience in regard to the existing licensing provisions for dealers is.

Shri Mali Ram Hira: There is great difficulty. The dealers can only deal in 14 ct. gold and gold ornaments. They cannot handle gold or gold ornaments of greater purity. I request that permission should be granted to the dealers to do so.

Dr. L. M. Singhvi: Any other suggestions for improving the procedure contemplated in the Bill for licensing of dealers?

Shri Mali Ram Hira: Those who are given licences should be allowed to do the business of mortgage also along with that. That is part and parcel of the trade. Then they should be allowed to handle old ornaments for remodelling and remanufacturing.

श्री रामावतार : सरकार की ओर से जो नियम बनाए गए हैं, उन का नतीजा यह है कि सोने की ट्रेड सफ़र कर रही है और जैनविन

हाथों से निकल कर चोर बाज़ार में चली गई है। जैनविन मार्केट के खत्म होने और दूसरी मार्केट के कायम होने से गवर्नमेंट सेल्ज टैक्स और इनकम टैक्स से महरूम हो गई है। इस के अलावा हम को सोने की डबल प्राइस देनी पड़ती है। इस लिए रिज़र्व बैंक को इस बात की इजाजत दे देनी चाहिए कि साल में दो करोड़ या चार करोड़ रुपये का सोना बाहर से मंगाया जा सकता है, चाहे वह बार्टर से हो और चाहे डायरेक्टली। गवर्नमेंट कहती है कि सोने के इनडायरेक्टली आने से बहुत फ़ारेन एक्सचेंज देना पड़ता है। इस लिए क्यों न आनेस्टली और डायरेक्टली सोना मंगाने की इजाजत दे दी जाये? 14 कैरट करने का मतलब यह था कि अगर एक घर में बीस तोले सोना इस्तेमाल होता है, तो वहां दस तोले इस्तेमाल हो।

डा० लक्ष्मीमल्ल सिंघवी : 14 कैरट गोल्ड हमारे देश में स्वीकार क्यों नहीं किया जाता है ?

श्री रामावतार : 14 कैरट गोल्ड का चलन इस लिए कम हो गया है कि श्री कृष्णमाचारी ने इस में यह भी ऐड कर दिया कि सैल्फ़-एम्प्लायड गोल्ड स्मिथ गोल्ड आर्नामेंट्स को उसी क्वालिटी में कनवर्ट कर सकते हैं।

Shri Mali Ram Hira: In view of our climatic conditions, 14 carat gold loses its colour and becomes blackish.

Dr. L. M. Singhvi: Any other reasons also?

Shri Mali Ram Hira: The return value of the 14 carat ornament is very low because people do not like it. More than two or three times labour is spent on that. The customer loses a large percentage of the value of the ornaments.

डा० लक्ष्मीमल्ल सिंघवी : क्या यह कहना सही होगा कि 14 कैरट गोल्ड के ज़ेवर की मेनटेनेन्स ज्यादा महंगी पड़ती है ?

श्री माली राम हीरा : 14 कैरट का ज़ेवर टूटना देगी से है, लेकिन सब से बड़ी डिफ़िकल्टी यह है कि पहनते पहनते वह काप्पर की तरह बनेक हो जाता है, क्योंकि हमारी क्लाइमेट उस को बर्दाश्त नहीं कर सकती है ।

डा० लक्ष्मीमल्ल तिघवी : क्या आप ने 14 कैरट सोने के ज़ेवर बेचने का यत्न किया है, यदि हाँ, तो आप का व्यक्तिगत अनुभव क्या है ?

श्री माली राम हीरा : हम ने किया है, लेकिन लोग कहते हैं कि इस का कलर काप्पर की तरह है । हिन्दुस्तान में लोग दो बातें देखते हैं—एक तो यह कि सोने की रिटर्न वैल्यू क्या है और दूसरे यह कि इस का कलर क्या होगा । हम अपनी दुकानदारी को सही रखना चाहते हैं । हो सकता है कि टुकूमत हमारी आर्ग्युमेंट्स और देश की आवाज़ को सुन कर इस सिलसिले में कुछ तब्दीली करना चाहे । अगर हम अपने कस्टमर्ज़ को कोई ग़लत बात कह कर चौदह कैरट सोने के ज़ेवर बेचने की कोशिश करेंगे, तो वे लोग हम पर एतबार नहीं करेंगे । इस लिए हम उन को साफ़ तौर पर बता देने हैं कि इस का रंग काप्पर की तरह हो जाता है ।

Dr. L. M. Singhvi: One of the statements made by one of the witnesses is that dealers are not smugglers. Is it suggested that this particular class of smugglers exist in a particular locality or territory only? What is their *modus operandi* and how their activities can be checked?

Shri Mali Ram Hira: This is a question which has to be thought of by Government itself. You know there is under-invoicing and over-invoicing. Take an example which has been cited in the *Blitz* of last week. A firm from India exported bananas worth Rs. 2½ lakhs and those bananas are wasted in the market..

Chairman: We are now concerned with gold.

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Shri Ram Baboo: Smugglers are not gold dealers or licence holders. They belong to other trades. Government can find that out from the records. Smugglers caught red-handed were either fishermen, cloth dealers or other tradesmen. Nobody could suspect they were bringing in gold on their person or in their fruit baskets or tiffin boxes.

Dr. L. M. Singhvi: You are saying that dealers are not primary smugglers. But dealers have contact at some level with them.

Shri Ram Baboo: Certainly; they are abettors.

Chairman: You are sure there are not smugglers among sarafs.

Shri Ram Baboo: So far as I know, no.

Chairman: It is only a small number. They bring discredit to the large number.

Dr. L. M. Singhvi: In what way could Government check smuggling at the point at which it can be checked at the primary smuggling level; then at what point it can be checked, and in what manner? Can you suggest modifications in the Bill in a manner which would not hurt the legitimate interests of the trade but would arrest smuggling?

Shri Mali Ram Hira: Government should freely import from other countries which are producing gold in a larger quantity. In foreign countries, the production of gold has increased. I have statistics.

Chairman: That is the only remedy according to you.

Shrimati Renuka Devi Barkataki: What are the difficulties in making 14 carat gold ornaments?

Shri Mali Ram Hira: They could not be made easily because it is very difficult to draw wires of the standard gold of 14 carat purity. It can easily

be done if silver is mixed with it in a higher proportion. But that will result in fading of colour. The formula for the standard quality is 1 plus 4 in 12 grams; that is, 4 grams of gold with 1 gram silver. That is the formula for 14 carat prescribed in foreign countries.

Then we have got no tools to make ornaments of that standard. If tools are imported, it costs much and we are also not issued permits to import.

Shrimati Renuka Devi Barkataki: Suppose all facilities are given. We have found beautiful ornaments in foreign countries made of 9, 12, 14, and 15 carat. The idea is that we would save a lot of gold by that.

Shri Mali Ram Hira: At present, goldsmiths are being rehabilitated. They are given the option to be self-employed goldsmiths. If a man is given the option to choose an easier job, why should he turn to the difficult and complicated one?

Shrimati Renuka Devi Barkataki: We have to find a solution. We need a lot of gold for providing for our defence requirements. Of the 3 lakh goldsmiths, how many are entirely dependent on this business? It is not a gainful employment for all goldsmith. How many of them are entirely dependent on this?

Shri Mali Ram Hira: Very few.

Shrimati Renuka Devi Barkataki: The rest have some alternative business.

Shri Mali Ram Hira: A man of 40 or 50 years of age will not be able to change his profession overnight.

Shrimati Renuka Devi Barkataki: Suppose Government gives them other employment and all facilities for rehabilitation, will the Association agree to this Bill?

Shri Mali Ram Hira: They may or may not, but the public will not accept these ornaments.

Shrimati Renuka Devi Barkataki: Secondly, do you want the sale of gold to be a Government monopoly?

Shri Mali Ram Hira: If it is, the sale should be only to the consumers, and there should be no bar to the manufacture of ornaments from that gold issued by Government to the consumer.

Shrimati Renuka Devi Barkataki: How will it prevent smuggling?

L. Mehtab Singh Jain: Very much. It will act as a check on quality.

Shrimati Renuka Devi Barkataki: You said you did not want any quality control. Don't you think there is relationship between quality control and smuggling?

Shri Mali Ram Hira: Government should get a declaration of ornaments in the possession of persons. If any one is found to have more than the quantity issued by Government, he should be prosecuted. Why should the dealers be prosecuted unnecessarily?

Shrimati Renuka Devi Barkataki: Don't you think this *stri-dhan* etc. are pre-industrialisation concepts? Don't you believe in the national projects and schemes?

Shri Mali Ram Hira: People are so illiterate, they do not understand this. If a man has deposited Rs. 1 lakh in the post office, and he wants to withdraw Rs. 10, he has to put his thumb impression, and he is put to a lot of difficulty.

Shri Ram Baboo: Seventy per cent of our people live in the villages, and they are illiterate, and they do not understand all these things. For them, the only security in times of emergency is gold, and nothing else. In the village there is no post office, and if he has to go outside to deposit the money, it takes time and involves all sorts of procedures.

Chairman: People are not so ignorant nowadays.

Shrimati Renuka Devi Barkataki: Don't you think that if they put their

money in the Unit Trust, they will get maximum profit?

Shri Mali Ram Hira: It has still to gain the confidence of the public.

Shrimati Renuka Devi Barkataki: But the money lenders give only Rs. 90 or Rs. 100 if the value of the gold is Rs. 125, while in the Unit Trust they will get a profit. You have to educate the people.

श्री रामावतार : गांवों में जब तक 90 प्रतिशत आदमी इलिट्रट हैं, उनको आप अगर दस पंद्रह साल में तालीम दे दें, उनको एजुकेट कर दें जिससे वे सोने को डिसलाइक करना शुरू कर दें, सोना पहनना डिसलाइक करना शुरू कर दें, तब आपका यह सवाल करना ठीक होगा। अभी तक तो इस सवाल के कोई मानी नहीं हैं।

Shri L. N. Bhanja Deo: You want gold to be imported to the value of Rs. 40 crores. Wherefrom are we to raise the money to import this?

Shri Mali Ram Hira: Government need not raise the money. They have only to issue the permits, and they will realise customs duty from us.

Chairman: You will yourselves find the foreign exchange?

Shri Mali Ram Hira: If we are allowed to export jewellery.

Chairman: In lieu of that, you want full import of gold.

श्री महावीर दास : यह कहा गया है कि 75 प्रतिशत जनता देहातों में रहती है और उसे सोना सिक्कोरिटी में रखना होता है। क्या आपको मालूम है कि आदिवासियों, हरिजनों और गरीब जनता के पास सोना है ही नहीं? क्या आपको यह भी मालूम है कि उन लोगों के पास व्यवहार में चांदी आती है और चांदी पर कोई कंट्रोल नहीं है? जो 25 प्रतिशत जनता शहरों में रहती है उस में से भी बहुत कम के पास, मैं समझता हूँ 10-15 प्रतिशत के पास ही सोने के जेवर उपलब्ध हैं। उस 15

प्रतिशत जनता में भी दस प्रतिशत मिडिल क्लास के लोग हैं जिन के पास थोड़ा बहुत सोना है। तब क्या यह उचित नहीं है कि समाज में जो डिसपैरिटीज हैं उनको कम करने के लिए इस तरह का बिल लाया जाए? क्या यह प्रवृत्ति भी नहीं पाई जाती है कि जिन औरतों के पास जेवर नहीं हैं या कम हैं, जब वे उनको देखती हैं जिन के पास हैं या ज्यादा हैं, तो उनके पास भी ये होने चाहियें और इस कारण भी समाज में अनैतिक कार्य होते हैं? इस तरह के कार्यों पर प्रतिबन्ध लगाने के लिए क्या गोल्ड कंट्रोल आवश्यक नहीं है?

दूसरी बात यह है कि यह सोना जीवन की चीज नहीं है। किसी के जीवन को यह सोना कुछ उपलब्धि भी नहीं देता है। कहा जाता है कि सोना मंगल सूत्र आदि के लिए काम आता है। ये सेंटीमेंट की बातें हैं और ये चीजें दूर हो सकती हैं। व्यवहार के लिए सरकार ने कुछ छूट पहले ही दे रखी है।

जो सोने के व्यापारी हैं उनकी बातों से मालूम होता है कि जो सौ रुपए का जेवर है, अगर उसको बन्धक रखा जाए तो उस का 50 परसेंट पैसा मिलता है। यह कैसा इनवेस्टमेंट है?

श्री रामावतार : ऐसी पोजीशन नहीं है आज कल जो बैंक एडवांस करती हैं वह मारकेट रेट लगाने के बाद 20 या 30 परसेंट कम करके रुपया एडवांस करती हैं और जो तिजारत के लोग हैं वे सौ रुपए की चीज के 95 रुपए तक देते हैं। इस प्रकार के मारगेज रोज होते हैं। यह जरूर है कि जहां बैंक 9 परसेंट सूद लेती हैं वहां व्यापार वाले 12 परसेंट लेते हैं। लेकिन उसके बदले में यह सुविधा भी देते हैं कि अगर जरूरत हो तो हम रात को 21 बजे भी पैसा दे सकते हैं। उसे टैस्टर के पास जाने की जरूरत नहीं।

अभी कहा गया कि आदिवासी लोगों के पास सोने का जेवर नहीं रहता। तो मैं कहना चाहता हूँ कि जो लोग सड़कों पर काम करते हैं उनको आप देखें तो आपको पता चलेगा कि जहाँ वे दो सेर चांदी पहनते हैं वहाँ कानों में कुछ सोने के जेवर भी पहनते हैं। अब अगर वे लोग ज्यादा चांदी पहनते हैं और सोना कम पहनते हैं तो इसमें ज्वेलर का क्या दोष है।

गवर्नमेंट का और उन मेम्बरों का जो इलेक्ट हुए हैं यह काम है कि वे ज्यादा स्कूल खोलें और लोगों को ज्यादा तालीम दें और सम्यता सिखावें ताकि वे समझ सकें कि उनको मौजूदा हालात में अपने पास इतना बोझ रखने की जरूरत नहीं, अगर उनको कोई चीज रखनी है तो थोड़ी चीज रखें।

श्री उपाध्याय : इसके अतिरिक्त जब से सोने का कंट्रोल हुआ है, बाजार में लोगों को चांदी का दूना दाम देना पड़ रहा है। इस पर भी आप विचार कर लें।

श्री महाबीर दास : मेरा सवाल यह है कि अगर कोई सोने की चीज गिरवी रखने आता है तो अगर वह सौ रुपये की चीज है तो उसमें से आप अनवाई काटते हैं और कुछ खाट कम करते हैं। इससे यह चीज 90 रुपये की रह जाती है और फिर ऊपर पर 30 या 40 परसेंट कम करके रुपया दिया जाता है।

Shri B. K. Gaikwad: In page 1 of Mr. Ojha's memorandum, it has been stated that the price of bullion has steadily increased upto Rs. 128 for 10 grams and that this shows the demand of gold. I just want to know whether the demand depends upon the quantity sold or on price.

Shri Ram Baboo: The demand is increasing because whatever old stocks of ornaments that the people have got, they are not prepared to bring it to the market and therefore there is dearth of gold for resale purposes in the market. The regular demand is there and the usual supply

is not there and therefore the price has gone up.

Shri B. K. Gaikwad: I am not talking about the increased cost. You have stated that the demand has increased.

Shri Mali Ram Hira: The producers of goods in the country have got large money in their pockets and they do not want to invest it in the national schemes as they are not educated much about them. The black market money will not come. So, the demand for gold rises. The remedy is to keep the prices of these commodities low so that the demand may not rise in a large proportion.

Mr. Chairman: You have come out with the true answer now.

Shri B. K. Gaikwad: When you make a statement that the demand for gold has increased, can you tell us how much gold was sold one year ago, before this control was there and how much gold was sold in the next year after the gold control was introduced?

Shri Mali Ram Hira: We have not got these statistics.

Shri B. K. Gaikwad: When a farmer, out of necessity, wants to sell his gold ornaments could you tell me what would be the difference between the purchasing price and the selling price approximately? What will he get in return? Is there not a great deal of exploitation going on by the sarafs of the poor farmers?

Shri Madanlal: Suppose you buy one tola of gold at Rs. 108 which is the market rate today. In case you resell it back you can sell at Rs. 107.50 nP; only 00.50 nP will be less. That is the position. There is the Delhi Saraf Association Rules.

Chairman: What price do you give to a man who comes to sell his ornaments to you? Do you give the international price?

Shri Madanlal: The market price, less the making charges.

Shri Mali Ram Hira: The Delhi Saraf Association Rules bind the bullion dealers in Delhi and whenever a customer returns his ornament, he shall have to leave the labour charges plus one masha per tola about Rs. 12 in Rs. 150, approximately.

Shri B. K. Gaikwad: Should not this attraction for gold go or not in the interest of the country? Is it the real need of the people?

Shri Ram Baboo: Gold has two attractions—as an ornament and as an investment. The attraction for gold will go away when Government gives educational, medical, insurance, etc. facilities, old-age pension and unemployment relief. I know that a villager got hurt in his fields and his wife came to the market to sell her trinkets because no medical facilities of any kind were available except on payment of money. If we know well, say, in a case of accident that we will be treated well in Irwin hospital or other hospital and that we will not be required to pay even one rupee for the anti-titanus, etc. injection, there will be no attraction for gold. It applies to the other facilities also being made available freely and in the need measure.

Next to gold comes silver. Those persons who do not have gold go to silver. It has equal status though the only difference in price is there. When these things are sold barely half per cent of the value is lost. If they go in for ornamentation and they spend so much in ornamentation and in making charges, these charges cannot be mortgaged. They have been earned by the manufacturer.

Shri B. K. Gaikwad: My question was this. When gold is purchased and put as savings, naturally, when it is taken to the bazar, for making an ornament, the price is reduced. The man gets something less. Instead

of that, if we ask the public to invest the money in banks, in which case they will get something more, I want to know whether the Association would agree.

Chairman: That is an argument.

Shri B. K. Gaikwad: No, Sir. It is a question to them.

श्री रामावतार : मेरे घर में कोई बीमार हो जाता है, मेरा लड़का बीमार हो जाता है, इतवार को दुर्घटनाग्रस्त हो जाता है और मुझे उसके इलाज के लिये तत्काल 25 रुपये की जरूरत पड़ती है तो मैं रुपया कहां से जुटाऊंगा ? इतवार के दिन बैंक, डाकखाने सब बन्द रहते हैं । अगर मेरे पास थोड़ा भी सोना हुआ, अंगूठी आदि हुई तो उसे पड़ोसी के पास ले जाकर मैं रुपया हासिल कर सकता हूँ ।

Shri B. K. Gaikwad: In the memorandum of the Shri Sarafa Committee, at page 2, they have said:

“...the people's age-old attachment to gold cannot be ended unless another equally secure and easy mode of investment is made available to them, and unless the Government adopts a realistic economic policy for checking inflation.”

I want to know whether, if this is done, the Association will have any objection.

Shri Mali Ram Hira: No, Sir. The system already prevalent should not be disturbed in the meanwhile. That is the point.

Shri B. K. Gaikwad: Apart from the other proposals, I want to know whether, if they are acceptable, the Sarafa Committee will have any objection.

Shri Ram Baboo: No. If the capacity is available, and if the Government follows a realistic economic policy for checking inflation, we will have no objection to any kind of control.

Shri Mali Ram Hira: The sarafs will require rehabilitation, because there are people who cannot change their profession. Suppose, a man has got Rs. 10,000 and running a business on his own, if it is said to him, "Leave", then the man loses his Rs. 10,000, besides his liabilities, furniture, etc., and with the amount left with him, he will not be able to rehabilitate in any other industry or trade. If the Government thinks that it can pay the dealer, say, Rs. 5,000, who had Rs. 15,000 a year, then that amount will hardly be enough, and so, some more amount should be given to rehabilitate the dealer.

Shri B. K. Gaikwad: They say that if these amendments are accepted, they will accept this Bill. Now, I will put another question. At page 3 of their memorandum, they have said, against the heading "Loss of revenue, decrease in production," that the Government accrues a loss of Rs. 30 crores annually by this measure, by way of tax. Now, the sales-tax is recovered from the person who purchases. The sarafs do not come into the picture. So, I want to know, if there is this loss of Rs. 30 crores to the Government, as mentioned by the Sarafa Committee, and if this Rs. 30 crores is a benefit to the common people, or the poor people who had purchased the gold, by way of savings, whether the sarafs have suffered on account of this.

Shri Ram Baboo: They suffer on account of income-tax and most of the sales-tax, and the Government have to spend on implementation of these rules.

Shri B. K. Gaikwad: You have said here that public education will help to solve the problem. What do you propose to do to ensure this public education?

Chairman: That is a matter for this Committee to consider.

Shri Ram Baboo: The public should be educated so that they may not invest their surplus money in gold and they may invest it in other produc-

tive activities that are helpful for the nation.

Shri B. K. Gaikwad: Is this Bill not one of the ways of educating the people?

Chairman: You are entering into an argument. It is too much to expect an answer from them.

Shri C. D. Pande: May I know whether 14 ct. ornaments are acceptable to the people and the difficulty is only in manufacturing them?

L. Mehtab Singh Jain: People do not want 14 ct. ornaments. Those who have purchased such ornaments want to return them back within 15 or 20 days even at a loss because they look like copper ornaments. In that way we lose our clients and we are not able to earn a livelihood.

Shri C. D. Pande: Suppose we make this concession that alterations and repairs without bringing in new gold can be done in the country to the old ornaments that are already there, will that not solve your problem?

L. Mehtab Singh Jain: To a little extent it will decrease our difficulty. But allowing a certain percentage of 22 ct. ornaments should also be considered by this Committee. Then we will be able to maintain our old clients and also have new customers. In that way, also, the public and the dealers will not become dishonest.

Shri C. D. Pande: 24 ct. is gone and now 22 ct. has become the standard because of its glow, its hardness and other things. If re-fashioning of 22 ct. ornaments is allowed to be done, will it not meet with your purpose?

L. Mehtab Singh Jain: It will ease the situation.

Shrimati Nandini Satpathy: There is a little change in the Gold Control Order of 1963. May I know whether that change has been to your advantage or disadvantage?

L. Mehtab Singh Jain: It has shifted the trade to some extent from the dealers to the self-employed goldsmiths.

Shri Ramautar: Those who only deal in gold are suffering badly by the introduction of this new rule.

श्रीमती लक्ष्मीबाई : जब आप चांदी और पीतल के जेवर बना सकते हैं, तो फिर 14 कैरट सोने के जेवर बनाने में आप को दिक्कत क्या है ?

श्री रामावतार : 14 कैरट का सोना आसानी से कसौटी पर नहीं परखा जा सकता ।

Chairman: They have already explained the difficulties, that they become black and all that.

Shri Ram Baboo: High tempered tools are required which are not produced locally.

Shrimati Tara R. Sathe: After the Gold Control Order, may I know what type of ornaments are liked by the people?

L. Mehtab Singh Jain: Those who want to invest in gold want to purchase bangles, those who want to go in for fashion want stone-set-ornaments, those who simply want to keep up their look go in for all types of ornaments.

Chairman: What is the common type of ornaments purchased?

L. Mehtab Singh Jain: They go in for sets with one or two bangles.

Shrimati Tara R. Sathe: Do you find any difficulty in preparing bangles?

L. Mehtab Singh Jain: The difficulty is that we cannot bend them rightly if it is of pure 14 ct. gold. We will have to make it malleable by adding silver. This experiment was done before the Collector and also Shri Banerji who was at first in the Board.

Shrimati Tara R. Sathe: How much guarantee do you give for 14 ct. ornaments and how much for 22 ct. ornaments? For how long do they keep their polish?

L. Mehtab Singh Jain: 22 ct. ornaments will retain the polish for years whereas 14 ct. ornaments will keep the polish only for 8 or 10 months.

Shrimati Nandini Satpathy: Our experience is quite different.

Shri H. V. Koujalgi: One of the witnesses represented that gold is used for ornamentation of the temples etc. May I know whether it is used nowadays; if so, whether the witnesses are in a position to give us an estimate of it?

L. Mehtab Singh Jain: Under the law it cannot be done, but still there are religious and sentimental people who do offer things in gold.

Shri Ramautar: If you go through Chandni Chowk you can yourself see such things in the Gurdwaras and other religious places.

श्री शिव नारायण: आपने अभी कहा है कि अगर किसी को 25 रुपये की भी जरूरत पड़ती है तो वह सोने का कोई जेवर आप को दे देता है और आप से 25 रुपये ले कर अपनी जरूरत पूरी कर लेता है। आप उस पर कितना सूद लेते हैं ?

श्री मालीराम हीरा : 1 परसेंट ।

श्री शिव नारायण : आप एक आना रुपया सूद लेते हैं और कहते हैं कि 1 परसेंट लेते हैं ।

श्री मालीराम हीरा : साल का बारह परसेंट और एक महीने का १ परसेंट ।

श्री शिव नारायण : जो आगरा से साहब आते हैं उन्होंने कहा है कि 5000 या कितने ढेले गलाये जाते हैं । मैं जानना चाहता हूँ कि यह सोना कहाँ से आता है ।

श्री मालीराम हीरा : स्मगलड गोल्ड जो बाहर से आता है या जो चोर बाजार के अन्दर बिकता है, यह वह होना होता है।

श्री शिव नारायण : आप क्यों स्मगलर्ज को पकड़वाने में सरकार की मदद नहीं करते हैं? क्या यही आपकी देश भक्ति है?

सभापति महोदय : हमें आर्गु नहीं करना है विटनेसिस के साथ।

श्री शिव नारायण : दिल्ली के सराफ साहब ने कहा है कि 75 प्रतिशत लोग सोना लेने आते हैं। मैं समझता हूँ कि उनके पास लिस्ट होगी कि किस किस क्लास के लोग आते हैं, कितने हरिजन आते हैं और कितने परसेंट सोना आपके यहां से ले गए हैं।

श्री मालीराम हीरा : किसी दूकानदार के पास रीलिजन वाइज या कास्ट वाइज या क्लास वाइज रिकार्ड नहीं होता है। मेरे आनरेबल मैम्बर जो इतने उंचे पद पर बैठे हैं, अफसोस की बात है कि आज भी कास्ट और क्लास की बात करते हैं।

श्री शिव नारायण : 75 प्रतिशत आपने कहा है कि गांव के लोग आते हैं—

सभापति महोदय : उनके पास स्टैटिसि-टिक्स नहीं हैं।

श्री शिव नारायण : एमरजेंसी गोल्ड स्कीम गवर्नमेंट ने चलाई है। उस में गोल्ड जमा करवाने जो लोग आते हैं उनको आप सलाह देते हैं या नहीं देते हैं कि वे जमा करें?

श्री मालीराम हीरा : सलाह देते हैं कि गवर्नमेंट के पास जमा होना चाहिये। लेकिन गवर्नमेंट से भी हम अर्ज करना चाहते हैं कि जब गवर्नमेंट वापिस करे तो गोल्ड ही

वापिस करे। गवर्नमेंट के स्टैटिसिस्टिक्स से यह क्लीयर है कि उसके पास जो 225 करोड़ आउंसिस सोना था उस में कोई कमी नहीं आई है। उसके बावजूद भी हम जमा कराने के लिए तैयार हैं।

श्री गुजराल : कितनी वैल्यू के जेवरात एक्सपोर्ट होते हैं, क्या इसकी फिगरस आपके पास हैं?

श्री मालीराम हीरा : अभी तक तो कोई खास एक्सपोर्ट का डाटा नहीं बना है क्योंकि गवर्नमेंट ने काफी रेस्ट्रिक्शंस एक्सपोर्ट पर लगा रखी हैं। कई लोगों को सहुलियतें दिये हुए सवा सत्रा साल के करीब हो गया है लेकिन उनको भी अभी तक एक्सपोर्ट के बाकायदा लाइसेंस नहीं मिले हैं। उनकी एप्लीकेशंस रजिस्ट्रेशन के लिए पड़ी हुई हैं। एक लैटर हमारे पास एक्सपोर्टिंग एसोसिएशन बम्बई की तरफ से आया था जिम् में कहा गया है कि कई चीजें ऐसी हैं जिन के परमिट्स भी मिल जाते हैं लेकिन पोर्ट पर जाने के बाद मालूम होता है कि इनके ऊपर ये ये पाबंदियां हैं। जो जो डिफिकल्टीज एक्सपोर्ट में आती हैं, उनको दूर किया जाना चाहिये। यह कहा जाता है कि वे बाउंडिड वर्कशाप और बाकायदा एकाउंट्स के साथ जेवरात बनायें और उनको एक्सपोर्ट करें।

श्री गुजराल : अगर मुल्क में पांच छः या सात बाउंडिड वर्कशाप्स बड़े बड़े शहरों में खोल दी जायें और आप लोगों को फैसिलिटीज दे दी जायें कि ऐसे जेवरात आप बनायें कि जो एक्सपोर्ट किये जा सकें तो इससे जो इस वक्त आपकी हालत खराब हुई है क्या वह काफी हद तक दूर हो जाएगी?

श्री माली राम हीरा : काफी हद तक तो दूर नहीं होगी लेकिन कुछ ट्रेडर्ज को रिलीफ जरूर मिल जाएगा।

श्री गुजराल : आपने एतराज किया है कि जो एक्सपोर्ट सेंटिव दिया जाता है उसके

मुताबिक सिर्फ दस परसेंट सोना मंगाया जा सकता है और बाकी दूसरी चीजें मंगाई जा सकती हैं। व्यापार के नुकते नजर से आपको उस में क्या एतराज है?

श्री माली राम हीरा : सब से बड़ी बात यह है कि सौ रुपये का माल बेचते हैं तो बदले में दस रुपये का माल ही लाने की इजाजत दी जाती है—

श्री गुजराल : एक्सपोर्ट इंसेंटिव का मतलब यह है कि जब सौ रुपये का माल बेचते हैं तो सौ रुपये का ही माल आप मंगाते हैं और उस में दस रुपये का सोना होता है और बाकी जो चीजें होती हैं जो आपने बताई हैं वे बेकार की नहीं होती हैं, वे वेस्ट नहीं होती हैं, मार्किट में वे काफी ऊंचे दामों पर बिकती हैं और उनसे आपको काफी मुनाफा हो सकता है। आपको कोई एतराज नहीं होगा अगर इंसेंटिव स्कीम को एलिगिबल कर दिया जाए और आप लोगों को ज्यादा फंसिलिटीज दे दी जायें कि आप वाउंडिड वर्कशाप्स में काम करें।

श्री माली राम हीरा : 40 परसेंट हम को उमका देना पड़ता है हैंडीक्राफ्ट्स का। रुपया हम ने लगाया होता है, काम हमने किया होता है—

श्री गुजराल : इंसेंटिव की चीज आप छोड़ दें। आप इसके हक में हैं कि जेवरात के एक्सपोर्ट की तजारत को फरोग दिया जाए?

श्री माली राम हीरा : जी हां।

श्री गुजराल : जितने जेवरात एक्सपोर्ट होते हैं उन में कुंदन के और अनेमल के अधिक होते हैं। उस में गोल्ड कंटेंट कितने परसेंट होता है?

श्री माली राम हीरा : 40 से 50 परसेंट होता है और किसी किसी आनमिंट में 60 परसेंट होता है?

श्री गुजराल : जिन जेवरात की एक्सपोर्ट मार्किट अधिक है, कुंदन की, अनेमल की, स्टोन स्टडिड की, उन में अगर गोल्ड कंटेंट 22 कैरट की जगह 14 कैरट कर दिया जाए तो कुछ नुकसान होगा?

श्री माली राम हीरा : सब से बड़ी बात यह है कि अनेमल वर्क पर 14 परसेंट बिल्कुल साफ नहीं आयेगा। कोई बाहर उसको परचेज नहीं करेगा। 22 कैरट पर ही अच्छा हो सकता है। स्टोन स्टडिड का भी रंग फेड हो जाएगा। इंडिया का नाम 22 कैरट की वजह से ही विदेशों में प्रसिद्ध है। जितने जेवरात का एक्सपोर्ट किया जाए वह 22 कैरट का ही होना चाहिये। कुंदन तो प्योर गोल्ड पर ही होता है।

श्री गुजराल : आपने कहा है कि लोग सोने में इसलिए भी इनवैस्ट करते हैं कि सोने के जेवरात या सोना घर में रखना आदमी को सिक्योरिटी की फीलिंग देता है। जब सिक्योरिटी की फीलिंग होती है तो 14 कैरट का सोना रखने में वह फीलिंग क्यों नहीं होगी?

श्री माली राम हीरा : इसलिए कि 14 कैरट का सोना पड़े पड़े काला हो जाएगा। आम आदमी उसको गिरवी नहीं रखेगा। वह समझता है कि यह तो पीतल है।

श्री गुजराल : आपको मालूम है कि सोना दो तरह का होता है बाजार में। एक वह जो 20-22 कैरट के जेवरात की शकल में होता है और एक वह जो पाउंड का बना होता है और पाउंड भी लोग रखते हैं, गिनी गोल्ड।

श्री माली राम हीरा : 22 कैरट, और पाउंड और गिनी सब एक ही क्वालिटी में आते हैं।

श्री गुजराल : आदमी जब सोना बाजार में ले कर जाता है तो उस में जितने परसेंट सोना होता है उसके हिसाब से ही उसको रुपया मिल जाता है। अगर कोई चौदह कैरट का ले जाएगा और कसौटी पर वह चौदह कैरट का उतरेगा तो उसके हिसाब से उसको रुपया मिल जाएगा।

श्री माली राम हीरा : चौदह कैरट को कसौटी पर कसने के लिए बड़ी डिफिकल्टी है, आसानी से उसको पहचाना नहीं जा सकता है। जो लाइसेंस डीलर है वह भी उसको मार्टिंगेज नहीं कर सकता है। आप अगर कानून में परिवर्तन कर दें और कहें कि 14 या 16 कैरट के सोने को ले कर भी रुपया दिया जा सकता है तो काफी हद तक मुश्किल हल हो जाएगी।

श्री गुजराल : गवर्नमेंट कानून में यह अधिकार ले रही है कि एक खानदान के लिए सोने की लिमिट निश्चित कर दी जाए। आज कल के हालात को देखते हुए और यह देखते हुए कि केवल मिडिल क्लास के पास ही सोना होता है, एक ऐसे खानदान के लिए जिसमें एक मियां, एक बीबी और दो बच्चे हों, आप सोने की कितनी लिमिट ठीक समझते हैं ?

श्री माली राम हीरा : कम से कम 50 तोले।

Shri Prabhat Kar: Just now you replied to a question in which it was stated that the amendments which have been made to the Gold Control Bill are operating to the disadvantages to the dealers. Am I to take it that the original Gold Control Bill was better than the amendments now proposed?

Shri Mali Ram Hira: To some extent it was better as it created some kind of equality. But this amendment has created a division by which customers are now trying to run from one dealer to another dealer.

Shri Prabhat Kar: Is it your suggestion that the original Bill should be brought back?

Shri Mali Ram Hira: That is never the intention.

Shri Prabhat Kar: We were thinking that you were feeling for the consumers. Now you are stating that the amendments are made not for the consumers.....

Shri Mali Ram Hira: If these amendments are made for all people, namely, goldsmiths, registered and non-registered dealers, then customers will not be losers, because there will be competition. If they are compelled to take from certain class of people, then there will be no competition, and the consumers will be losers.

श्री रामावतार : अभी हमारे ग्राहकों को यह सुविधा नहीं है कि अगर उन्होंने किसी सुनार को 22 कैरट का सोना दिया है और उसने 20 कैरट का गहना बना कर दे दिया है, तो उसकी जांच करा सके। हमको रिफाइनरी के जरिए इस प्रकार की जांच की सुविधा होनी चाहिए।

Shri Prabhat Kar: My second point is this: So far as ornaments which are exported are concerned, what is the value of the gold per tola which is being accepted by exporters?

Shri Mali Ram Hira: We are not exporters.

Shri Prabhat Kar: We were talking of export markets and all these things. Now the net result is that we are purchasing gold at double the international market price and we are exporting gold at half that price. How is the country going to gain by this kind of export?

Shri Mali Ram Hira: The exporter will make good his loss by getting gold from other countries.

Shri Prabhat Kar: We purchase gold from outside at double the international price and export gold at the international price. Thus 50 per cent. of the price is a national loss.

श्री रामावतार : जब तक आप इम्पोर्ट नहीं खोलेंगे तब तक कोई फायदा नहीं हो सकता ।

Shri Prabhat Kar: I was asking about the export price....

Shri Mali Ram Hira: When we export ornaments, the gold value will be 40, 45 or 50 per cent. The other ornaments will be of other things, such as stones, etc.

Shri Prabhat Kar: The question is whether at this particular moment we can waste our foreign exchange by importing gold.

श्री महाबीर प्रसाद शुक्ला : अभी आपने कहा कि जिन्दगी में ऐसे मौके आते हैं जब कि सोना खरीदा जाता है । वे कौन से मौके हैं ?

श्री रामावतार : शादी के समय ।

श्री महाबीर प्रसाद शुक्ला : शादी के समय लड़की को सोना दिया जाता है । अगर इसके बजाय उसको अपने पिता की जायदाद में हक दे दिया जाए तब भी क्या इस सोने की जरूरत रह जाएगी ?

श्री रामावतार : लड़के तो बाप की जिन्दगी में हिस्सेदार हो जाते हैं और लड़की तो बाप के मरने के बाद ही हिस्सा पा सकती है । अगर बाप कुछ न छोड़ जाए तो लड़की को क्या मिलेगा । ऐसी हालत में अगर उसको सोना मिल जाता है तो काफी है ।

श्री महाबीर प्रसाद शुक्ला : आप जो सीक्योरिटी का प्वाइंट उठाते हैं उसके लिए

अगर यह कर दिया जाए कि लड़की को अपने ससुर या बाप की जायदाद में हिस्सा मिल जाए तो क्या यह सीक्योरिटी का सवाल हल नहीं हो जाएगा । अगर लड़की को बाप की जायदाद में लड़कों के बराबर हिस्सा देने की व्यवस्था कर दी जाए तो क्या यह सीक्योरिटी नहीं हो जाएगी ?

श्री रामावतार : अगर हम को सरकार हर प्रकार का रिलीफ दे सके जैसा कि मैंने पहले कहा तो हम इस से सहमत हो सकते हैं । इसके पहले आपको पब्लिक को शिक्षा देनी चाहिए ताकि वह समझ सके कि उसे सोना रखने की इतनी जरूरत नहीं है ।

श्री महाबीर प्रसाद शुक्ला : इस प्रकार की शिक्षा देने के लिए क्या यह बिल पहला कदम नहीं होगा ? और मेरा दूसरा सवाल यह है कि क्या गोल्ड कंट्रोल आर्डर जारी होने के बाद से हीरे की कीमत बढ़ गयी है

श्री रामावतार : जी हाँ, हीरे की कीमत ड्रॉप हो गई है ।

श्री महाबीर प्रसाद शुक्ला : आपने स्मगलिंग के चैक के लिए कहा है कि विजिलेंस की ज्यादा अच्छी व्यवस्था की जाए । आपने यह भी कहा है कि इस काम में कुछ एबेटर्स भी हैं । इस एबेटिंग की जिम्मेदारी इस व्यवसाय के लोगों पर कितनी आती है ?

Shri Mahabir Prasad Shukla: The more the consumption of gold is done by you the more will be smuggled. If the consumption is less, then smuggling will also be less.

Shri Mali Ram Hira: If we are regularised by the Rules and the Act, if we are given the permission, there will be no smuggling, because everything will be checked. Now that an unemployed class has been created by this Act, the Government itself is encouraging smuggling.

Shri Mahabir Prasad Shukla: Are you in favour of State trading in gold?

Shri Mali Ram Hira: Yes. The Government should import gold and also issue to individuals.

Shri Tridib Kumar Chaudhuri: I want to ask one factual question. In the experience of your Association, have you found that there was any significant increase in the demand for 14 ct. ornaments at any stage of the gold control regime. Before the relaxation order of December, 1963 and after the relaxation order whether there has been change at any time, whether the demand was more for 14 ct. gold before relaxation and how it has come down or there was never any demand for that—this is what I want to know.

Shri Mali Ram Hira: When the rules were promulgated in 1963 there was no demand and there was a standstill in the market. Later on, after some time when the marriage season came, a little demand was created; then it increased with a little variation from time to time. When these amendments came, it again fell down. The statistics in the department will show that there was decrease in the demand of 14 ct. ornaments.

Shri Tridib Kumar Chaudhuri: That means a conclusion can be drawn that by this relaxation the demand for 22 ct. gold has increased. Ways have been found to meet that demand legally or illegally.

Shri Mali Ram Hira: Yes.

Shri Rajendra Pratap Sinha: I want to know whether the relaxation in the gold control order has helped the consumption of the smuggled gold. My information is that self-employed goldsmiths under the garb of making and re-making the old ornaments are also making new ornaments from the smuggled gold. I

would like to know what is your experience and knowledge in this respect.

Shri Mali Ram Hira: To this question my humble reply is that smuggled gold is not used by the self-employed. It is only the ornaments which have come into the market and which was stopped coming into the market when the rules were there, because none wanted to get 14 ct. ornaments for 22 ct. ornaments. With this relaxation announced people have started coming with their old ornaments for re-making.

Shri Rajendra Pratap Sinha: That is true. With the relaxation of rules they can remake their old ornaments. But, what about the new ornaments they make for the marriage of their daughters in the marriage season? That demand is being met by the goldsmiths because they are able to make ornaments with the smuggled gold. As our friend from Agra said, by keeping the permit for 5,000 tolas or so in the front, they go on melting the smuggled gold. What is your experience in regard to new ornaments being made by the goldsmiths?

Shri Mali Ram Hira: The Government should give us the privilege of re-making the ornaments because we are keeping the regular records which can be checked by the excise and customs authorities.

Shri Ram Baboo: This question has been answered by me.

Chairman: They have stated their view.

Shri Rajendra Pratap Sinha: The gentleman from Al Delhi Saraf Association says that if this relaxation is extended to their shops they will not use the smuggled gold because they will have records and things like that. If this relaxation is extended to the shops, my fears are that the chances of consumption of smuggled gold for making new ornaments will vastly increase.

Shri Ram Baboo: Your presumption is inherent in control of the gold.

Chairman: That is a matter for the Committee to deliberate upon.

Shri Rajendra Pratap Sinha: If relaxation is given, the consumption of smuggled gold will increase.

Chairman: Do you expect him to say yes?

Shri Mali Ram Hira: The Excise Department can check our records, they can count our weight etc.

Shri Rajendra Pratap Sinha: You said that because of this gold control order, the investment of black money is shifted from gold to other commodities, which has incidentally helped the spurt in the price. To that extent, therefore, the demand for smuggled gold must have gone down. It is the intention of the Act to stop smuggling of gold. Don't you think that this has now been achieved by this Act?

Shri Mali Ram Hira: Yes.

Chairman: So it is a welcome measure to that extent.

Shri Rajendra Pratap Sinha: Therefore, the bulk of the demand is not for investment of black money in that. Now that they are investing their money in other commodities, the consumption of gold will be less to that much extent. Now it is also your intention to stop the gold-smuggling as much as possible. Your methods have been different. As you said, you have got different suggestions to make as to how to stop gold smuggling. Now, if we put restrictions on the use of gold by the trade or by the people who make gold ornaments and all that, you say we will make it difficult for you to make use of the smuggled gold. Will it not also help the stoppage of gold smuggling?

Shri Mali Ram Hira: I have just suggested that the Government should import gold and issue it to the con-

sumers for marriage purposes and have restrictions not to make use of the smuggled gold. We have no objection to this. But, there should be no bar on quality of gold but there may be a bar on quantity of gold.

Shri Rajendra Pratap Sinha: One more question I would like to ask. That is regarding 14 carat gold. You have stated very clearly that the demand for the 14 carat gold has gone down after this relaxation. Now you have been impressing all the time that the quality of the ornaments made from 14 carat gold is not acceptable to the people as it is not good. It is a matter for scientific examination as to how far your statement is true or not. But, to my knowledge, 14 carat gold is extensively used in foreign countries—even in tropical countries. When it is used in the foreign countries, why is it that this country does not want this?

Shri Mali Ram Hira: I do not know whether it is accepted here or not. But, in France, 18 carat ornaments are used; in U.K. 14 carat ornaments are in use. In Russia, there is no bar in the quality of ornaments. We had a chance to meet a lady in Russia and asked a question as to whether there was any bar on the quality of the ornament. She said 'no'. I think there is no bar in the use of such gold ornaments. She also said that the gold used here is obtained through Government and not obtained elsewhere. This is what we have been told.

Shri Rajendra Pratap Sinha: We have got to make 14 carat gold ornaments attractive to the people and make them acceptable to the people. If we permit the use of 22 carat gold ornaments, they may be acceptable to them. The only way to make use of 14 carat gold ornaments is to educate the people and to prohibit the use of 22 carat gold altogether.

Shri Mali Ram Hira: To my knowledge, the Government's intention is

that the people should not hoard gold and for that purpose, they can put in a check on that in purchase as well as in the storage of gold. Why should it put a restriction that only 14 carat gold ornaments alone should be manufactured and not 22 carat gold ornaments?

श्री बालगोविन्द वर्मा : आज सराफ लोग 14 कैरट गोल्ड के खिलाफ हैं। ऐसे लोगों की संख्या और प्रतिशत क्या थी, जो कि गोल्ड कंट्रोल आर्डर से पहले वास्तव में शुद्ध सोने के जेवरात बेचा करते थे?

श्री रामावतार : सभी बेचते थे।

Shri Balgovind Varma: What is the percentage of the jewellers in Delhi who are really permitted to sell the jewellery of 22 carat gold ornaments to the public?

Shri Mali Ram Hira: There are 500 jewellers in Delhi who are dealing with these ornaments.

Shri Balgovind Varma: May I know from them as to what was the ratio of *tanka* that is mixed with gold in preparation of the jewellery this year?

श्री माली राम हीरा : दिल्ली के सराफे में हर दुकान पर इस बात का इश्तहार लगा हुआ है कि प्योर गोल्ड आनमिंट्स में दो रत्ती का टांका लगता है, दूसरे आनमिंट्स में चार रत्ती का टांका लगता है और कम्प्लेक्स टाइप के आनमिंट्स एक माशे का टांका लगता है। इसका मतलब यह है कि कस्टमर को १५० रुपये के ऊपर ज्यादा से ज्यादा १२ रुपये और कम से कम ढाई रुपये का नुक्सान होता था।

Shri Balgovind Varma: May I know whether it was not a fact that some of the jewellers of the Delhi compelled the goldsmiths to prepare ornaments of only 9 mashas worth out of one tola?

श्री माली राम हीरा : सराफ लोग इस तरह की बददियानती करने के लिये तैयार नहीं हैं। हम उन को मजबूर

करते थे कि टांका काट कर जेवर वापस करो।

Shri Balgovind Varma: Then, does it not lead to the conclusion that they are criticising the 14 carat ornaments only because their margin of profit has fallen? There is no scope for that at all.

Chairman: There should be no discussion on this.

Dr. L. M. Singhvi: I do not have any questions to put. But, I have sent one of the witnesses to the hon. lady Member of this Committee to find out the real position as the controversy between a 14 carat gold ornament and above that is academic to us. We do not know about this except by demonstration. This is a thing on which we would like to know as to what the defect is with regard to 14 carat ornaments.

Shri Mali Ram Hira: Off-hand nobody on earth can tell. My submission is this. There are leaders in foreign countries. Even in this country there are some leaders. We just find out by a testing stone. To my knowledge in the shop, I shall clearly say whether it is a 14 carat or 22 carat gold ornament.

Shri Era Sezhiyan: 14 carat gold ornaments also look pretty.

Shri Mali Ram Hira: (At this stage a 22 carat gold ornament which appears to be a 14 carat gold ornament was placed before the Committee for the perusal of the members). The ornament which I am holding, though looked like a 14 carat gold ornament, is certainly a 22 carat gold ornament. I can certainly say that.

Dr. L. M. Singhvi: You would recall that when you presided over on an earlier occasion on the Customs Bill Committee meeting, we had the benefit of seeing various precious metals and semi-precious metals. I think that is an opportunity which should be extended to the Members of this Committee also to find out as

to how far the reasons given for the 14 carat gold ornaments not being acceptable are really justified?

Chairman: Anyway, I am a layman. Unless actually it is tested, it is very difficult to say. It all depends upon the strength of the gold content.

Shri B. K. Gaikwad: It is now more than a year and the demonstration has been going on.

Shri Mali Ram Hira: It becomes tarnished.

Chairman: You said it becomes black.

Shri Mali Ram Hira: It becomes tarnished, Sir.

Shri C. D. Pande: The *sarrafs* are not the only people. The public also knows. If there is a general conviction among the public that 14 ct. is good, then what should be the conclusion? The *sarrafs* are not the only persons.

Chairman: Anyhow, it is a matter of opinion.

Shri I. K. Gujral: In one of the replies the witness said that the prices of stones have gone up by fifty per cent. Is it his impression that this has also resulted in increase in the smuggling of jewels?

Shri Mali Ram Hira: It could have happened.

Shri I. K. Gujral: Therefore, after some time we might need a jewel control?

Shri Mali Ram Hira: Yes, of course.

Shri Ram Baboo: A jewel control order is more necessary.

Shri V. T. Dehejia: May I ask a few questions? It was said that it is very difficult to draw wires of 14 ct. gold. If wire of 14 ct. gold is supplied, will that be of any advantage?

Shri Mali Ram Hira: That will be of advantage. If the public will accept it, it will be useful to make ornaments.

Shri V. T. Dehejia: You say it is difficult to draw wires with 14 ct. gold. If that can be supplied from the Government factory . . .

Shri Mali Ram Hira: According to the standard?

Shri V. T. Dehejia: 14 ct.

Shri Mali Ram Hira: My submission is that 14 ct. gold, if it is according to the exact formula, is not malleable. It is malleable only if it is mixed with silver.

Shri Ram Baboo: It will bring relief if Government supplies 14 ct. wires and plates—rolled plates and wires—because these two things are essential for the making of ornaments.

Shri V. T. Dehejia: It was stated that gold and gold ornaments are freely available in Russia. Is it by actually seeing things in Russia that the statement is made?

Shri Mali Ram Hira: I met a lady from Russia at the time of the Orientalists' Conference. She visited my shop and I put a question to her whether in Russia gold jewellery could be kept by the general public, and she said "yes".

Shri V. T. Dehejia: According to our authoritative books there is no free trading in gold, there is no free ownership and no export or import of gold.

Shri Mali Ram Hira: Export is not free.

Shri M. R. Masani: He said there is no quality control.

Shri V. T. Dehejia: If there is any authoritative book with you, you may give it.

Shri Mali Ram Hira: We have none, Sir. But I can say that the Government of Russia exported gold to England last year. We have got those statistics.

Shri V. T. Dehejia: That is by the Government agency.

Shri Mali Ram Hira: That is a surplus country.

Shri V. T. Dehejia: A point was made that when we export goods to Russia we should ask them to pay us in gold. How should we pay them for the Bhilai steel plant, may I know?

Shri Mali Ram Hira: If this question is put to me how can I answer? It should be put to some economists.

Shri V. T. Dehejia: I am putting it to you. If you do not wish to reply to it, I shall pass on to my next question.

It was mentioned that by importing gold worth 40 to 100 crores . . .

Shri Mali Ram Hira: Only 40 crores.

Shri V. T. Dehejia: . . . smuggling of gold will stop.

Shri Mali Ram Hira: It will go down.

Shri V. T. Dehejia: If smuggling of gold stops, will the smuggling of other articles also stop?

Shri Ram Baboo: That is a different problem.

Shri V. T. Dehejia: That means that the exchange spent in smuggling will not be available for import of gold.

Shri Mali Ram Hira: Yes, Sir.*

Shri V. T. Dehejia: Your point is that smuggling of gold will stop and

so foreign exchange will be available for importing gold. If you say 'we do not know whether the other smuggling will stop' it cannot be said that foreign exchange will be available.

Shri Mali Ram Hira: If we export things foreign exchange will be available.

Shri V. T. Dehejia: A little while ago you said that gold should be imported and supplied to people at the time of marriage. The marriage is in India, the bride and the bridegroom are in India and there is no export. You said that gold should be supplied for making ornaments at the time of marriages.

Shri Mali Ram Hira: Because statistics have shown that in marriage seasons the rate of gold has risen.

Shri V. T. Dehejia: That does not mean that gold is exported.

Shri Mali Ram Hira: Gold of the old ornaments is purchased by the people.

Shri V. T. Dehejia: It is not possible to earn this foreign exchange by the export of gold.

Shri Ram Baboo: If the smuggling of other commodities continues, say, transistors, jewellery, diamonds, watches . . .

Shri Dahyabhai V. Patel: Whisky.

Shri Ram Baboo: And whisky, then no foreign exchange, not even a single pie will be available to Government.

Shri V. T. Dehejia: It was stated that in Indore because the turnover of 16 lakhs went down Government lost in Income-tax and Sales-tax, and the 16 lakhs remained with the people . . .

Shri Ramautar: Not with the public. It goes to the black-market.

Shri V. T. Dehejia: Money which is legally possessed cannot go to the black-market. Only black-market money can change hands in the black market, not white money.

It was stated by one of the witnesses that when Rs. 108 worth of gold is sold and repurchased, the price given will be Rs. 107.50P. When gold is sold what is the sales tax paid on the gold?

Shri Ram Baboo: A quarter per cent, 25P.

Shri Mali Ram Hira: It is not enough that on gold it is 25 or 50P.

For ornaments it is 2 per cent and 5 per cent also.

Shri V. T. Dehejia: It is acceptable to me that the least sales tax is 50P. When he has sold gold worth Rs. 108, he has paid 50P. as sales tax. When gold is purchased back how much is paid?

Shri Mali Ram Hira: That is not included.

Shri V. T. Dehejia: So the statement that gold will be purchased at Rs. 107.50P. is not correct.

Shri Madanlal: The gold is purchased at Rs. 108/- plus sales tax.

Shri V. T. Dehejia: One of the witnesses had stated that there was gold worth Rs. 400 crores in the country. Was it his contention that all this was in the form of bullion?

Shri Mali Ram Hira: In the form of gold and gold ornaments.

Shri V. T. Dehejia: How much is in the form of gold ornaments?

Shri Mali Ram Hira: Even after a year and a half, Government have not

been able to find out how much is in the form of gold ornaments and how much is otherwise?

Shri V. T. Dehejia: So, this figure of Rs. 400 crores has no value. The Reserve Bank statement says that there was gold worth Rs. 3000 crores at internal prices in 1958. At international prices, the amount would be much less.

(The witnesses then withdrew)

V. Shree Gujarat Suvarnakar Sangh, Ahmedabad.

Spokesmen:

1. Shri Manilal Rugnath Ranpura
2. Shri Damodardas Kanjibhai Soni
3. Shri Ghanshyamdas Chhaganlal Soni
4. Shri M. M. Doshi.

VI. The Ahmedabad District Suvarnakar Sangh, Ahmedabad

Spokesmen:

1. Shri Bansi Lal D. Soni
2. Shri Bhura Lal J. Patadia
3. Shri Ishwar Lal D. Soni
4. Shri Hira Lal T. Minawala
5. Shri Hargobind Das Soni.

VII. Swarankar Sangh, Rajasthan, Bikaner

Spokesmen:

1. Shri Jasraj Soni
2. Shri Bhenwar Lal.

VIII. Uttar Pradesh Swarnakar Sangh, Lucknow.

Spokesmen:

1. Shri Ram Chander Sahay
2. Shri O. P. Rustogi
3. Shri Ram Kishore Rustogi
4. Shri Rup Kishore Varma.

IX. Madhya Pradesh Swarnakar Sangh, Indore.

Spokesman:

Shri Basant Kumar Janwra.

(Witnesses were called in and they took their seats)

Chairman: We have received your memoranda and they have been distributed to all the Members here. If you would like to stress any particular point, you may do so now. Since all of you are *swarnakars*, your problems are all common, and you may choose one among yourselves to lead the evidence. You need not repeat the points raised in your memorandum. If you want to add any new points, you may do so.

Shri B. K. Gaikwad: Do these witnesses represent the whole of India or only certain States?

Chairman: They represent the different associations.

Shri Rajendra Pratap Sinha: I would like to know whether the witnesses represent self-employed goldsmiths or the dealers?

Chairman: They are certified goldsmiths.

Shri M. R. Ranpura: We are self-employed goldsmiths.

माननीय अध्यक्ष महोदय, और कमेटी के
मेम्बर,

गुजरात स्वर्णकार संघ ने आपके सामने एक मैमोरेण्डम पेश किया है। मैमोरेण्डम में जो बताया गया है उसके अलावा थोड़ा बहुत और कहने की हम इजाजत चाहते हैं।]

यह कानून जो पहले डिफेंस आफ इंडिया रूलस के नीचे लाया गया था इसका मंशा था कि स्मगलिंग रुके, छिपा हुआ सोना बाहर आवे और सोने का भाव कम हो। इन तीनों बातों में हमें सफलता नहीं मिली यह जाहिर है। इसलिए इस पर मैं ज्यादा नहीं कहना चाहता। लेकिन मेरे खयाल से जो अब ज्यादा स्मगलिंग चल रहा है उसको यह बिल जो पेश हुआ है नहीं रोक सकेगा। पहले जब बाजार में सोना बेचा जाता था तो वह सोना हिन्दुस्तान में रिफाइन किया हुआ बेचा जाता था। मुझे पता नहीं कि अब कौन सा सोना बेचा जाता है लेकिन अखबार में रोज जो भाव आते हैं, हमारे गुजरात में अहमदाबाद से एक अखबार "सदेश" निकलता है उसमें और दूसरे समाचारपत्रों में भी सोने के अनऑफिशिएल रेट्स आते हैं, उनमें सोने के भाव छापे जाते हैं और उनको देखने से साफ जाहिर होता है सोने के भाव डाउन नहीं हुए हैं। दरअसल हुआ यह है कि इस गोल्ड कंट्रोल से पहले जो सोने का भाव था उसमें इस बिल के पेश होने के बाद से २५-३० फीसदी वृद्धि ही हुई है। गवर्नमेंट ने जो बिल पेश किया है उसमें यह लिखा हुआ है :—

"A 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."

जिन स्वर्णकारों के विहाक पर हम यहाँ इस ज्वाएंट कमेटी के सामने खड़े हुए हैं हम शुरू में ही यह बतला देना चाहते हैं करीब 20 लाख सुनारों की तकदीर का फंसला आप के हाथों में मौजूद है। दरअसल हकीकत तो यह है कि गोल्ड कंट्रोल बिल सुनारों और उनके आश्रितों के लिए एक अभिशाप सिद्ध हो रहे हैं।

बिल में कहा गया है कि सोने का जो कारोबार करते हैं, सोने का जेवर आदि बनाते हैं उन सब को ठीक तरह से चलाने के लिए यह बिल पेश किया गया है। इस सम्बन्ध में मेरा कहना है कि जब यह गोल्ड कंट्रोल नहीं था तो भी यह सोने और उसके जेवर बनाने आदि का कारोबार ठीक ढंग से चला करता था। इसके पहले भी हम सोने के जेवरात बनाया करते थे। आहक हमारे पास आते थे। उनका सोना भी हमारे पास आता था। बाजार से सोना लेकर भी वह हमसे अपने जवरात बनवाते थे। हम ठीक से अपनी एकाउंट्स बुक्स रखते थे और सेल्स टैक्स और इनकमटैक्स सब कुछ भरते थे। उसमें कोई ऐसी गड़बड़ नहीं थी जिसको कि रफ़ा करने के लिए इस तरह का बिल पार्लियामेंट के सामने रखा जाता।

जनता का सोने और सोने के आभूषणों के प्रति मोह कोई नई बात नहीं है। काफ़ी पुराने ज़माने से इस देश की जनता सोने के आभूषण धारण करती आई है। यह कोई बात नहीं है कि सोने के जेवर यहाँ की स्त्रियाँ अधिक पहनती हैं या पुरुष अधिक पहनते हैं। लेकिन सोना पहनने की आदत बहुत पुरानी है। स्वयं हमारे भूतपूर्व वित्त मंत्री श्री मुरारजी देसाई ने 15 सितम्बर को जब वह न्यूयार्क जाने वाले थे, फ्रांस में एक लैक्चर देते हुए बतलाया था कि सोने के प्रति भारतवासियों का जो मोह और लगाव है वह बिलकुल अकारण ही नहीं है। वह खाली एक दिखावे

की चीज़ नहीं है बल्कि इस देश की आम जनता, गांव वाले और शहर वाले जोकि गरीब लोग होते हैं, मध्यवर्गीय आदमी वक्त ख़रूत के लिए, एजुकेशन के लिए अथवा आकस्मिक संकट व बीमारी के लिए सोने के गहने अपने पास रखते हैं और वक्त पड़ने पर उनको बेच कर या बाजार में गिरवी रख कर पैसा ले सकते हैं। अपना सोना बाजार में किसी सराफ़ि के वहाँ रख कर सूद पर उससे उसके एंवष में पैसा प्राप्त कर लिया करते थे। लेकिन गोल्ड कंट्रोल और इस बिल के आने के बाद से स्थिति बदल गई है। बाजार में सोना बिकने को तो आता है, पुराने गहने आते तो हैं लेकिन उनको लेने वाले कम हो गये हैं। वह डरते हैं कि कैसे लें और उनका करें क्या? इस बिल में यह लिखा हुआ है कि जो पुराने जेवर खरीदना वह सात दिन के भीतर उससे 14 कैरेट के जेवर ही बनवा सकता है। अब चौदह कैरेट के जेवर में जो उनको बनाने की बात है वह वैसे तो ठीक है लेकिन अगर कोई उनको किसी के पास गिरवी रख कर या बेच कर पैसा प्राप्त करना चाहे तो 100 रुपये में से 50 रुपये भी उसे नहीं मिल पाते हैं। हमारे मध्यवर्गीय लोगों की दिककतें इस आर्डर से काफ़ी बढ़ गयी हैं। न वह सोना बेच सकते हैं और न उन्हें उस सोने के जेवर के ऊपर रुपया ही कर्ज मिलता है।

मैं स्वयं एक स्वर्णकार हूँ और अपने हाथ से सोने के गहने आदि बनाता हूँ। मैंने 9 कैरेट में भी गहने बनाये हैं, 12 कैरेट में भी बनाये हैं और पहले 24 कैरेट में भी मैंने गहने बनाये हुए हैं। अब 12 या 14 कैरेट जो गहने हैं वह पहनने के थोड़े ही दिन बाद लाख हो जाते हैं। 12 या 14 कैरेट के गहने सेंटिंग वाले बन सकते हैं। अब 50 रुपये की एक अंगूठी देने के बाद जिसमें कि नगीना लगा हुआ है उस अंगूठी का उसे 15 रुपये से ज्यादा नहीं मिलने वाला है।

गोल्ड कंट्रोल में नवां अमेंडमेंट हो जाने के बाद भी पोजीशन बदली नहीं है। गवर्नमेंट

को आउट-बर्कर्स और सैल्फ एम्प्लॉयेड गोल्डस्मिथ्स के बीच का डिवीजन हटा देना चाहिए। गवर्नमेंट ने अब तक यह जरूर समझ लिया होगा कि इस तरह का डिवीजन करना निहयत ही अनुचित था।

उसके पहले हम लोगों ने अपनी रोजी के खातिर एक एजिटेशन चलाया था जिसका कि नतीजा यह निकला कि हमारे सामने रोटी का एक छोटा सा टुकड़ा डाल दिया गया। वह टुकड़ा क्या था? पुराने सोने में से स्वर्ण-कार लोग नये गहने वही बचन के बना सकेंगे। इस छूट मिलने के समय हम ने बतलाया था कि केवल दस प्रतिशत: कामगारों को काम मिलेगा क्योंकि जो हमारे ग्राहक लोग हैं वह तो उन्हीं लोगों के पास जिनके कि ऊपर उन्हें विश्वास होता है, उन सुनारों के पास जाते हैं। बाजार में जिनकी दुकानें होती हैं और साब होती हैं, जिन की आबरू कुछ अच्छी होती है उन्हीं के पास ग्राहक पुराने जेवरों को नये जेवरों में बनवाने के लिए जायेंगे। लेकिन उन दस प्रतिशत: के अलावा और भी छोटे छोटे कारीगर हैं, स्वर्णकार हैं, करीब 90 फ्रीसदी कारीगर ऐसे हैं जोकि दूसरों के यहाँ काम करते हैं, नौकरी करते हैं, ऐसे लोगों को यह काम मिलने वाला नहीं है। मेरा कहना है कि हमारे बीच में इस तरह की दीवारें खड़ी की गई जिसकी कि वजह से बिना वजह सर्टिफाइड गोल्डस्मिथ्स और आउट-बर्कर्स में एक इल-फीलिंग पैदा हो गयी है। इस तरह से सरकार ने डिवाइड एंड रूल की पालिसी अमल में लाई है। आखिर यह पुराने में से नया बनाने की बात कब तक चलेगी? यह पुराने में से जो नया बनाने की बात है यह बिलकुल गलत है। एक बार हमारे पास कोई ग्राहक पुराने में से नया आभूषण बनाने के लिए आयेगा लेकिन वह दूसरी दफा नहीं आयेगा क्योंकि फेशन कोई इतनी जल्दी तो बदलता नहीं है। इसलिए यह पुराने से नये जेवर बनाने की बात एकमात्र टाइम से आगे चलने वाली नहीं है और उसके बाद यह ख़त्म हो जायगी। मेरा तो सुझाव

है कि हर एक गोल्डस्मिथ को बिना किसी बंदिश के आजादी के साथ गहने बनाने दिया जाय जैसा कि वह इन रुल्स के पहले बनाया करता था।

स्वर्णकारों का धंधा करने के लिए सरकार की जो एक सर्टिफिकेट प्रदान करने की योजना है वह अनावश्यक है। यह आशा करना कि एक सुनार का लड़का अपने बाप के सुनारी के धंधे के अलावा दूसरा काम करेगा, ठीक नहीं होगा। वह अपने बाप के धंधे में ही लगेगा और वह अन्य कामकाज में नहीं लगेगा।

उधर हमने देखा है कि गुजरात में हमारे लोगों को रिहेब्लिट कराने की स्कीम की गई है। अब सुनारी के अलावा और कोई नया धंधा तो हमारे लोगों के दिमाग में आता नहीं है क्योंकि हम लोग अपढ़ हैं, हम कारीगर लोग हैं। हम कोई ज्यादा हिसाब किताब भी नहीं लगा सकते हैं। इसलिए सरकार का यह कहना कि हमारे बच्चे इस स्वर्णकारी के धंधे को न करें और उसका हमें सर्टिफिकेट नहीं देंगे, हमारे साथ सरासर नाइंसाफी करनी है और स्वतंत्र भारत में जहाँ कि प्रजातंत्र चल रहा हो, शोभा नहीं देती है। यह बात वहाँ पर चल नहीं सकती है। हमारे बच्चे जो जन्म से इस धंधे को अपने सामने होता देखते आये हैं और उसको करने के आदी हैं उनको उसे करने की इजाजत मिलनी ही चाहिए। लेकिन इस बिल में एसी बात नहीं है। मोची का लड़का मोची का काम करता है, दर्जी का लड़का दर्जीगिरी का काम करता है तो यह कशों का न्याय है कि एक सुनार का लड़का बगैर सर्टिफिकेट मिले सुनारी का धंधा नहीं कर सकेगा। उन बेचारे सुनारों के साथ आखिर यह जबरदस्ती क्यों की जा रही है? आज स्वर्णकारों में भयंकर रूप में बेकारी फैली हुई है। हिंदुस्तान में हमारे यहाँ 20 लाख स्वर्णकार हैं और अगर हर एक का परिवार 5 का मान लिया जाय तो यह बिल करीब 1 करोड़ ब्यक्तियों को स्पर्श करता है। इन

20 लाख लोगों में स्वर्णकार तो हैं ही लेकिन और भी लोग हैं जैसे कि मिट्टी की प्याली बनाने वाले, इंस्ट्रूमेंट्स बनाने वाले वे सब लोग आज गोल्ड कंट्रोल के कारण बकार हो गये हैं। इसलिए मैं इस ज्वाइंट कमेटी के सामने यह विनती करता हूँ कि यह जो बिल सामने पेश है और जो इसमें अमेंडमेंट हुआ है उससे हमें कुछ भी फ़ायदा नहीं मिला है और न ही इस तरह से मिलने वाला है।

यह कह कर कि देश में इमर्जेंसी है डिफ़ेंस ग्राफ़ इंडिया रूल्ज़ के अन्तर्गत ये नियम लागू किये गये थे। इमर्जेंसी के वक्त सोना तो क्या, सुनार लोग अपनी जान देने के लिए भी तैयार हैं। लेकिन इस वक्त तो इमर्जेंसी नहीं है, देश में लड़ाई नहीं है। तो फिर ऐसा बिल क्यों लाया जा रहा है? डिफ़ेंस ग्राफ़ इंडिया रूल्ज़ के मातहत इन को छः छः महीने के लिए बढ़ा दिया जाता है। मैं पूछना चाहता हूँ कि जब तक देश में कांस्टीट्यूशन और पार्लियामेंट मौजूद हैं, तब तक ऐसा बिल स्टैटूट बुक पर क्यों लाया जाता है। यह बिल संविधान के विरुद्ध जाता है। संविधान में जो मौलिक अधिकार दिये गये हैं, यह बिल उन के विरुद्ध जाता है। इसलिए मैं विनती करना चाहता हूँ कि इस बिल को वापस लिया जाये।

जहाँ तक हम लोगों की रीहँबिलिटेशन का सम्बन्ध है, हम लोगों को पांच सौ, पंद्रह सौ या दो हजार रुपया लोन दिया जाता है। वह रुपया लेने के बाद जब हम कोई धन्धा करते हैं, तो हम को नुकसान होता है, क्योंकि हम को मालूम नहीं है कि गेहूँ और कपड़े आदि का कारोबार कैसे करें। एक साल के बाद हमारे पास नोटिस आ गया कि वह रुपया वापस करो, सूद अदा करो। सूद भी तीन टका से चार टका कर दिया गया है। मेरा खयाल है कि इस के बाद यह नोटिस आयेगा कि हम लोगों के घरों का करनीचर और कपड़े आदि बेच कर वह रुपया वसूल किया जाये।

रीहँबिलिटेशन स्कीम में हम को कोई कन्सेशन नहीं दिया गया है और उससे हम को कोई फ़ायदा नहीं हुआ है। इस समय अनाज का धन्धा भी नहीं है और कपड़े का लाइसेन्स भी आने वाला है। हम ने देखा है कि राजकोट में बहुत से लोग मज़दूरी कर रहे हैं, लेकिन फिर भी उन को पूरी रोज़ी-रोटी नहीं मिल रही है।

एडूकेशन के बारे में कहा गया है कि सुनारों को बैकवर्ड क्लासिज़ के सब लाभ दिये जायेंगे, लेकिन गुजरात सरकार ने अभी तक एडूकेशन के बारे में कोई आर्डर नहीं निकाला है।

कहा जाता है कि सुनार लोग स्मर्गलिंग करते हैं। मैं कहना चाहता हूँ कि आज तक एक्साइज़ डिपार्टमेंट या कस्टमज़ डिपार्टमेंट ऐसा एक भी केस नहीं पकड़ सका है, जिस में सुनारों ने स्मर्गलिंग किया हो। जो लोग इस प्रकार बाहर से सोना लाते हैं, वे बड़े श्रीमन्त लोग हैं, जिन के फ़ारेन कन्ट्रीज़ में कनेक्शन्ज़ होते हैं। बड़े बड़े व्यापारी लोग या दो, चार, पांच हजार रुपया पगार पाने वाले लोग वह सोना खरीदते हैं। गरीब सुनार उनसे सोना कैसे खरीद सकते हैं? इसलिए स्मर्गलिंग के बारे में सुनारों का नाम लेना ग़लत है।

एक्साइज़ डिपार्टमेंट के अधिकारियों को यह पावर दी गई है कि वे दुकानों पर जा कर जांच करें, कि किस सुनार के पास कितना सोना है। लेकिन एक्साइज़ अधिकारियों ने जिस तरीके से यह जांच की है, उसकी कल्पना आप नहीं कर सकते हैं। वे लोग हमारे घरों में जाते हैं और हमारी औरतों के गहने उतरवा कर तुलवाते हैं। जिन बर्तनों में रोटी और अचार आदि रखे होते हैं, वे लोग उन को भी देखते हैं कि उन में सोना तो नहीं है। वे बीमारों के बैडिंग में भी सोने की तलाश करते हैं। मैं आप को एक शर्मनाक बात बताना चाहता हूँ कि एक भाई के यहां डिलिब्री हुई,

लेकिन उसके यहां भी चैकिंग की गई कि वहां पर सोना तो नहीं है ।

[SHRI S. C. SAMANTA in the Chair]

इन बातों का परिणाम यह है कि सुनार लोग शान्ति से अपना जीवन व्यतीत नहीं कर सकते हैं ।

मैंने सुना है कि सुनार लोगों को चोर कहा जाता है । पार्लियामेंट में यह कहा गया था कि 22 कैरट के सोने के जेवरों को गला कर पाया गया कि वास्तव में वे 14-15 कैरट के हैं । काठियावाड़ में और सारे हिन्दुस्तान में अगर सुनार को एक तोला सोना दिया जाता है, तो वह आधा माशा काट कर वापस कर देता है । लोग हजारों रुपयों का सोना हमारे पास छोड़ जाते हैं । हम लोग चोर नहीं हैं । हो सकता है कि कहीं दो चार ऐसे व्यक्ति हों, लेकिन सब सुनारों पर यह आरोप लगाना बिल्कुल गलत है कि वे 22 कैरट के बदले में 14, 15 कैरट देते हैं ।

आज जो डेमोक्रेटिक सोशलज्म का नारा लगाया जाता है, लेकिन बीस लाख आदमियों की रोजी-रोटी छीनी जा रही है । उन के रीहैबिलिटेशन के लिए कोई स्कीम नहीं है । सरकार की नीति साफ़ है कि स्वर्णकारी बन्द कर दी जाये और स्वर्णकार वर्ग का एकदम विध्वंस कर दिया जाये ।

[SHRI S. V. KRISHNAMOORTHY BAO in the Chair]

हमारे देश में स्वर्णकारी आदि-काल से चली आ रही है । शालग्राम की मूर्ति पत्थर की होती है, लेकिन उस की जड़ सोने की होती है । फ़ारेन कंट्रीज़ की स्थिति दूसरी होगी, लेकिन वहां पर ऐसे गरीब सुनार नहीं होंगे । वहां की संस्कृति दूसरी है । भारतीय संस्कृति में मंगल-सूत्र सौभाग्य की निशानी है, जो कि अच्छे सोने से बनाई जाती है । लेकिन अब कहा जाता है कि मंगल-सूत्र को १४ कैरट सोने से बनाया जाये ।

जहां तक इस बिल का सम्बन्ध है, इसकी भावना का किनांश या इकानोमिक इन्स्ट्रुमेंट से कोई सम्बन्ध नहीं है । उसके लिए सरकार सब कुछ कर सकती है । मैंने सुना है कि माननीय वित्त मंत्री ने बताया कि हम बाहर से सोन नहीं लायेंगे । पचास करोड़ के फ़ारेन एक्सचेंज के लिए जो इनकम टैक्स और सेल्व टैक्स हम सरकार को देते थे, वह बन्द हो गया है । अगर स्मर्गलिंग को बन्द करना है, तो बांडर पर उचित कदम उठाये जाने चाहिए और कस्टमज़ डिपार्टमेंट को मजबूत किया जाना चाहिए । जो लोग स्मर्गलिंग करते हैं, उन को पकड़ कर चांदनी चौक में गोली मार दी जाये । लेकिन जो गरीब सुनार खुद जेवर बनाते हैं, उन का विध्वंस करने के लिए ऐसा बिल क्यों बनाया जाता है ? हमारी विनती है कि इस बिल को वापस ले लिया जाये ।

आपकी तरफ से दलील यह दी जाती है कि उनको राहत दी जायेगी उनके लिए इंतज़ाम किये जायेंगे । लेकिन आप देखें कि क्या आगे चल कर हमारी हालत होगी । पुराने जेवरात एक ही बार बनने के लिए आयेंगे दूसरी बार नहीं आयेंगे । इस तरह से दो साल में या चार साल में या पांच साल में हमारा जो धंधा है वह समाप्त हो जायेगा । आप कहते हैं कि दो लाख आदमियों को आप ने सर्टिफिकेट दिये हैं । आप देखें कि आगे चल कर दो लाख से ऊपर एक भी नहीं होगा । एक साल में दो लाख से घट कर इनकी संख्या 1 लाख 90 हजार रह जायेगी, दो साल में डेढ़ लाख हो जायेगी, फिर एक लाख हो जायेगी और धीरे धीरे पांच दस साल में ये बिल्कुल खत्म हो जायेंगे, सभी स्वर्णकार खत्म हो जायेंगे ।

आप कहते हैं कि आप हमें राहत प्रदान करेंगे । लेकिन आप ग्रांट तो कोई देते नहीं हैं, लोन ही देंगे । यह लोन वापिस भी किस तरह से होगा इसको आप देखें । महंगाई बढ़ती जा रही है । नये जेवरात बनने के लिये

आयेंगे नहीं। काठियावाड़ में 34 रुपये गेहूँ का भाव है और 50 रुपये चावल का भाव है। जो लोग आप से लोन ले कर घंघा करेंगे वे 50 रुपये भी महीने में नहीं कमा पायेंगे। मकानों के किराये भी बहुत बढ़े हुए हैं। अगर कोई छः महीने तक किराया नहीं देता है तो उसको निकाल बाहर किया जाता है। राजकोट में एक आदमी ने छः महीने का किराया नहीं दिया क्योंकि उसके पास देने के लिए पैसे नहीं थे और उस पर नोटिस सर्व कर दिया गया है और एक रात उसको निकाल बाहर कर दिया गया। आप भी कहेंगे कि एक साल में जो लोन दिया गया है, उसको वापिस कर दिया जाये। लेकिन ऐसा होना मुश्किल है। हमारे घर बिक जायेंगे, हमारी जमीनें बिक जायेंगी।

शास्त्रों की बात कहना ठीक नहीं है। परशुराम ने सोचा था कि क्षत्रियों को वह पृथ्वी से समाप्त कर देगा लेकिन उसका वह स्वप्न पूरा नहीं हुआ। अगर पार्लियामेंट यह सोचती है कि हम स्वर्णकारों को वह खत्म कर देगी तो उसकी यह इच्छा भी पूरी होने वाली नहीं है। मेरी प्रार्थना है कि इस बिल को वापिस ले लिया जाये। इसको पास करने में किसी का कोई हित नहीं है। स्वतंत्र भारत में यह चीज नहीं हो सकती है। इस बिल से एक करोड़ आदमियों के सामने मौत आ कर खड़ी हो जायेगी। इस वास्ते इसको लाना रोक देना चाहिये।

श्री बंसो लाल सोनी : अध्यक्ष महोदय, गोल्ड कंट्रोल रूल्स एमरजेंसी जब देश में थी, तब लागू किये गये थे। अब जो कानूनी रूप इसको देने की बात चल रही है, यह नहीं चलनी चाहिये और मेरी प्रार्थना है कि इस बिल को लोकमत जानने के लिए प्रचारित कर दिया जाए। इस बिल पर लोकमत लिया जाए यही मैं कहना चाहता हूँ।

श्री रामचन्द्र सहाय : 9 जनवरी को एकदम यकायक गोल्ड कंट्रोल रूल्स की

घोषणा की गई थी। इससे पहले किसी को भी कुछ पता नहीं था। इस घोषणा के फलस्वरूप आम जनता में बड़ी बेचैनी फैली। स्वर्णकारों पर एकदम पाबन्दी लगा दी गई कि उनके पास जिस हालत में भी सोना है उसको वे उसी हालत में रखें, उसको बिल्कुल भी टूच न करें। एकदम दूकानों पर पुलिस का पहरा लगा दिया गया था और किसी को कुछ पता नहीं था कि क्या होने वाला है। इससे देश में एक तहलका सा मच गया। इसके बाद सरकार की तरफ से कुछ सहूलियतें देने की घोषणा की गई लेकिन वे सिर्फ सर्राफ लोगों को ही दी गई, सुनारों को वे भी नहीं दी गई। उनको एक महीने की मोहलत दी गई कि जो उनके पास स्टॉक है, उसको वे बेच सकते हैं स्वर्णकारों को इतनी सहूलियतें भी नहीं दी गई कि अगर कोई अघूरा जेवर उसके पास पड़ा है उसको वह मुकम्मल भी कर सकें। जिन लोगों ने सुनारों को ब्याह शादियों के लिये जेवर बनने के लिए दे रखे थे उन्होंने सुनारों के साथ आकर मार पीट की, झगड़े किये क्योंकि स्वर्णकारों के पास पाबन्दी थी कि वे इन जेवरात को जिनके हैं उनको वापस भी नहीं कर सकते हैं, अघूरे भी वापस नहीं कर सकते हैं। यह तो सब से पहली दिक्कत वाली चीज हुई।

जिन मुख्य उद्देश्यों को लेकर सरकार ने इन रूल्स की घोषणा की थी वे भी इससे पूरे नहीं हुए, इसको सब मानते हैं। जब सोने का बाजार भाव डेढ़ सौ रुपया है तो किस तरह से सरकार लोगों से यह आशा कर सकती है कि वे 62 रुपये के भाव से सरकार को सोना दे दें। यह नामुम्किन चीज थी।

सरकार को भी अब तक यह मालूम हो गया है कि न सिर्फ लोगों को ही सोना अपने पास रखने में लाभ है बल्कि सरकार का भी इसमें लाभ है। चीन ने हमारे ऊपर आक्रमण किया। सरकार ने सोने की मांग की। कहीं

कोई पैसे की बात नहीं हुई, आभूषणों के रूप में सोना सरकार के पास आया। सोना न सिर्फ व्यक्ति के काम संकट में आता है बल्कि आपात्काल में भी काम आता है, यह सिद्ध हो चुका है।

सोना ऐसी चीज है जो हर वक्त काम में आ सकता है। मिसाल के तौर पर 1947 में जो भाई बटवारे के फलस्वरूप भारत आए, उनमें से जिनके पास सोना था वे तो यहां आ कर फिट हो गए, काम में लग गए लेकिन जिनके पास करोड़ों रुपये की जायदाद थी जो बड़े रईस कहलाते थे, वे यहां फिट नहीं हो सके और भी बहुत से बरवादी की हालत में यहां रह रहे हैं। पांच सौ रुपये सोने का भाव भी हो जाये तब भी लोगों का मोह सोने के प्रति कम नहीं हो सकता है। पार्लिमेंट कहे या हमारे लीडर कहें, किसी के कहने पर लोगों का मोह सोने के प्रति नहीं छूट सकता है। सरकार अगर इसका मोह छुड़ा सके तो इसमें सफलता मिल सकती है।

अगर सरकार यह कर दे कि देश में केवल 14 कैरट का सोना चलेगा तो भी स्मगलिंग नहीं रुक सकती। हां स्मगलिंग करने वालों को ज्यादा बोझ लाना पड़ेगा। अगर 24 कैरट का सोना लाने में उनको एक मन बोझ लाना पड़ता है तो 14 कैरट का सोना लाने में दो मन लाना पड़ेगा। लेकिन यह समझ में नहीं आता कि इस प्रकार तस्कर व्यापार कैसे बन्द हो जाएगा। तजरबा बतलाता है कि गोल्ड कंट्रोल आर्डर लागू होने से पहले जहां सोने का भाव 125 रुपये तोला था वहां आज उसका भाव 150 रुपए तोला है। यह बात साबित हो गई है कि सोने की मांग है और सोना आ नहीं रहा है।

जहां तक तस्कर व्यापार का सवाल है, मैं गारंटी से कह सकता हूं कि स्वर्णकार इस व्यापार को नहीं कर सकता। मैं कहता हूं कि अगर स्वर्णकार यह तस्कर व्यापार

कर सकता होता तो सरकार कोई एक भी उदाहरण बताये कि जिसमें कोई स्वर्णकार ऐसा करते हुए पकड़ा गया हो। और बातों के लिए तो स्वर्णकार पकड़े गये हैं, जैसे ज्यादा वजन का सोना रखने में या हिसाब आदि ठीक न रखने में। लेकिन तस्कर व्यापार में कोई नहीं पकड़ा गया। और जो और बातों के लिये पकड़े गये उनमें से बहुतों को छोड़ दिया गया। उनको कानून का पता नहीं था। लेकिन जहां तक तस्कर व्यापार का सवाल है आज तक देश में एक भी सुनार इसके लिए नहीं पकड़ा गया। स्वर्णकार सको नहीं कर सकता। पैसे वाले सर्राफ भी इसको नहीं करते। तस्कर व्यापार वे लोग करते हैं जो कि बड़े बड़े पूंजीपति हैं और जिनका विदेशों से सम्पर्क है। अगर उनका दस करोड़ का माल विदेशों को जाता है तो वे कस्टम से बचने के लिए उसको पांच करोड़ का दिखाते हैं। उस दस करोड़ में से पांच करोड़ रुपये का सोना देश में तस्कर व्यापार के जरिये आता है। इस प्रकार तस्कर व्यापार होता है। उन लोगों के एजेंट हैं जो यह काम करते हैं।

मैं मानता हूं कि इससे सरकार को विदेशी मुद्रा का नुकसान होता है जिसकी आज सरकार को बड़ी जरूरत है। हम इसके हक में नहीं हैं कि सरकार को परेशान करें। आप गोल्ड कंट्रोल आर्डर रखिए, हम इन्कार नहीं करते। अगर यह देश तथा जनता के हित में है तो इसे आप रखिए, लेकिन स्वर्णकारों के लिए भी कोई रास्ता निकाल दीजिए। क्या सरकार इस बात को बरदाश्त कर सकती है कि एक करोड़ स्वर्णकार इस कानून की जद में आकर बेकार हो जाएं। अगर यही हालात रहे तो स्वर्णकार मजबूर हो जाएंगे कि वे चोरी करें। बेकार आदमी को कुछ नहीं सूझता और वह चोरी डकैती करने लग सकता है। बेकारी के ही कारण देश में जरायम कम नहीं होते। बेकार आदमी की नीयत खराब हो जाती है। सरकार इस

प्रश्न पर विचार करे । हम गोल्ड कंट्रोल आर्डर का विरोध नहीं करते ।

सरकार को यह चाहिए था कि सब से पहले इस बात पर विचार करती कि जो आदमी इस की जद में आकर बेकार हो जाएंगे उनका क्या प्रबन्ध किया जाएगा । अगर उस वक्त यह सोचने में कमी रह गयी तो अब भी कोई बात नहीं है । सरकार उस पर विचार कर सकती है । स्वर्णकार न तो सरकार का विरोध करते हैं और न जनता का विरोध करते हैं । वे ऐसा कर ही नहीं सकते । स्वर्णकार कभी यह नहीं चाह सकते कि देश में बढअमनी हो, वह नहीं चाह सकता कि शहर में करस्पू लग जाए । वह तो यह चाहता है कि हर आदमी सोना इस्तेमाल करने के योग्य हो । वह चाहता है कि मुलाजिमत पेशा लोगों को ज्यादा वेतन मिले ताकि वे ज्यादा सोना खरीदें, वह चाहता है कि किसान का उत्पादन बढ़े ताकि वह सोना खरीद सके ।

हमारे यहां आमूषण रखने की परम्परा चली आ रही है । ये केवल श्रृंगार के लिये ही नहीं रखे जाते । इनका उपयोग संकट के समय भी किया जाता है । ये और तरह से भी फायदेमन्द हैं । इनसे कुछ रोग भी ठीक होते हैं । इसको स्त्री धन कहा जाता है और सरकारी कानून में भी इसको स्त्री धन माना जाता है । इसी लिए लड़कियों को दहेज में जेवर दिया जाता है । उनके इस ढेक को नहीं मारा जा सकता । जब परिवार पर आपत्ति आती है तो ये जेवर काम आते हैं । हमारी स्त्रियाँ इतनी दयानतदार हैं कि जब परिवार पर आपत्ति आती है तो वे अपना जेवर उत्तार कर दे देती हैं । इनके उपयोग को हर कोई समझता है चाहे वह मुलाजिम पेशा हो, या काश्तकार हो या कोई और छोटा काम करने वाला हो या बड़े से बड़ा आदमी हो । आपत्ति आने पर आप रात को 12 बजे जेवर के ऊपर रुपया उधार ले सकते हैं । यदि डाक्टर को 100 रुपया देना

आवश्यक है और आदमी के पास रुपया नहीं है तो ये जेवर उसके काम आते हैं । मुलाजिम पेशा को तो इसकी बड़ी जरूरत पड़ती है । अगर वह किसी नई जगह पर गया है जहाँ उसे कोई नहीं जानता, तो जेवर के द्वारा वह समय पर अपनी कठिनाई दूर कर सकता है । हमारा तजरबा है कि जेवर से मुलाजिम पेशा लोग किस तरह अपना काम चला रहे हैं । तो यह सिद्ध हो चुका है कि अभी जो तरीका सरकार अपना रही है उससे लोगों को सोने का मोह नहीं छूट सकता ।

स्वर्णकारों पर सरकार ने बड़ी पाबन्दियाँ लगाई हैं । इस काम के लिए सरकार को बड़ा स्टाफ रखना पड़ा है, बोर्ड बनाया है, बहुत से अधिकारी रखे हैं । एडमिनिस्ट्रेटर मुकर्र किए हैं । गोल्ड अफसर रखे हैं हर प्रांत के लिए । इस प्रकार इस काम में सरकार को वेतन के रूप में बड़ा खर्चा करना पड़ रहा है । यह सरकार पर बोझ हो गया है । एक तरफ सरकार पर यह बोझ पड़ रहा है, दूसरी ओर स्वर्णकारों के पुनर्वास का काम भी ठीक तरह नहीं हो रहा । गोल्ड एडमिनिस्ट्रेटर साहब यहाँ मौजूद हैं । वह 24 घंटे स्वर्णकारों के हित की बात सोचते हैं । वे हमारी सहायता करना चाहते हैं उनसे मैं पिछली 4 तारीख को मिला था । मैंने उनसे कहा कि स्कूल खुल रहे हैं और दाखिले हो रहे हैं । इसलिए पिछले साल की तरह इस साल के लिए स्वर्णकारों के बच्चों की फीस माफ होने की व्यवस्था की जाए । उन्होंने इसके लिये लेटर भी भेज दिया लेकिन उस पर आज तक कोई अमल नहीं किया जा रहा है । जिन लोगों को बेकार कर दिया गया था आज डेढ़ साल होने के बाद भी उनका पुनर्वास नहीं किया जा सका । क्या जब वे खत्म हो जायेंगे तब उनका पुनर्वास किया जाएगा । आपको मालूम है कि कई लोगों ने तंग आकर आत्म हत्यायें कीं । ये लोग ईमानदारी से काम करते थे । इस कानून से उनको इतनी परेशानी हो गई कि

कोई दो सौ लोगों ने आत्म हत्यायें कर लीं। आप कह सकते हैं कि अब तो कोई इस तरह का केस सुनने में नहीं आता। उसका कारण यह है कि हमने लोगों को समझाया है और आत्म हत्या करने से रोकने का प्रयत्न किया है। हमने भीख मांग मांग कर उनके लिए राशन का प्रबन्ध किया है और उनसे कहा कि आप आत्म हत्या न कीजिये। हमको सरकार के सामने ये बातें इसलिए रखनी पड़ रही हैं कि सरकार ने एकदम ऐसा कानून लागू कर दिया जिससे एक करोड़ आदमी बेकार हो गए।

स्वर्ण नियंत्रण से प्रभावित होने वाले 1 करोड़ व्यक्तियों की संख्या कोई मामूली और छोटी मोटी नहीं है जिसकी कि सरकार द्वारा इस तरह से सहज में अवहेलना की जाती रहे। स्वर्णकारों से सम्बन्ध रखने वाले अनेकों लोग होते हैं जैसे कुठाली बनाने वाले, इंस्ट्रुमेंट्स आदि बनाने वाले जो कि आज बेकार हो गये हैं। इसी तरह से आभूषणों के लिए डिब्बे बनाने वाले भी बेकार हो गये हैं। सोने का काम एक बड़ी कारीगरी व कुशलता का काम है। हमारा सकार से अनुरोध है कि इस स्वर्ण कला को जीवित रखने के लिये उस पर से यह सारे बन्धन हटायें। अन्य गृह उद्योगों की भांति इसकी उन्नति में भी सरकार सहायता दे।

स्वर्ण नियंत्रण के फलस्वरूप सरकार को अरबों रुपयों की आय एवं बिक्री कर से होने वाली आमदनी से हाथ धोना पड़ा और वह धन पूंजीपतियों की तिजोरियों में पहुंचा। देश का एक बहुत बड़ा कुटीर उद्योग जो कि बीस लाख कलाकारों और हर एक के पीछे पांच का अगर परिवार मान लिया जाय तो 1 करोड़ लोगों की जीविका का साधन था वह समाप्त हुआ और देश व सरकार के सामने उन लाखों लोगों के पुनर्वास की समस्या अभी ज्यों की त्यों बनी है।

उनके रिहैबिलिटेशन के वास्ते कुछ इंतजाम सरकार की ओर से अवश्य हुआ है। कानपुर में कुछ थोड़े से लोगों को पैसा भी मिला है। हमारे गोल्ड ऐडमिनिस्ट्रेटर साहब हमसे बहुत हमदर्दी दिखाते हैं और वे चाहते भी हैं कि हमको तकलीफ न हो लेकिन इस सब के बावजूद भी आज हमारे पुनर्वसन के लिए विशेष कुछ नहीं हो रहा है। मेरे पास अगर अधिक नहीं तो कम से कम पचास पत्र मौजूद हैं जिनमें कि इस सम्बन्ध में स्वर्णकारों की शिकायतें लिखित रूप में मौजूद हैं।

स्वर्णकारों के स्कूली बच्चों की फीस माफ किये जाने की व्यवस्था भी नितान्त असन्तोषजनक है। मैं इस सम्बन्ध में अपने उत्तर प्रदेश के जिम्मेदार अधिकारी से मिला था और पन्द्रह दिन पहले से मैंने उनको आगाह कर दिया था कि बच्चों के दाखिले का समय आने वाला है और इसलिये उनकी फीस के माफ किये जाने का प्रबन्ध कर दिया जाय लेकिन मुझे मालूम हुआ कि इंस्पेक्टरों से जब लोग मिले तो उन्होंने बतलाया कि उन्हें जरूरी आदेश अभी तक ऊपर से इसके लिये प्राप्त नहीं हुए हैं और उसके बगैर फीस कैसे माफ की जा सकती है। उन्होंने अलबत्ता यह आश्वासन दे दिया कि जरूरी आदेश प्राप्त होते ही फीसें माफ कर दी जायेंगी। यह दो हजार रुपया जो कि स्वर्णकारों को सरकार पुनर्वास के लिये देती है वह बहुत ही नाकाफी है लेकिन यह जमानत की जो शर्त लगाई गई है वह एक अजीब शर्त है। अब एक स्वर्णकार की जमानत जाहिर है कि उसका रिश्तेदार ही करेगा। अलावा रिश्तेदार के उसकी जमानत कौन करेगा? क्या पंडित जी आकर उसकी जमानत करेंगे? सरकार ने दो हजार रुपया उसके पुनर्वास के लिये दे दिया है लेकिन क्या वह उनके लिये काफ़ी है? सरकार तो समझती है कि 2000 रुपया देकर उसने उन्हें मानो खरीद लिया है। आयन्दा वे सुनारी का धन्धा नहीं कर सकते। सरकार

ने उनको उनके कदीमी धंधे से महरूम कर दिया और उसके बदले में यह 2000 रुपये की रकम मुफ्त नहीं मिल रही है, वह उसे बतौर कर्ज के मिल रही है जिसे कि उसे मय सूद के अदा करना होगा। यह उनका पुनर्वास क्या हुआ ? यह तो उनके कंधे पर एक जुआ खा जा रहा है और हालत यह बन रही है कि वे सरकार के कर्जदार बन कर रह जाने वाले हैं। स्वर्णकारों को यह रकम सरकार को मय सूद के वापस करनी होगी मैं नहीं समझता कि यह कोई ऐसी बात सरकार द्वारा की गई है जिसके लिये वे उसके अहसानमन्द हों। कानपुर में भी यह लौन उस वक्त मिला जब कि लोगों ने वहाँ पर सत्याग्रह शुरू कर दिया। यह सोचना कि इस 1000 या 2000 से स्वर्णकार बस जायेंगे यह एक बिल्कुल ना-मुमकिन सी बात है।

स्वर्ण नियंत्रण नियम देश में सोने के व्यापार को बन्द करने के हेतु लागू किये गये थे लेकिन यह हकीकत है कि तस्करी व्यापार सोने का अभी भी उसी तरह से चल रहा है। आखिर यह तस्करी व्यापार करते कौन हैं ? सही आंकड़े तो इस सम्बन्ध में प्राप्य नहीं हैं लेकिन अन्दाजा है कि उनकी संख्या 50 के करीब होगी, 100 से कम ही होगी। मेरा कहना है कि इन थोड़े से लोगों के खिलाफ खुली इनकवायरी कराई जाय और उन पर कड़ी पाबन्दी लगायी जाय और मुजरिमों को सब्त सजायें दी जाएं। लेकिन जहाँ तक स्वर्णकारों का सवाल है, स्वर्णकार यह तस्कर व्यापार सोने का करने की हिम्मत नहीं कर सकते हैं वह तस्कर व्यापार नहीं कर सकता है। तस्कर व्यापार तो वही कर सकते हैं जो कि बड़े बड़े पूंजीपति होते हैं और जो कि प्रभावशाली व्यक्ति होते हैं।

14 कैरट का सामान बनाने में हमको क्या कठिनाई पेश आती है वह मैं बहुत संक्षेप

में बतलाना चाहूंगा। गोल्ड ऐडमिनिस्ट्रेटर साहब यहाँ पर मौजूद हैं। जब वह लखनऊ दौरे पर गए थे तो मैंने उनको ऐम्बुअली दिखाया था कि हम लोगों को आज क्या दिक्कतें पेश आ रही है। हकीकत यह है कि अगर 6 माशे की अंगूठी बनानी है तो केवल 6 माशे सोने के डालने से काम नहीं चलेगा। अगर 6 माशे की अंगूठी तैयार करनी है तो उसके लिए डेढ़ तोला सोना चाहिए तभी वह 6 माशे की अंगूठी तैयार हो सकती है। मैंने यह वहाँ सब ऐम्बुअली उनको बना कर आप दिखाया था। आप यह कह सकते हैं कि आप कामयाब कैसे हो रहे हैं? इसका साफ जवाब यह है कि वे लोग चोरी से काम कर रहे हैं। अब अगर सरकार चाहती है कि चोरी से लोग काम करें तो फिर मुझे कुछ नहीं कहना है। इस तरह वह लोगों को चोरी, डकैती करने पर आमादा करती है। सरकार का काम चोरियों और डकैतियों को बन्द करना होना चाहिये न कि उन जुमों को बढ़ावा देना। हम सरकार को पूरा सहयोग देने को तैयार हैं लेकिन आज जो हमें कठिनाइयाँ झेलनी पड़ रही हैं उनकी तरफ वह ध्यान दे और इस स्वर्ण नियंत्रण कानून में आमूल बूल परिवर्तन करे। इसमें व्यापक संशोधन करे।

स्वर्ण नियंत्रण बिल जो दिनांक 26 नवम्बर को संसद् में पेश हुआ वह इन नियमों की ही पुनरावृत्ति है। इसलिये यह कानून बन कर देश व समाज की आर्थिक व्यवस्था को छिन्न भिन्न करने के अतिरिक्त दूसरा लाभ नहीं पहुंचा सकते इसी कारण हमारा यह विचार है कि इस स्वर्ण कला एवं व्यापार नियंत्रण के सम्बन्ध में कानून बनाने की आवश्यकता ही प्रतीत नहीं होती।

आज स्वर्णकारों को गहने गढ़ने के काम में बड़ी दिक्कत पेश आ रही है और यह आवश्यक है कि इसमें संशोधन किया जाय। मेरी प्रार्थना है कि सरकार स्वर्णकारों

को इस संकट से मुक्ति दिलाने के लिए आवश्यक कदम उठाये और वर्तमान कानून में संशोधन करे।

एवसाइज वालों ने स्वर्णकारों को काफ़ी परेशान किया है। जैसा कि हमारे साथी ने बताया है, कि एक घर में डिलिब्री हो रही थी, लेकिन फिर भी उन्होंने वहाँ सोने की तलाश की मैं आपको बताना चाहता हूँ कि इस से भी बुरी घटनायें हुई हैं। बहुत से घरों में लड़कियों के जेवर और धरोहर रखे हुए जेवर तक पकड़ लिए गए। एक स्वर्णकार का पंद्रह हजार का सोना पकड़ा गया, जिस को प्राप्त करने के लिए उस को दो तीन हजार रुपये खर्च करने पड़े। इस प्रकार स्वर्णकारों को बहुत कठिनाइयों का सामना करना पड़ा है।

हम चाहते हैं कि इस बिल में ऐसा संशोधन किया जाये, जिस से स्वर्णकारों की दिक्कतें दूर हों। सराफ़ चाहते हैं कि गोल्ड कंट्रोल रूल्ज़ बिल्कुल हट जायें, क्योंकि इसी में सरकार और देश की भलाई है। इस के अतिरिक्त यह गोल्ड कंट्रोल नहीं है, बल्कि स्वर्णकार कंट्रोल है।

मैं आप को बताना चाहता हूँ कि जब चीन ने हमारे देश पर आक्रमण किया, तो हम ने एक सभा बुलाई। उस समय गोल्ड कंट्रोल नहीं था। हम ने गवर्नमेंट को आफ़र किया कि अगर गवर्नमेंट चाहे, तो वह सरकार उत्तर प्रदेश के स्वर्णकारों से हथियार बनवा सकती है, लकड़ी और लोहे का काम करवा सकती है। हम तलवार और बन्दूक बना सकते हैं, हम हवाई जहाज़ के पुर्जे बना सकते हैं वह मेमोरेण्डम आज भी मौजूद है।

इस का मतलब यह है कि हम सरकार की भलाई चाहते हैं। हम उस के काम में रुकावट नहीं डालना चाहते हैं। सरकार बेशक गोल्ड कंट्रोल करे और गोल्ड को हटा दे, लेकिन वह हम को पीतल और ताम्बे का काम दे, हम को

हवाई जहाज़ के पुर्जे बनाने के काम में लगा दे, ताकि हमारी जीविका तो चल सके। जिस व्यक्ति की आमदनी सौ रूपया थी, उस को कम से कम अस्सी रुपये की आमदनी तो हो। कानपुर में एक आदमी से कुछ दिन मिट्टी डलवाने का काम लिया गया और उस के बाद उस को जाने के लिए कह दिया गया।

सभापति महोदय : अब आप पांच मिनट में ख़त्म कर दें।

श्री रामचंद्र सहाय : दरअसल हमारी तकलीफ़ बहुत बड़ी है। हमें तो उतनी तकलीफ़ हो गई है कि अगर हम सही तौर पर अर्ज़ करें, तो शाम तक भी अर्ज़ नहीं कर सकते हैं। मुश्किलसरन में आप को बताना चाहता हूँ कि हम लोगों का रीहैबिलिटेशन कैसे हो सकता है। हमारे दस, बारह सुझाव हैं, जिन को मैं पढ़ कर सुनाना चाहता हूँ अगर आप आज मुनासिब न समझें, तो मुझे कल समय दे दीजिए।

सभापति महोदय : आप इसी वक्त ख़त्म कर दीजिए।

Shri Rajendra Pratap Sinha: The witness says that he has got about 12 points on the rehabilitation of goldsmiths and we would like to hear them but not at this hour when we are all hungry. So, I suggest that we adjourn now and meet again either in the afternoon or tomorrow morning.

सभापति महोदय : क्या आप स्वयं स्वर्णकार हैं ?

श्री रामचन्द्र सहाय : मैं स्वयं स्वर्णकार हूँ। अगर आप चाहें, तो मैं आप के लिए कोई चीज़ बना कर ला सकता हूँ।

सभापति महोदय : आप कल नौ बजे सुबह आइये।

[The witness then withdrew].

The Joint Committee then adjourned.

MINUTES OF EVIDENCE GIVEN BEFORE THE JOINT COMMITTEE
ON THE GOLD (CONTROL) BILL, 1963

Tuesday, the 21st July, 1964 at 09.05 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Homi F. Daji
9. Shri M. M. Haq
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri M. R. Masani
17. Shri Jashvant Mehta
18. Sardar Gurmukh Singh Musafir
19. Shri Chhotubhai M. Patel
20. Shri T. Ram
21. Shri Shivram Rango Rane
22. Shri S. C. Samanta
23. Shri Era Sezhiyan
24. Shri Sheo Narain
25. Dr. L. M. Singhvi
26. Shri Balgovind Verma
27. Shri Bhisma Prasad Yadava
28. Shri T. T. Krishnamachari

Rajya Sabha

29. Shri Mahabir Dass
30. Shri B. K. Gaikwad

31. Shri I. K. Gujral
32. Shrimati Nandini Satpathy
33. Shri C. D. Pande
34. Shri Dahyabhai V. Patel
35. Shri P. Ramamurti
36. Shri Shiva Nand Ramaul
37. Shri V. C. Kesava Rao
38. Shri Sherkhan
39. Shri Mahabir Prasad Shukla
40. Shri Rajendra Pratap Sinha
41. Shrimati Tara R. Sathe

DRAFTSMEN

1. Shri S. P. Sen Varma, *Special Secretary, Legislative Department, Ministry of Law.*
2. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidhambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES EXAMINED

I. Shree Gujarat Suvarnakar Sangh, Ahmedabad.

1. Shri Manilal Rugnath Ranpura
2. Shri Damodardas Kanjibhai Soni
3. Shri Ghanshyamdas Chhaganlal Soni
4. Shri M. M. Doshi

II. The Ahmedabad District Suvarnakar Sangh, Ahmedabad.

1. Shri Bansi Lal D. Soni
2. Shri Bhure Lal J. Patadia
3. Shri Ishwar Lal D. Soni
4. Shri Hira Lal T. Minawala
5. Shri Hargobind Das Soni

- III. Swarankar Sangh, Rajasthan, Bikaner.
1. Shri Jasraj Soni
 2. Shri Bhenwar Lal
- IV. Uttar Pradesh Swarankar Sangh, Lucknow.
1. Shri Ram Chander Sahay
 2. Shri O. P. Rustogi
 3. Shri Ram Kishore Rustogi
 4. Shri Rup Kishore Varma
- V. Madhya Pradesh Swarankar Sangh, Indore.
- Shri Basant Kumar Janwra
- VI. Shri Chokshi Mahajan, Ahmedabad.
1. Shri Sarabhaj M. Chokshi
 2. Shri M. G. Merchant
 3. Shri Bhailalbhaj Dahyabhai Chokshi
 4. Shri Chitranjan B. Dave
- VII. Navsari Chokshy Association, Navsari.
1. Shri Ranchhoddas D. Choksi
 2. Shri Narendra H. Parikh
 3. Shri Shyamlal G. Choksi
 4. Shri Sudhanbhai T. Choksi
- VIII. Chokshi Mahajan Association, Dabhoi.
1. Shri Bhogi Lal Gobardhan Das
 2. Shri Chandulal Bhogi Lal,
-
- I. Shree Gujarat Suvarnakar Sangh, Ahmedabad
- Spokesmen:*
1. Shri Manilal Rugnath Ran pura
 2. Shri Damodardas Kanjibhai Soni
 3. Shri Ghanshyamdas Chhaganlal Soni
 4. Shri M. M. Doshi.
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 5. Shri Hargobind Das Soni.
- III. Swarankar Sangh, Rajasthan, Bikaner
- Spokesmen:*
1. Shri Jasraj Soni
 2. Shri Bhenwar Lal.
- IV. Uttar Pradesh Swarankar Sangh, Lucknow.
- Spokesmen:*
1. Shri Ram Chander Sahay
 2. Shri O. P. Rustogi

3. Shri Ram Kishore Rustogi

4. Shri Rup Kishore Varma.

V. Madhya Pradesh Swarnkar Sangh, Indore

Spokesmen:

Shri Basant Kumar Janwra.

(Witnesses were called in and they took their seats)

सभापति महोदया : श्री रामचन्द्र सहाय, आप कल पांच मिनट बोल चुके हैं। आज आप पांच सात मिनट में जो कुछ कहना हो कह दीजिए आप को जो सलाह देनी हो वह दे दीजिए।

श्री रामचन्द्र सहाय : प्रेसीडेंट महोदय तथा सदस्यगण, पहले मैं सोने के मुतालिक अर्ज कर दूँ कि हमें काम करने में क्या क्या कठिनाइयाँ पेश आती हैं।

21 सितम्बर को इस कानून में यह संशोधन किया गया और उसके द्वारा हम को यह सहूलियत दी गयी कि हम पुराने आभूषण को गला कर उसे फिर उसी शुद्धता में बना सकेंगे। पुराने जेवर को गलाने पर कभी कभी उसका खोट नहीं मालूम हो पाता, और वह सोना गलाने से कभी कभी ऐसा हो जाता है कि टूट जाता है और चोट नहीं खा सकता। इसलिए उसे साफ किर् बगैर उस से किसी तरह का जेवर नहीं बनाया जा सकता। अब सोना खरीदने, बेचने, गलाने, तकसीम करने, किसी को देने या शुद्धता के साथ किसी दूसरी शक्ल में बदलने पर हमारे ऊपर पाबन्दी लगी हुई है। साथ ही हमको ग्राहक का सौ ग्राम से अधिक सोना रखने की इजाजत नहीं है हम किसी ग्राहक का दो सौ ग्राम का जेवर नहीं बना सकते क्योंकि हमारे ऊपर सौ ग्राम की पाबन्दी है अगर हमारे पास किसी ग्राहक का सौ ग्राम सोना है तो जब तक हम उसका जेवर बना कर न दे दें हम किसी दूसरे ग्राहक का सोना नहीं ले सकते। इसलिए हमको ग्राहकों को फेर देना पड़ता है। अब यह तो नामुमकिन है कि हमारे पास दूसरा ग्राहक उसी वक्त आवे जब कि हम एक ग्राहक का काम खत्म करके दे दें। हमारे पास तो एक एक समय में पचास

पचास ग्राहक तक आ जाते हैं लेकिन इस पाबन्दी के कारण हम उनका सोना नहीं ले सकते। तो यह एक बड़ी कठिनाई हमारे सामने है।

हमारा काम इस तरह का है कि उसे एक ही आदमी नहीं कर सकता। अगर एक आदमी ढलाई करता है तो दूसरा नगीना लगाता है। कुछ लाख आदि भरने का काम घर की स्त्रियाँ करती हैं। तो हमें एक जेवर को कई जगह ले जाना पड़ता है तब वह तैयार होता है, लेकिन इस कानून के मुताबिक हम किसी दूसरे की इमदाद नहीं ले सकते ऐसी पाबन्दी से हमारा काम नहीं चल सकता।

हमको लाइसेंस और प्रमाणपत्र बनवाने पड़े। डेढ़ साल में अभी सब के प्रमाण पत्र नहीं बन पाए हैं कि यह आर्डर हो गया कि इनको फिर से बनवाया जाएगा। बहुत से लोग तो इस आर्डर से घबरा गए कि न जाने इससे और क्या नई पाबन्दी हमारे ऊपर लगायी जाएगी। यह आर्डर क्यों किया गया समझ में नहीं आया। इन प्रमाणपत्रों को सरकारी अधिकारियों ने बनाया था, फिर इन को क्यों बदला जा रहा है।

अपना निजी सोना रखे बगैर हमारा काम नहीं चल सकता। जैसे कि मैंने कल अंगूठी की मिसाल दी थी। अगर हमको हाथ की चूड़ी बनानी है, तो वह पहले गोल बनायी जाएगी और उसके बाद उसमें जो चित्रकारी होगी वह रेती से होगी। एसा करने में उसका आधा सोना कट जाएगा। इसलिए जब तक हम अपना सोना नहीं रखेंगे तब तक काम नहीं चल सकता पहले तो हम एक ग्राहक का सोना इस प्रकार दूसरे ग्राहक के

माल में लगा देते थे। लेकिन अब हम ज्यादा सोना ले ही नहीं सकते। इसके अलावा सब ग्राहकों का सोना एक सी शुद्धता का नहीं आता। तो हमको अपनी निजी सोना रखने की इजाजत होनी चाहिए क्योंकि हम उसके बगैर काम नहीं कर सकते।

कल मैं ने अर्ज किया था कि स्वर्णकार या छोटी पूंजी वाले लोग तस्कर व्यापार नहीं कर सकते। इसको बड़े व्यापारी करते हैं जिनका बाहर से सम्पर्क होता है। उनके खिलाफ जांच करायी जाए और जो आप का सीमा पर स्टाफ है उस से सख्ती की जाए। ऐसा किया जाए तो यह तस्कर व्यापार रुक सकता है।

एक मेरा यह भी सुझाव है कि लोगों के पास सोने का स्टाक न रहने दिया जाए। काम करने वालों को छोड़ कर और लोगों को सोने का स्टाक न रखने दिया जाए।

कल हमें मालूम हुआ कि यहाँ कहा गया कि स्वर्णकार बगैर सर्राफ के काम नहीं कर सकते। यह बिल्कुल गलत बात है। मैं कहता हूँ कि इस कानून को उन लोगों ने फेल किया है जिन पर यह पाबन्दी लगायी गयी कि वे 14 कैरट से ज्यादा का गहना न बनावें। और इस मामले में आपको एक्साइज के अधिकारियों ने भी अच्छा सहयोग नहीं दिया। इसी कारण इस में भ्रष्टाचार पैदा हो गया और पब्लिक को भी इससे बेहद नुकसान हुआ। 14 कैरट के जेवर बनवाने से आम जनता का बहुत नुकसान हो रहा है क्योंकि अगर किसी व्यक्ति ने 500 रुपये का गहना 14 कैरट में बनवाया है और आगे चल कर वह उसको बेचना चाहे, वक्त जरूरत पर उससे रुपया हासिल करना चाहे तो उसे रिटर्न बहुत कम मिलता है। 200 रुपये भी उसे मुश्किल से ही उसके बदले मिलेंगे जब कि पहले अधिक शुद्धता वाले आभूषण यदि कोई बेचना चाहता था तो उसकी काफ़ी कीमत उठ सकती थी, चार रत्ती भर के दाम मुजरा करके उसे तमाम पैसे मिल जाया करते थे।

सरकार ने स्वर्ण नियंत्रण नियम तीन उद्देश्यों को लेकर घोषित किये थे।

(१) देश में सोने का तस्कर व्यापार बन्द करना।

(२) जनता के पास छिपे हुए सोने को बाहर निकालना।

(३) सोने की कीमतों को कम कर के अन्तर्राष्ट्रीय भाव पर लाना।

स्वर्ण नियंत्रण के पिछले करीब १८ महीने इस बात के साक्षी हैं कि उपरोक्त तीनों उद्देश्य में सरकार को लेशमात्र भी सफलता प्राप्त नहीं हुई। तस्कर व्यापार पहले से अधिक बढ़ा है। सोना पूंजीपति, साहूकारों की तिजोरियों और जमीन में चला गया है। सरकारी अनुमान का 1/100 भाग भी सोना घोषित नहीं किया गया और सोने का भाव 156 रुपया प्रति तोला तक पहुँच चुका है जब कि जनवरी 1963 में 130 रुपया प्रति तोला से अधिक न था। एक्साइज ने इस मामले में गवर्नमेंट का साथ नहीं दिया।

मेरी प्रार्थना है कि किसी को भी सोने का स्टाक रखने की इजाजत न दी जाय। अगर ऐसा करना जरूरी ही समझा जाय तो सिर्फ उन्हीं लोगों को स्टाक रखने की इजाजत दी जाय जो कि अपने हाथ से काम करते हों। जो लोग स्वयं अपने हाथ से काम नहीं करते उन्हें सोना का स्टाक अपने पास रखने न दिया जाय। सर्राफ़ा बहुत पहले से स्थापित नहीं है जब कि हम लोग उससे पहले से काम करते आये हैं। सर्राफ़ा ज्यादा से ज्यादा कोई पचास साल से क़ायम हुआ होगा। सुनार हमेशा इस बात की गारन्टी ग्राहक को दिया करते थे कि 100 रुपया खर्च कर के उनसे एक जेवर बनवाया है तो वह बाद में तीन रुपये कम पर उसे ख़रीदने को तैयार रहेगा। आप सभी लोग इस बात को जानते हैं कि सुनार चार रत्ती काट कर सोना उसी दाम पर वापिस ले लेता था लेकिन आज वह बात नहीं है। अलबत्ता पब्लिक को धोखा देने के लिए सर्राफ़ा द्वारा

फार्मों पर यह लिख दिया जाता है कि सोने के ज़ेवर हम वापिस ले सकते हैं लेकिन दरअसल हकीकत यह है कि पहले जो आभूषण 4 रत्ती काट कर वापिस ले लिए जाते थे अब चार माशे के बट्टे पर वापिस लिए जाते हैं ।

जिस समय से यह गोल्ड कंट्रोल आर्डर लागू हुआ है उस रोज़ से बेहद भ्रष्टाचार फैल गया है । गोल्ड कंट्रोल से सरकार को जो सब से बड़ी हानि हुई वह यह हुई कि जो लोग सरकार के सहयोगी थे वे इस के बन जाने के बाद सरकार के विरोधी बन गये क्योंकि उन लोगों को गम्भीर नुकसान पहुँचा है । आज उनमें सरकार के प्रति व्यापक असन्तोष फैला हुआ है । यह हम सभी का फर्ज है कि यहाँ पर किसी तरह की बदअमनी न हो । कोई भी व्यक्ति इस देश में भूखा न रहे । स्वर्णकार भी आखिर इस देश के ही अंग हैं और उनकी संख्या भी कोई नगण्य नहीं है करीब २० लाख व्यक्ति इस देश में यह धंधा करते हैं और फिर उनके पीछे उनके परिवार भी हैं । सरकार उनको तबाह होने से बचाये और इस गोल्ड कंट्रोल को वापिस ले । अगर इसको किसी तरह भी वापिस लेना सम्भव न हो तो फिर इसमें व्यापक सुधार किया जाय और समुचित तरीके पर स्वर्णकारों को बसाया जाय उन के बच्चों की स्कूल की फीस माफ़ करने के बारे में जैसा मैं ने कल भी कहा था संतोष-जनक व्यवस्था अभी तक भी नहीं हो पाई है । जहाँ तक स्वर्णकारों को पुनर्वास के लिए कर्जा देने की बात है वह भी अभी सभी लोगों को नहीं मिल पाया है और उसके प्राप्त करने में उनको बड़ी कठिनाई का सामना करना पड़ता है । मिसाल के लिए मैं बतलाना चाहता हूँ कि एक व्यक्ति ने करीब 15,000 रुपये के लगभग ऋण लगा कर अपना काम शुरू किया था । उन्होंने सरकार से कर्जे की मांग की थी । उनका बड़ा कैप्टल है । 25,000 रुपये की जायदाद भी उन्होंने पेश की । यह भी साबित हो गया कि उनके पास 25,000 रुपये की जायदाद मौजूद है । इस सब के बाद 5,000 रुपया कर्जा उन्हें मंजूर होता है लेकिन

वह भी नहीं मिल रहा है और इस बात को 6 महीने होने को आये । इस तरह की कठिनाइयों और बंधनों के रते स्वर्णकारों का बसाया जाना कठिन है । हम सरकार से लड़ना नहीं चाहते लेकिन इतना अवश्य चाहेंगे कि वे हमारी कठिनाइयों पर ध्यान दे और आज जिस संकट में वे रह रहे हैं उससे उनको उबारें ।

श्री बसन्तकुमार जंबड़ा : सभापति महोदय, संयुक्त प्रवर समिति में बोलने के जो नियम आदि होते हैं उनके अनुसार बोलने के हम अभ्यस्त नहीं हैं और यदि हम से कोई त्रुटि हो जाय तो हमें उस के लिए क्षमा किया जाय और उस समय आवश्यक निर्देश दे दिये जाय ।

जहाँ तक स्वर्ण-नियंत्रण का प्रश्न है वह बगैर किसी पूर्व निर्देश के और अचानक ही देश में कार्यान्वित किया गया है । उस के क्रियान्वित करने से सोने और सोने के ही आभूषणों की जो ज़ब्ती हुई है उस ने सीधी सादी और देहाती जनता में एक भय उत्पन्न कर दिया है । सोने का तस्कर व्यापार जो पहले खुल कर होता था वह अब ज़रा छिप कर और सतर्कता से होने लगा है । जो व्यापार पहले इसका खुल कर होता था उस पर अब प्रतिबंध लगा है और उसके लिए इन तस्कर व्यापारियों को सतर्कता बर्तनी बहुत आवश्यक हो गई है । तस्कर व्यापार के मामले जो पहले सरलता से पकड़े जाते थे वह अब तस्कर व्यापारियों द्वारा सावधानी बर्ती जाने से कम पकड़े जाते हैं । इससे हमें कुछ ऐसा प्रतीत होता है कि तस्कर व्यापार में कमी हुई है जो कि यथार्थ बात नहीं है ।

प्रत्यक्ष रूप से बाजार में सोने की कमी अनुभव होने से उस का मूल्य बढ़ा है । और तस्कर व्यापारी पहले से अधिक लाभ उठा रहे हैं क्योंकि उन्हें तस्कर व्यापार करने में अधिक कठिनाई अनुभव होती है । जब बाजार में किसी चीज़ की कमी होती है तो उस चीज़ का भाव बढ़ जाया करता है । उसी तरीके

से यह छिपा हुआ व्यापार निरन्तर चल रहा है ।

यद्यपि जनता द्वारा अधिनियमों का विरोध और आज्ञाओं का समुचित रूप से पालन न होने से शासन ने नियमों में शिथिलता की है, पुराने आभूषणों को तोड़ कर नये बनाने की अनुमति प्रदान की है किन्तु शासन की जो मंशा है वह पूरी नहीं हो सकी है । जो दबा हुआ सोना खुल कर बाजार में आना चाहिए था वह अब भय के कारण बाजार में आने से रुक गया है । कानून का भय अधिकतर देहाती और साधारण जनता में ही अधिक हुआ है क्योंकि तस्करी व्यापार करने वाले तो सदैव से इसके अभ्यस्त रहे हैं । उन्होंने तो इस कानून के लागू हो जाने के बाद अपने आप में सतर्कता बर्ती है और उन्होंने कुछ अधिक लाभ कमाना शुरू कर दिया है ।

स्वर्णकारों की जो कठिनाइयां बढ़ी हैं उस का एक मुख्य कारण यह है कि उसमें ग्राहक हस्ताक्षर करने पड़ते हैं उसके लिए शर्त है कि आभूषण बनाने के पूर्व बाकायदा फार्म में लिखाया जाय और वापिस करते वक्त भी उसे लिखना पड़ेगा । अब अगर किसी साधारण जनता से यह कहा जाय कि आपका यह आभूषण आया है आप इस फार्म पर हस्ताक्षर कर दीजिये तो उसका उससे भय खाना स्वाभाविक ही है । उसे भय इस लिए लगता है कि मुमकिन है मुझे इसके लिए सरकार अदालत में बुलवाये और इस आभूषण को लेकर हो सकता है मेरे ऊपर किसी तरह का मामला चलाया जाय ।

बहुत से अनपढ़ स्वर्णकार हैं, जो कानून का उल्लंघन करने में भय खाते हैं । और वे बगैर हस्ताक्षर कराए और बगैर लिखा-पढ़ी के आभूषण नहीं बनाना चाहते । किन्तु इन नियमों के कारण वे लोग काम करने में असमर्थ हैं । जहां तक प्रमाण-पत्र लेने का सम्बन्ध है, बहुत से इन कारणों से ही चुपचाप बैठे हुए

हैं । इन नियमों के अन्तर्गत उन के लिए कठिनाइयां पैदा हो गई हैं और वे अपनी जीविका नहीं चला सकते हैं ।

इन नियमों से धार्मिक, सामाजिक, वैवाहिक तथा व्यावसायिक आदि कार्यों में भी इस प्रकार की कठिनाइयां उत्पन्न हो गई हैं । बहुत सी विधवायें हैं या कई ऐसे स्वर्णकार बन्धु हैं, जो वृद्धावस्था में अपना कार्य करने में असमर्थ हो जाते हैं, उन के पास जो थोड़ी बहुत पूंजी रह जाती थी, वे उस के द्वारा अपने यहां सोने के जेवर गिरवी रख कर ब्याज से अपना उदरपोषण किया करते थे । इस कानून के पश्चात् वे लोग बेरोजगार हो गए हैं, क्योंकि आज उन के पास कोई दूसरा जरिया नहीं है । सोने के आभूषण या सोना इस प्रकार की वस्तु थे कि यदि उन का रुपया डूब जाता था, तो उनको बाजार में बेच कर वे लोग अपना रुपया धसूल कर सकते थे । लेकिन अन्य वस्तुओं का भाव स्थिर नहीं होता है, इस लिए उन के लिए कठिनाई पैदा हो गई है ।

देहाती क्षेत्रों में किसान लोग अपनी कृषि की उपज बेच कर सोना या जेवर खरीद लेते थे, जिस को वे अपने घरों में जमीन में दबा देते थे । अकाल या किसी अन्य संकट के समय वे उस सोने को निकाल कर बाजार में बेच देते थे और इस प्रकार संकट-काल में अपनी रक्षा किया करते थे । अब यह सुविधा उन को उपलब्ध नहीं है । किसान लोग पढ़े-लिखे नहीं होते हैं । वे बैंकों में रुपया जमा नहीं करा सकते हैं । ऐसी स्थिति में पहले उन का धन केवल सोना था । इन नियमों से किसानों के सामने भी संकट उत्पन्न हो गया है । इसी प्रकार जो छोटे छोटे साधारण साहूकार लोग उन से थोड़ा बहुत मुनाफा ले कर सोना खरीद लिया करते थे, उन के सामने भी बड़ी भारी समस्या उत्पन्न हो गई है । हो सकता है कि कुछ लोगों पर इन नियमों का प्रभाव थोड़ा हुआ हो, लेकिन बहुत से लोगों पर इन नियमों का प्रभाव बहुत अधिक पड़ा है ।

स्वर्णकार के सामने जो भी कठिनाइयाँ हैं, उन के बारे में मध्य प्रदेश स्वर्णकार संघ आप की सेवा में स्वर्ण नियंत्रण विधेयक से सम्बन्धित संशोधन-पत्र प्रस्तुत कर चुका है। मैं अनुभव करता हूँ कि अगर शासन की मन्शा हुई और इस बिल के पक्ष में बहुमत हुआ, तो हो सकता है कि हमारे लाख विरोध करने के बावजूद भी यह बिल कानून के रूप में आ जाये। ऐसी स्थिति में हम स्वर्णकारों की दशा क्या होगी? जो कठिनाई आज हम अनुभव कर रहे हैं, उस को सुलझाने के लिए शासन केवल एक ही सुझाव रखेगा और वह सुझाव आज भी रखा गया है वह सुझाव है पुनर्वास का।

जिस समय स्वर्ण नियंत्रण अधिनियम लागू हुआ था, उस समय मध्य प्रदेश स्वर्णकार संघ ने सर्वप्रथम शासन से यह अनुरोध किया था कि हम देश के हित में अपने कारोबार को त्यागने के लिए तैयार हैं और हम ने उसी आधार पर अपने कारोबार का त्याग किया और इस के साथ ही हम ने पुनर्वास की मांग की थी मध्य प्रदेश शासन के श्रम मंत्री जी ने अप्रैल 1963 में पुनर्वास करने की घोषणा की। उस बात को पूरा डेढ़ वर्ष बीत चुका है और मैं आप को बताना चाहता हूँ कि इस सम्बन्ध में हमारे समक्ष कितनी ज़बर्दस्त कठिनाइयाँ आई हैं और पुनर्वास के कार्य में क्या हो सका है और क्या नहीं हो सका है।

स्वर्ण नियंत्रण लागू होने के पश्चात् स्वर्णकारों के औज़ार, डाई और प्रैस आदि, बेकार हो जाने से उन को जो हानि उठानी पड़ी है, उस का मुआवज़ा देने के सम्बन्ध में न तो शासन ने विचार किया है और न ही इस प्रकार का प्रश्न उस के सामने आया है।

हाल ही में यह प्रश्न भी उठाया गया है कि जो स्वर्णकार आधिकांश मात्रा में कार्य करते थे, वही पुनर्वास की सुविधायें प्राप्त करने के अधिकारी हैं। इस प्रकार पुनर्वास के नियम लागू होने से लगभग पचास प्रतिशत वे स्वर्णकार

अलग हो गए हैं, जो कि कम अंशों में काम करते थे।

इस के साथ ही एक दूसरा तरीका जो अपनाया गया है कि स्वर्णकार वः माना जायेगा उसी को प्रमाणित किया जायेगा, जिस के पास कुछ लिखा-पढ़ी होगी। यदि जब स्वर्णकार बिल्कुल अनपढ़ है, अनभिज्ञ है और वह इस प्रकार की जानकारी नहीं दे सकता है, जब वः यह जानकारी नहीं दे सकता है, तो यह नहीं माना जाता है कि वः शत-प्रति-शत काम करने वाला है।

स्वर्णकारों को पुनर्वास सम्बन्धी सुविधायें देने के सम्बन्ध में जो अधिकार दिये गए हैं, हमारे प्रदेश में विशेष तौर पर प्रमाणपत्र देने के लिए तहसीलदार को और ऋण देने के लिए कलेक्टर को वे अधिकार दिये गए हैं और जब भी इस प्रकार के प्रकरण उन के सामने प्रस्तुत किये जाते हैं, तो उन का निर्णय ही अन्तिम निर्णय होता है।

कम अंशों में काम करने के कारण पचास प्रतिशत स्वर्णकार तो पुनर्वास की सुविधाओं से वंचित हो गए और बाकी पचास प्रतिशत में से आधे अपने प्रमाण नहीं दे सकते हैं, इस लिए केवल पच्चीस प्रतिशत स्वर्णकार ही पुनर्वास की सुविधाओं को प्राप्त कर सकते हैं। जब ये स्वर्णकार भी कोई ऋण प्राप्त करना चाहते हैं, तो उन्हें ज़मानत देनी पड़ती है। यदि वे ज़मानत नहीं देते हैं, तो उन को ऋण नहीं मिल पाता।

यद्यपि नियमों में डेढ़ हजार से तीन हजार तक ऋण देने का प्रावधान रखा गया है, जो कि पर्याप्त नहीं है, लेकिन अभी तक जो ऋण वितरित किये गए हैं, अगर उन का ऐवरेज लगाया जाये, तो प्रति व्यक्ति लगभग आठ नौ सौ रुपये ऋण बैठता है। आज तक 9036 व्यक्तियों ने ऋण के लिए आवेदनपत्र दिये, लेकिन केवल 2573 व्यक्तियों को ऋण प्राप्त हो सके हैं। वह भी अधिकतर व्यक्तियों को 200 रुपये, 500 रुपये या 700 रुपये

दिये गए हैं। हो सकता है कि दस बीस पचीस व्यक्तियों को डेढ़, दो हजार रुपये दिये गए हों और दी, चार, पांच व्यक्तियों को दो, तीन, चार हजार रुपये दिये गए हों। लेकिन इस प्रकार से स्वर्णकारों का उदरपोषण नहीं हो सकता। जो स्वर्णकार एक मास में 150, 200 रुपये कमाता था, जब उस को केवल 200 रुपये ऋण के रूप में मिलते हैं, तो इन डेढ़ वर्षों में अपने पुनर्वास की प्रतीक्षा में अन्य लोगों से जो ऋण ले कर वह अपना जीवन व्यतीत करता रहा है, किस प्रकार से वह उस ऋण को भदा कर सकता है और किस प्रकार अपना जीवन-यापन कर सकता है? स्वर्णकारों के सामने पुनर्वास के सम्बन्ध में इस प्रकार की अनेकों समस्यायें उपस्थित हैं।

शासन के सामने पुनर्वास के सम्बन्ध में हमने एक सिद्धान्त उपस्थित किया था कि स्वर्णकार की प्रमाणपत्र देने के लिए, उसको स्वर्णकार प्रमाणित करने के लिए विसदस्यीय समिति हो और उसमें एक जन-प्रतिनिधि रखा जाए, एक स्वर्णकार संघ का प्रतिनिधि रखा जाए और एक शासकीय अधिकारी हो। बहुमत के आधार पर उसको प्रमाणित किया जाए, यदि पक्ष में बहुमत हो तो उसको प्रमाणपत्र दे दिया जाए। अभी हाल ही में प्रादेशिक स्वर्णकार पुनर्वास सलाहकार समिति की बैठक हुई थी। मुख्य मंत्री मिश्र जी उसके अध्यक्ष थे। हमने वहां कहा था कि जो स्वर्णकार कार्यकर्ता हैं उनके शपथपत्र ले लिए जायें कि वे सही रूप में स्वर्णकारों से प्रमाणित करेंगे और जिन को वे प्रमाणित करें उनको अवश्य ही स्वर्णकार माना जाए। उन्होंने इस बात को मानने से इन्कार कर दिया। उन्होंने कहा कि हम तो सेंट्रल गवर्नमेंट के एजेंट हैं और उसके जो आर्डरें हमको मिलते हैं उनका ही हम पालन करते हैं। आज यह अवसर आया है कि हम आपके सामने अपनी समस्या रख सकें हैं।

हमने पुनर्वास के सम्बन्ध में जो पद्धती रखी थी उसको भी किसी तरह से नहीं माना गया उस योजना में किसी प्रकार का सुधार

नहीं किया गया। अभी पूर्ववक्ता ने कहा है कि शासन से हम सहयोग करना चाहते हैं और कर रहे हैं। जहां तक देश हिल का प्रश्न है। देश हित के मामले में हम कभी भी किसी प्रकार का विरोध करना नहीं चाहते हैं। लेकिन जहां तक हमारी रोजी रोटी का प्रश्न है, हम चुप नहीं बैठ सकते और कोई भी चुप नहीं बैठ सकता है। यह बात अलग है कि बेरोजगारी से तंग आ कर या कानून के डर से या उससे दब कर हम में से कुछ लोगों ने आत्महत्या कर ली। यदि किसी भी दशा में स्वर्ण नियंत्रण को लागू करने की बात कही जाती है तो उस में कुछ ऐसा संशोधन अवश्य होना चाहिये जिस से कि श्रमिक स्वर्णकार कलाकार का पेट भरकर भोजन, और कपड़ा मिलता रहे और उसके पुनर्वास की ठीक तरह से व्यवस्था हो सके। जो हमारी आशायें हैं, उनको कुचला जा सकता है और बीस लाख स्वर्णकारों को जबदस्ती हानि पहुंचाई जा सकती है। लेकिन वैसा नहीं होना चाहिये।

जहां तक प्रमाणपत्र देने का प्रश्न है, वे भी शासकीय अधिकारी ही देते हैं। मास्य आवेदनों की संख्या 8834 है आवेदन किये गये थे जिन में से 2 हजार 54 प्रमाणपत्र अभी बाकी हैं। यह सरल सी बात है कि जो भी स्वर्णकार कार्य का प्रमाणपत्र चाहेगा वह वही चाहेगा जो सोने का काम करना जानता है। जिन स्वर्णकारों के आवेदन रद्द कर दिये गये हैं, उसके सम्बन्ध में भी हमने अनुरोध किया था कि आप कोई ऐसी स्वर्णकार जांच समिति बना दें या ऐसा कोई सिद्धांत निश्चित कर दें कि उन व्यक्तियों से सोने का काम करवा लिया जाए और उसके पश्चात् उनको प्रमाणपत्र दे दिये जायें। किन्तु इस बात को भी स्वीकार नहीं किया गया है।

अन्त में मैं यही कहना चाहता हूँ कि हम इस योग्य नहीं हैं कि हम अपनी समस्या को सही रूप में, सही शब्दों में आपके सामने रख सकें। लेकिन हमारी जो स्थिति है उसको आप ध्यान में रखें। यदि स्वर्ण

नियंत्रण का, न को लागू करता है तो उसको उचित रूप से उस में संशोधन करके ही आप लागू करें ताकि श्रमिकों का हित हो। उनका उचित रूप से पुनर्वास हो सके, इस प्रकार की व्यवस्था भी आपको करनी चाहिये। शिक्षा सहायता भी हमारे क्षेत्र में पर्याप्त रूप में नहीं दी गई है। यदि इसके आप आंकड़े चाहें तो वे भी मैं आपको दे सकता हूँ। इस वास्ते मैं यही अन्त में कृना चाहता हूँ कि यदि स्वर्ण नियंत्रण कानून को लागू किया जाए तो बहुत सोच विचार करके और सभी पक्षों पर गहराई से विचार करके ही लागू किया जाए।

श्री जसरज सोनी : यह बड़े सौभाग्य का भवसर है कि इतने समृद्धशाली व्यक्ति मजदूर वर्ग से पूछ रहे हैं कि वे बतायें कि उनको मुश्किलत क्या हैं, जिस कला को वे इतने बरसों से करते आये हैं उस में क्या क्या दुर्बिधायें हैं। उनका पुनर्वास करने के लिए भी आप तैयार प्रतीत होते हैं।

सोने के जेवर बनाने का काम भारतवर्ष में बहुत पुराने जमाने से होता आया है। जोष मट्टने बहुत पुराने जमाने से पहुँचते आये हैं। इस काम में क्या क्या कठिनाइयाँ हैं, यह मैं आपके सामने अर्बं करना चाहता हूँ। इस में मीना का काम होता है, जड़ाई का काम होता है, डायमंड कट होता है, सेंटिंग का काम होता है। इन चारों कामों को पूरा करने के लिए पांच छः हाथों की जरूरत होती है और जब ये सारे अलग अलग काम पूरा करते हैं तब जा कर एक एक चीज तैयार होती है। सोना ऐसी चीज है जो शुद्ध ब्राह्मण की तरह से है। इस में थोड़ा सा भी दोष आ जाए तो यह अपना मुंह अच्छी तरह से नहीं दिखा सकता है। इस में एक रत्नी ताम्बा भी मिला दिया जाए तो इसका मुंह काला पड़ जाता है, यह अपना रंग बदल देता है। आग में जब उसको गलाया जाता है उस वक्त उस में अगर थोड़ी सी भी बाँस आ जाए तो शीशे की या जस्ते की तो वह

अपनी नेचर बदल लेता है। सोना ग्लाने में बहुत सी बाधाएँ पैश आ जाती हैं। जे टाका लगता है उस में बहुत मामूली प्रतिशत जस्ते का होता है। अगर जेवर में उसका अंश अधिक हो तो सी में 60 प्रतिशत जेवरे में खोट आ जाता है। इतना अगर खोट आ जाए तो जेवर नहीं बनता है। जब तक उन जेवरों को तिजाब निकाल कर शुद्ध सोना न हो तब तक जेवर बनना मुश्किल ही जाता है। यः सोना हम छिपे रूप से भले ही ला कर काम चला लें लेकिन सही तौर से इसको हम नहीं कर सकते हैं। डायमंड कट के लिए तथा कुछ चीजें जो सेंटिंग की होती हैं उनके लिए भी अच्छे सोने की जरूरत होती है। जो मीने की चीज है चाँहे उस में खाद बहुत कम होती है लेकिन होती अग्रथ्य है। उस खाद को नहीं मिटाने से पुराना मीना बढ़िया नहीं हो सकता है, अच्छी तरह से मीना भी नहीं हो सकता है। इसलिए उसको मला कर उस में काम सही ढंग से नहीं किया जा सकता है। कहने का मतलब यह है कि पुराने जेवर से उसको ला कर आप नया जेवर तो बना सकते हैं लेकिन वे भी अच्छी तरह से तैयार नहीं किये जा सकते हैं।

हमारी बहुत सी मुश्किलत हैं। हमारी हालत घड़ी के पेंडुलम जैसी हो रही है। कहीं लाइसेंस से हम टक्कर खाते हैं कहीं अपने पुनर्वास को ले कर हमें टक्करें खानी पड़ती हैं। हम पड़े लिंबे नहीं हैं। हमें नहीं मालूम कहीं दरखास्तें देनी होती हैं और किस भाषा में देनी होती हैं और कहां कहां जाना पड़ता है। टक्करें खाते आज हमें डेढ़ साल हो गया है। आपका यह मंशा है कि हिन्दुस्तान की यह जो कला है यह बनी रहनी चाहिये, कायम रहनी चाहिये। इसके लिए आपने कुछ प्रयत्न भी किये हैं। जयपुर में हमारी खुराना को आपने लाइसेंस भी दिया है। इस में आप को दृष्टि कई कारणों से गई है, जिस में आर्थिक कारण भी हैं। आप का विचार यह है कि बाहर से या

पैसा आये, विदेशी मुद्रा आए। सोने की आपको जरूरत भी है। जिस की जितनी हैसियत होती है, उसके मुताबिक ही भारत में आज लोग सोना रखते हैं। यह प्रतिष्ठा की बात यहां समझी जाती है। जिस के पास जितना अधिक सोना होता है, उसकी प्रतिष्ठा उतनी ही ज्यादा होती है। मुसीबत के वक्त हर व्यक्ति इस सोने का सहारा ले कर अपना काम निकाल लेता है।

आज हालत यह है कि अगर किसी के यहां कोई मर जाए और उसके पास पैसा न हो तो वह मरने को जलवाने के लिए अपना जेवर बेच कर या उसको गिरवी रख कर पैसा इकट्ठा नहीं कर सकता। हमारे यहां बीकानेर और राजस्थान में सेठिया लोग तो कलकत्ता, बम्बई आदि शहरों में रहते हैं, वहां पर केवल स्त्रियां और मजदूर रहते हैं। उनके पास कोई बैंकिंग का प्रबन्ध नहीं है। ये लोग आवश्यकता पड़ने पर अपनी तोले दो तोले की चीज बेच कर या गिरवी रख कर अपना काम चलाते थे। इनको इस कानून से बड़ी दिक्कत हो गयी है।

इसके अलावा सोने की जो कारीगरी देश में है उसकी आपको रक्षा करनी चाहिए। अगर आप इधर नहीं ध्यान देंगे तो वह कारीगरी नष्ट हो जाएगी। बीकानेर में और राजस्थान में बहुत से मकानों में सोने की कारीगरी है। इस की आपको रक्षा करनी चाहिए। सुनार तो 1/11 का मालिक है, 11/12 की मालिक तो जनता है। हमको तो आप जैसे चाहेंगे ढाल सकते हैं। हम तो जनता का काम करते हैं। अगर हमारा काम आप बन्द कर देंगे तो भूखा मरता कोई भी और काम करने लगेगा लेकिन जनता को भारी कष्ट हो जाएगा।

हमारे यहां सोने के जेवर आपत्ति के समय काम आते हैं। अभी चीन के हमले के समय आपने देखा कि देश में जेवर के रूप में सोना था तो आपको इतना सोना मिल

गया। अगर यहां रहने का रिवाज न होता तो आपको क्या यह सोना मिल सकता था।

अब सुनने में आ रहा है कि दो चार साल बाद हमको इस काम के लिए लाइसेंस नहीं मिलेंगे। तो हमारे बच्चों का क्या होगा। हम में ताकत है पर लियाकत नहीं है, आपमें लियाकत है। आप हमारी बात को अच्छी तरह समझें इसलिए हम आपके सामने अपनी कठिनाइयां रख रहे हैं। आपको वैसे मोटे रूप में तो सब बातें मालूम हैं लेकिन हम इस पेशे की बारीकियां आपके सामने रखते हैं ताकि आप हमारी कठिनाइयों को ठीक तरह समझ सकें और उनको दूर कर सकें। हम सरकार का विरोध नहीं करना चाहते। अगर सरकार को ऐसी ही जरूरत है तो हम बीस लाख कारीगर हैं। हम सब आपको एक एक तोला सोना दे सकते हैं। हम नहीं चाहते कि सोने की कमी के कारण देश को नुकसान हो। लेकिन हमारा भी देश में स्थान है और हम चाहते हैं कि आप ऐसी व्यवस्था करें कि हमारा भी गुजारा होता रहे। हम एक इसी आधार पर जी रहे हैं। इस काम को हमारे बच्चे भी सीखते हैं। हम चाहते हैं कि आप हमारे इस आधार को कायम रखने दें। आपने पूछा तो जो कठिनाइयां जो हमारे सामने हैं उनको हमने आपके सामने रख दिया।

पुराने सोने से नई चीज बहुत अच्छी नहीं बन सकती। उस सोने को शुद्ध करने की हमको सुविधा होनी चाहिए। कुंदन के काम में हमको बड़ी कठिनाई है। कानून है कि जितना कुंदन है उतना हमको वापस करना चाहिए। लेकिन जेवर बनाने में कुछ कुंदन छीजत हो जाता है। उसको शुद्ध करना होता है। आप ने हम को शुद्ध करने की इजाजत नहीं दी है। लेकिन चोरी से यह काम होता है। हम चाहते हैं कि आपको इसे खुला कर देना चाहिए। हम आपको बताना चाहते हैं कि हम आपके कानून के

अनुसार चलना चाहते हैं लेकिन जो बाधाएं हैं उनको आप दूर कर दें। मीने के काम में, जड़ाऊ काम में और कुंदन के काम में हमको कठिनाइयां हैं उनको हमने आपके सामने रखा। आप इन पर विचार करें और उनको दूर करें।

आज हमारी पेंडुलम जैसी जो होलत है उसको दूर कीजिए। अगर आपको पुनर्वास देना है तो दीजिए हम लोग दूसरा काम कर लेंगे। हम नहीं चाहते कि कुछ लोग पुनर्वास भी लें और रात को अपना काम भी करते रहें। हम क्रानून के अनुसार चलना चाहते हैं।

हमारी अन्त में प्रार्थना यह है कि हमारे धन्धे में जो कठिनाइयां हैं उनको आप समझें और उनको दूर करें। सोने को शुद्ध करने की हमको इजाजत दी जाए क्योंकि यह जेवर बनाने के प्रोसेस में आता है। सोने को शुद्ध किए बिना हमारा काम नहीं चल सकता।

अन्त में मैं एक बात आपके सामने यह रखना चाहता हूँ कि जब भगवान राम चन्द्र जी वन से वापस आए तो उन्होंने पूछा कि गऊ ब्राह्मण सब अच्छी तरह हैं। और उसके बाद उन्होंने पूछा कि सुनार अच्छी तरह हैं। लोगों ने पूछा कि आपने सुनार के बारे में क्यों पूछा, तो राम चन्द्र जी ने बताया कि देश में समृद्धि होगी तभी सुनार अच्छा रह सकेगा। तो हम तो चाहते हैं कि देश सुख समृद्ध रहे। और सुखी रहे ताकि सुनारों का काम भी चलता रहे।

श्री भूरा लाल जे० पटविया : सभापति महोदय, कल इस जगह पर से एक सवाल किया गया कि 14 करंट का काम कर के आप उन की मजूरी क्यों नहीं कर लेते हैं? ऐसा एक सवाल कल किया गया था। मैं इसके जवाब में कहना चाहता हूँ कि सरकार इसका पता लगाये कि दरअसल जनता में यह 14 करंट के आभषन बनाने की कितनी मांग है। अगर हम 14 करंट के

आभूषण बनाने के वास्ते मजूरी करने को तैयार भी हो जायं तो भी उससे क्या बनेगा अगर जनता को यह 14 करंट के आभूषण बनवाना पसन्द ही न हो। मेरा कहना यह है कि जब जनता 14 करंट के जेवरत बनवाना कतई पसन्द नहीं करती है तो इस तरह की पाबंदी क्यों आयद की जाती है? जनता में 14 करंट के आभूषण तैयार करवाने की मांग नहीं है। वह अधिक शुद्धता वाले जेवर ही गड़वाना चांती है।

जहाँ तक चौदह करंट के आभूषण बनाने की कला की बात है तो यह कोई नई चीज नहीं है। इस तरह के काम शुद्धता के आभूषण बनाना कोई नया काम नहीं है। मैं कमेटी को बतलाना चाहता हूँ कि इसके पहले भी मद्रास, गुजरात और बंगाल में यह 14 करंट का काम थोड़ा बहुत बनता रहा है। यह 14 करंट का काम कटलैरी के अर्थ में गिना जाता है। एक बार एक चीज मोल ले ली। मोल लेने के बाद उसका एक पैसा भी प्राप्त न हो, ऐसे काम को कटलैरी काम गिना जाता है और उसी का नाम यह 14 करंट है। हमारे वहां 14 करंट से भी घट कर 8, 9 या 12 करंट का काम सूरत में होता है। बंगाल और मद्रास में भी 12 करंट का कुछ काम होता है, 14 करंट की तो बात ही क्या? लेकिन अधिकतर आदमी भारत के हर एक राज्य में अपने आभूषण 22 या 24 करंट के ही बनवाना चाहते हैं 14 करंट के वे नहीं बनवाना चाहते हैं। मैं नहीं समझता सरकार उनको बाध्य कर रही है जबकि वह उसको बनवाना ही नहीं चाहते हैं? इसलिए यह जो 12 या 14 करंट की पाबन्दी लगाई गई है वह बिलकुल गलत है और उसको निकाल देना चाहिए। लोगों को अधिक शुद्धता के गूने बनवाने की पहले की तरह खुली आजादी होनी चाहिए और इस नाते में इस गोल्ड कंट्रोल का विरोध करता हूँ।

जिन उद्देश्यों को लेकर सरकार ने यह गोल्ड कण्ट्रोल लागू किया था उनको पूरा करने में सरकार असफल रही है। इसे लागू हुए डेढ़ साल हो गया है। इससे सरकार को सेल्स टैक्स की शक्ति में करोड़ों रुपये का नुकसान हुआ है।

हम स्वर्णकार देश के हित के लिए सब कुछ कुर्बान करने को तैयार हैं लेकिन इस तरह की पाबन्दी लगाने से किसी का भी लाभ न होकर उलटे नुकसान और तबाही ही हुई है, सरकार को बगैर कोई निश्चित पुनर्वास की योजना बनाये इस तरह से हम लोगों को बरोजगार कर देना और हमारा पुश्तैनी धंधा छीन लेना उचित नहीं है। स्वर्णकार सरकार से सहयोग के लिए तैयार हैं लेकिन दरअसल उनको कभी विश्वास में लिया ही नहीं गया। उन्हें यह देखना होगा कि इस धंधे के करने वाले क्या धंधा ठीक तरह से कर सकते हैं। आज से नहीं बल्कि बहुत पुराने समय से स्वर्णकार इस देश के और समाज के एक उपयोगी अंग रहे हैं और इतिहास इस बात का साक्षी है कि स्वर्णकारों की सदा जरूरत रही है। सरकार को स्वर्णकारों को जिन्दा बनाये रखना चाहिए। आपने मुझे समय दिया इसके लिए धन्यवाद।

श्री श्री० पी० रस्तोगी : आदरणीय चेअरमैन साहब, यह गोल्ड कण्ट्रोल बिल जिन सामाजिक व आर्थिक मकसदों की पूर्ति के हेतु पेश किया गया है, उन उद्देश्यों और मकसदों का जहां तक प्रश्न है हम सब भी उनका स्वागत करते हैं और स्वर्णकारों की ओर से यह विश्वास दिलाते हैं कि अगर इस उद्देश्य की प्राप्ति में हमारी आवश्यकता पड़ेगी तो हम अपना सहयोग उसमें देंगे। लेकिन इसके पहले हमें यह देखना होगा कि यह बिल जो कि पेश किया गया है वह उन उद्देश्यों की प्राप्ति में कहां तक सफल होगा? यह बिल गोल्ड कण्ट्रोल रूल्स की कारबन कौपी है जिसका कि 18 महीने का इतिहास हमारे सामने है और उसके आधार पर हमें

यह महसूस होता है कि यह बिल भी उन उद्देश्यों की प्राप्ति में बिल्कुल विफल रहेगा।

जहां तक चैंक्स का सम्बन्ध है, स्वर्णकारों पर तमाम प्रतिबन्ध लगाए गए हैं, लेकिन स्मगलिंग और हॉडिंग आज भी ज्यों का त्यों चलने दिया जा रहा है। जिन डीलरों के जरिये स्मगलिंग और हॉडिंग होती है—जो करते हैं और कर सकते हैं—आज भी उनको बजाये 22 या 24 कैरट के 14 कैरट की डीलिंग करने का राइट दिया गया है और वे लोग 14 कैरट की आड़ में 22 या 24 कैरट सोने की स्मगलिंग कर रहे हैं। हम आर्टिसन मुत्तफर्रिक तौर से जो कार्य करते थे, वह भी उन्हीं लोगों के पास कन्सिद्रेट हो गया है। नतीजा यह है कि उनको ज्यादा मौके प्राप्त हैं और छोटे लोग बेकार हो गए हैं।

वित्त मन्त्री ने पार्लियामेंट में कहा कि चूंकि स्मगलिंग खत्म हो गया है, बाहर से सोना नहीं आ रहा है, इसलिए उसकी प्राइसिज बढ़ रही है। मैं नहीं समझता कि इस बयान में कहां तक सत्यता है। आंकड़े बताते हैं और तमाम एम० पी० ने कहा है कि स्मगलिंग बढ़ा है और हॉडिंग बहुत ज्यादा हो गया है। जो सोना बड़े बड़े व्यापारियों के पास था, वह अंडरग्राउण्ड चला गया है। इस सम्बन्ध में मैं श्री एस० के० पाटिल का एक वक्तव्य पढ़ कर सुनाना चाहता हूँ, जो कि इस समय सरकार के मन्त्री हैं।

Addressing a public meeting at Sholapur, Mr. S. K. Patil had observed:

"Government's gold control policy had failed inasmuch as, instead of bringing out hidden gold, the Gold Control Order had helped gold to go underground. The policy had failed, because the price offered by the Government was much lower than the market price and people could not be expected to sell it at rates cheaper than the market price."

10 लक्ष्मीमल्ल सिधवी : आप यह उद्घरण कहां से दे रहे हैं ?

श्री श्री० पी० रस्तोगी : ब्यूरो आफ विजिनेस रिसर्च, मद्रास की एक पुस्तिका "पब्लिक प्रोपीनियन आन गोल्ड कण्ट्रोल" से मैं यह वक्तव्य पढ़ रहा हूँ।

जो चैक्स और प्रतिबन्ध लगाए गए हैं, उनके कारण स्वर्णकार अपना काम करने में बिल्कुल असमर्थ हो गया है। बजाये इसके कि स्मगलिंग और होडिंग का कण्ट्रोल हो, स्वर्णकार का कण्ट्रोल हो गया है।

पुराने आनमिंट्स से नये आनमिंट्स बनाने की जो इजाजत दी गई है, उसका लाभ उठा कर डीलर अपने हिसाब-किताब में दिखाते तो 14 कैरट हैं, लेकिन वास्तव में वे 22 और 24 कैरट के आनमिंट्स बनाते हैं। पुराने आनमिंट्स से नये आनमिंट्स बनाने के सम्बन्ध में एक डिफ़िकल्टी यह है कि मिसाल के तौर पर एक माशे की रिग बनाने के लिए एक रत्ती गोल्ड कहां से लिया जाये। नियमों के अनुसार हम उसके दाम नहीं ले सकते हैं। हम को बताया गया है कि हम ग्राहक से मांगें। अगर ग्राहक के पास ओल्ड गोल्ड हो भी, तो वह एक रत्ती के लिए अपने आनमिंट को काटेगा नहीं। इस अवस्था में काम कैसे चले ? हम को एक वक्त में 100 ग्राम से ज्यादा के आनमिंट बनाने की इजाजत नहीं है। इसका मतलब यह है कि हमारे आर्ट और हमारी प्रनिंग को लिमिटेड कर दिया गया है। अगर कोई ग्राहक 200 ग्राम का कोई ज्वर बनाने के लिए देता है, तो हम नहीं बना सकते हैं। जब हमने इस बारे में पूछताछ की, तो हमें कहा गया कि अगर आप के पास 200 ग्राम का आनमिंट आता है, तो पहले 100 ग्राम काट कर और मैल्ट करके बनाइये और फिर और 100 ग्राम मैल्ट कर के बनाइये। हम को सिर्फ 100 ग्राम प्राइमरी गोल्ड रखने की इजाजत है, लेकिन अनिफ़िनिशड गोल्ड प्राइमरी गोल्ड है, जब

तक कि यह फ़िनिशड न हो जाये इस प्रकार हमारे पास 200 ग्राम प्राइमरी गोल्ड हो जाता है, जो कि एक्साइज डिपार्टमेंट की दृष्टि में नियमों के विरुद्ध है।

जहां तक सफ़ाई का ताल्लुक है, अब यह व्यवस्था कर दी गई है कि एक डीलर दूसरे डीलर से करा सकता है। उसमें भी चैक्स हैं कि 100 ग्राम से ज्यादा नहीं होना चाहिए। सफ़ाई के लिए रिफ़ाइनरीज की व्यवस्था है, लेकिन वे लोकलाइज्ड और लिमिटेड होंगी। अगर लखनऊ में कोई रिफ़ाइनरी है, तो कानपुर और दूसरे जिलों के आदमियों को लखनऊ जाना पड़ेगा और इस प्रकार उनको आठ आने का काम कराने के लिए दस रुपये खर्च करने पड़ेंगे।

मैं यह भी चाहता हूँ कि जो लोग स्मगलिंग करते हैं, उन पर कण्ट्रोल होना चाहिए।

हम अठारह महीनों से देख चुके हैं कि गवर्नमेंट पुनर्वास के सम्बन्ध में बिल्कुल फेल हुई है और यह काम बिल्कुल नहीं कर सकती है। यह बिल्कुल नामुमकिन है। इसके लिए उसके पास साधन नहीं हैं। स्टेट गवर्नमेंट्स इसमें हाथ नहीं बंटा रही हैं। यू० पी० गवर्नमेंट का कहना है कि हम इसके बारे में नहीं जानते, सेंट्रल गवर्नमेंट का यह कानून है, वह जाने, अगर वह रुपया देगा, तो हम बांट देंगे। सेंट्रल गवर्नमेंट ने स्टेट गवर्नमेंट्स को एक भी पैसा नहीं दिया है। हमें बताया गया है कि सेंट्रल गवर्नमेंट ने स्टेट गवर्नमेंट को बीस लाख रुपया देने का वादा किया है, लेकिन अभी टर्मज सेंट्रल नहीं हुई हैं। पांच लाख रुपया रखा हुआ है, लेकिन अभी तक एक पैसा भी नहीं दिया गया है। स्टेट गवर्नमेंट देने के लिए तैयार नहीं है। हमारी स्टेट में पुनर्वास का ए बी सी डी भी शुरू नहीं हुआ है। भविष्य में भी हम को पुनर्वास का काम होता दिखाई नहीं देता है।

श्री राम किशोर रस्तोगी : मैं आपको धन्यवाद देता हूँ कि इस स्वर्ण नियन्त्रण

अध्यादेश के कारण आपने हम को यह अवसर दिया है कि आज सत्तरह वर्ष की स्वतन्त्रता के पश्चात् आपके सामने उपस्थित होकर अपनी मुश्किलात आपके सामने रख सकें।

इस अध्यादेश के बाद जो परिस्थिति देश में पैदा हुई उसको दुबारा बयान करने से कोई लाभ नहीं होगा। परिस्थिति को देखते हुए सरकार को मजबूर होकर इस कमेटी की स्थापना करनी पड़ी। इस अध्यादेश के स्थान पर अब सरकार बिल लाई है और एक कानून बनाने जा रही है। अब तक जो परिणाम इस अध्यादेश के निकले हैं वे सर्वविदित हैं और बिल पास हो जाने के बाद क्या परिणाम निकलेंगे इसका भी कुछ आभास हमें मिल सकता है।

स्वर्णकारों के सामने एक गम्भीर प्रश्न उपस्थित हो गया है। स्वर्णकारों का वर्ग एक ऐसा वर्ग है जिसने कभी किसी प्रकार की भी सरकार से कोई मांग नहीं की है, कोई सहायता नहीं मांगी है। यह बहुत बड़ा एक नूह उद्योग है और उच्चकोटि की यह भारतीय कला है। सरकार इससे लाभ उठाना चाहे तो वह भी आसानी से उठा सकती है। इससे देश का बहुत बड़ा लाभ हो सकता है। साथ ही साथ इस वर्ग की भी काफी उन्नति हो सकती है। अगर वास्तव में देश की स्थिति को देखते हुए स्वर्ण पर नियन्त्रण लगाना जरूरी है तो इस काम में हम आपको हर प्रकार की सहायता देने को तैयार हैं। लेकिन बिना पूरी तरह से सोच विचार किए कोई कदम नहीं उठाया जाना चाहिये। इस तरह का कोई भी कदम उठाना देश के हित के भी विपरीत होगा। यदि स्वर्ण पर नियन्त्रण आपको रखना है तो स्वर्ण नियन्त्रण बिल न बना करके आप कुछ और दूसरा रूप दे सकते हैं। स्वर्ण पर नियंत्रण तत्काल व्यापार को रोकने के लिए लगाया गया था ताकि बाहर से सोना लाने का जो मोड़ है वह कम हो सके। परन्तु यह न होकर एक दूसरा ही रूप इसने ले लिया।

जहां तक जनता की भावनाओं का सवाल है, सोने का मोह हट नहीं सकता है। यह असम्भव सी बात है। लोग इसको अपना बैंक, घरेलू बैंक समझते हैं। वे जेवरों को सम्भाल कर रखते हैं। स्वर्ण पर नियन्त्रण न लगा कर उसकी बचत भी की जा सकती है, उसके प्रति लोगों का मोह कम भी किया जा सकता है और इसका क्या उपाय है, यह मैं आपको बतलाना चाहता हूँ। सोने के जेवरात तैयार करने वाली बड़ी बड़ी दुकानों को बन्द कर दिया जाए और जनता की आवश्यकताओं के अनुसार स्वर्णकारों से सीधे अपने जेवर बनवाने की छूट आप जनता को दें। इससे सीधा रिश्ता स्वर्णकार और ग्राहक के बीच में कायम हो जाएगा और जनता अपनी जरूरतों के मुताबिक गहने बनवा सकेगी। मुझे क्षमा करें अगर मैं यह कहूँ कि आजकल ब्लैक मार्किट में पैदा किया हुआ धन जो है उसको सोने की शकल में बदल दिया जाता है, उससे सोने के जेवरात खरीद करके रख लिये जाते हैं। यह सोने का दुरुपयोग है।

एक और बात भी है। जिस परिवार में कोई शादी होती है वह परिवार सोने के जेवर लेता है। जब वे तैयार जेवरात लेने जाते हैं तो महिलायें भी साथ में जाती हैं। उस समय दूकानदार तरह तरह के आभूषण उनको दिखलाते हैं जो कि स्वाभाविक भी है। इससे उनकी सेल ज्यादा होती है। इसका परिणाम यह निकलता है कि जरूरत से ज्यादा भी परिवार के सदस्य गहने इत्यादि खरीद लेते हैं। यदि ग्राहक और सुनार के बीच सीधा रिश्ता कायम हो जाए और ये बड़े बड़े दूकानदार न रहें तो भी सोने की बचत हो सकती है और इस प्रकार की चीजों को रोका जा सकता है।

हमको सोने की जो कला है, गहने बनाने की जो कला है, उससे आर्थिक लाभ भी उठाना है। सरकार को आर्थिक लाभ भी हो सकता है और हमारी उन्नति भी हो सकती है। हमारे देश में बने हुए आभूषणों की विदेशों में बहुत

ज्यादा मांग है, वे बहुत लोकप्रिय हैं। यह मांग बढ़ती जा रही है। विदेशी हमारे देश में जब आते हैं और आभूषणों को देखते हैं तो हैरान रह जाते हैं कि किस तरह से इनको बनाया गया है। यदि सरकार का सहयोग प्राप्त हो तो विदेशों में इनको अधिक मात्रा में भेजा जा सकता है और विदेशी मुद्रा कमाने के साथ साथ हमारा भी लाभ हो सकता है।

यदि मेरे इन सुझावों पर ध्यान दिया जाय तो पुनर्वास की जो समस्या है वह नहीं रहेगी, उसकी जरूरत नहीं पड़ेगी। अगर आप चाहें भी तो भी आप स्वर्णकारों का समुचित रूप से पुनर्वास नहीं कर सकेंगे। मेरी प्रार्थना है कि स्वर्ण नियन्त्रण कानून को न बनाया जाए। यदि आपको कानून बनाना ही है तो हमारे पुनर्वास की ओर आप विशेष ध्यान दें। जिस तरह से काम आज चल रहा है, इस तरह से काम चल नहीं पायेगा।

श्री दामोदर दास कानजीबाई सोनी :
तस्कर व्यापार का जहां तक सम्बन्ध है, इसके बारे में मैं एक सुझाव देता हूं। ब्लैक मनी हिन्दुस्तान में बहुत से व्यापारियों के पास, अमलदारों के पास है और यह गोल्ड में ट्रांसफर होता है। इस ब्लैक मनी को आपको कंट्रोल करना चाहिये। इसके लिए अगर जरूरी समझा जाए तो करेंसी को भी आप बदल दें। दो तीन महीने पहले बड़ौदा में सौ रुपये का जो नोट है, उसके बारे में अफवाह फैली थी कि यह बन्द हो रहा है और इसको लेने को लोग तैयार नहीं थे। एक सौ रुपये के नोट के 95 रुपये या उससे भी कम मिलने लग गये थे। बाद में गवर्नमेंट ने एक प्रैस नोट जारी किया कि सौ का नोट चलता रहेगा, यह बन्द नहीं होगा और तब जाकर स्थिति ठीक हुई।

आपने गोल्ड पर कंट्रोल तो कर दिया और कह दिया कि चौदह कैरट के जेवरात बनेंगे। लेकिन काटन जो है, इसको विदेशों

से मंगा करके आप त्रिदया काटन क्लायथ यहां बना कर लोगों को देते हैं। इसके बारे में भी आप यह क्यों नहीं करते हैं कि मीडियम क्लायथ लोग पहनेंगे और वही मार्केट में बिकेगा। लोग 40-50 काउण्ट का कपड़ा ही पहनेंगे...

सभापति महोदय : यह अलग सवाल है आप सोने के बारे में जो कुछ कहना चाहते हैं, कहें।

श्री दामोदर दास कानजीबाई सोनी :
आपने जो एडवाइजरी बोर्ड की नियुक्ति की है या नहीं की है तो करें, और उसमें आप स्वर्णकारों के प्रतिनिधि भी रखें ताकि वे अच्छे अच्छे सुझाव आप को दे सकें।

श्री महावीर दास : कहा गया है कि देहात में बहुत लोगों का सोना जप्त हुआ। क्या आप बता सकते हैं कि इस तरह कितना सोना प्राप्त किया गया।

श्री एम० आर० रनपुरा : नहीं बता सकते।

श्री महावीर दास : सुनार लोग बहुत समय से सोने का काम करते आ रहे हैं। क्या एक एक सुनार के घर में सौ-सौ दो-दो सौ तोला सोना नहीं होता होगा ?

श्री एम० आर० रनपुरा : नहीं, सुनार तो गरीब हैं, किसी के यहां दो चार भरी सोना निकल आवे। लेकिन ज्यादा सोना निकलना तो असम्भव है।

श्री महावीर दास : सराफ लोग जो जेवर बेचते हैं उसमें एक तोले सोने में चार माशा बट्टा रहता है और सुनार जो ग्राहक को बना कर देते हैं उसमें चार रत्ती का बट्टा रहता है। दोनों में कितना फर्क है।

श्री एम० आर० रनपुरा : जो सुनार सराफ लोगों का काम करते हैं वे उनकी इच्छा के अनुसार टांका मिलाते हैं। लेकिन जो सुनार ग्राहक को काम बना कर देते हैं उसके लिए वह लिख कर देते हैं कि जब सोना

वापस करोगे तो आधा माशा काट कर हम तुम को सोना दोगे या उसका दाम दोगे। सराफ ऐसा नहीं करते।

श्री महावीर दास : सुनारों की आबादी शहरों में कितनी है और देहातों में कितनी है ?

श्री एन० आर० रनपुरा : शहरों में ३० प्रतिशत सुनार रहते हैं और देहातों में करीब ७० प्रतिशत।

श्री महावीर दास : शुद्ध सोने का जेवर गलाने में कितना सोना निकलता है।

श्री एन० आर० रनपुरा : अगर 22 कैरट का सोना हो तो उसका जेवर गलाने से, अगर दस भरी का जेवर है तो आठ भरी आठ दस आना शुद्ध सोना निकलेगा ?

श्री महावीर दास : अगर सराफ के यहां का जेवर आप गलाएं तो उसमें कितना सोना निकलेगा ?

श्री राम चन्द्र सहाय : इसके मुतालिक हमारी गारण्टी नहीं है। हम यहां सराफ की आलोचना करने नहीं आए हैं।

श्री महावीर दास : आपने तो बहुत गलाया होगा।

श्री राम चन्द्र सहाय : गलाया है। लेकिन मैं अर्ज करूँ कि जो सुनार सराफ का काम करता है उसको ज्यादा टांका मिलाने पर मजबूर किया जाता है। उसको दो तोला सोना दिया जाता है और एक तोला कांसा दिया जाता है और उसको मजबूरी में उसे मिलाना पड़ता है।

श्री बी० के० गायकवाड़ : क्या आपको मालूम है कि जो सुनार ग्राहक का काम करते हैं उनको क्या मिलता है ?

श्री एम० आर० रनपुरा : उनको 75 रुपए से 1 सौ रुपए तक मिलता है।

सभापति महोदय : और देहाती सुनार क्या कमा लेते हैं।

श्री एम० आर० रनपुरा : सब जगह मजबूरी एक है। वह भी उतना ही कमाते हैं।

श्री बी० के० गायकवाड़ : सरकार स्वर्णकारों को पुनर्वास के लिए जमीन देने के सवाल पर सोच रही है। क्या स्वर्णकार जमीन लेकर काश्तकार बनेंगे ?

श्री एम० आर० रनपुरा : जो हमने जमीन के लिए अर्जी दी है तो हमको जमीन नहीं मिलती है।

श्री बी० के० गायकवाड़ : स्वर्णकार तो काश्तकार नहीं थे। अगर उनको जमीन दी जाएगी तो क्या वे काश्तकारी करेंगे ?

श्री एम० आर० रनपुरा : नहीं करेंगे।

श्री बी० के० गायकवाड़ : तो जमीन ले कर क्या करने वाले हैं ?

श्री राम चन्द्र सहाय : देहात के सुनारों को जमीन दी जाएगी तो वे खेती करेंगे लेकिन बड़े शहरों के सुनार नहीं कर सकते।

इसके साथ ही मैं यह भी कहना चाहता हूँ कि कानपुर आदि बड़े शहरों के सुनार 300 रुपया महीना तक कमाते हैं। जैसा कि कहा गया 70 रुपया बड़े शहरों के सुनारों की आमदनी नहीं है।

श्री बी० के० गायकवाड़ : आपने कहा कि किसी को दो सौ रुपया मिला किसी को हजार मिला आदि। जो रुपया उनको मिला उसका उन्होंने क्या किया ?

श्री बसन्त कुमार जबड़ा : जिन लोगों को दो दो सौ रुपया मिला उन्होंने पान की या मूंगफली की छोटी छोटी दुकानें खोल लीं। लेकिन इससे उनका काम नहीं चल सकता।

श्री एम० आर० रनपुरा : पुनर्वास की योजना पहले गुजरात में शुरू की गयी। जब यह स्कीम शुरू की गयी तो कहा गया कि हम

जाभिन पर रुपया देंगे । लेकिन फिर चुनाव आ गया। डेढ़ साल हो गये लेकिन पुराना पूरा रुपया नहीं मिला है । धंधा उनका चलता नहीं है । रुपया लेकर किसी ने कपड़े का काम किया तो किसी ने अनाज का धंधा शुरू किया लेकिन उन्हें उन धंधों में आमदनी बहुत ही कम हो पाती है और हालत यह है कि किसी को 25 रुपये महीना मिलता है तो किसी को 50 रुपये महीना मिलता है ।

श्री बी० के० गायकवाड़ : आप के लड़कों के शिक्षण के लिए और उनकी फ्रीस माफ़ किये जाने की सरकार ने जो व्यवस्था की है उस के बारे में आपका क्या विचार है ?

श्री ओ० पी० रस्तोगी : शिक्षण के लिए गवर्नमेंट द्वारा की गई व्यवस्था पूर्ण नहीं है और उस पर अमल भी ठीक व पूरी तरह से नहीं हो रहा है । गोल्डस्मिथ्स के बच्चों को जो सरकार द्वारा शिक्षित किये जाने की व्यवस्था है भी वह केवल हाई स्कूल तक ही सीमित है आगे सरकारी सहायता की कोई व्यवस्था नहीं है ।

श्री गुजराल : आप ने यह कहा कि जनता में 14 कैरट के आभूषण बनवाने की मांग नहीं है और वह अधिक शुद्धता वाले जेवर ही बनवाना चाहती है तो उसकी वजह क्या है ?

श्री ओ० पी० रस्तोगी : 14 कैरट का बना गहना थोड़े दिन बाद ही पीतल की तरह दिखाई देने लगता है । उसमें चमक दमक नहीं रहती है । 14 कैरट उस को कहते हैं जिसमें सात भांशे सोना और पांच भांशे खोट मिला हुआ होता है । अब जिस सोने में आधा खोट हो गया हो उसकी शकल बिलकुल पीतल जैसी हो जाती है । रह गया 14 कैरट के जेवरों के रिवाज का प्रचलन तो उसके लिये मेरा कहना है कि कोई पायजामा पहनता है तो कोई पतलून पहनता है ठीक उसी तरीके से जेवरों की भी बात है

श्री गुजराल : मैं यह जानना चाहता हूँ कि एक आदमी ने 14 कैरट का जेवर खरीदा और वह उसे शुद्ध कराना चाहे तो यह किसी स्वर्णकार के लिए करना आसान है या मुश्किल है ?

श्री ओ० पी० रस्तोगी : स्वर्णकार ऐसा कर ही नहीं सकता है ।

श्री गुजराल : मैं ला की बात नहीं कर रहा हूँ । मैं तो यह जानना चाह रहा हूँ कि 14 कैरट सोने को 22 कैरट के सोने में परिवर्तन करना मुमकिन है या नहीं है ?

श्री ओ० पी० रस्तोगी : बिलकुल मुमकिन है लेकिन यह कानून के विरुद्ध होगा ।

श्री गुजराल : कानून की बात छोड़ दीजिये । यह बतलाइये कि उसको अधिक शुद्धता के सोने में कनवर्ट कराने में मालिक को कितना नुकसान होता है ?

श्री ओ० पी० रस्तोगी : पहले उसको पकाया जायगा । पकाने में काफी सोना जलता है और मैं समझता हूँ कि करीब 1 आने का 1 रुपये में इससे नुकसान होगा । मान लीजिये एक व्यक्ति ने 14 कैरट का गोल्ड खरीदा । मैं ने किसी स्वर्णकार से कहा कि मुझे इसको 22 कैरट का कर दो तो मुझे रुपये में एक आना नुकसान होगा । एक आना प्योर गोल्ड का नुकसान होगा । अगर उसमें प्योर गोल्ड एक रुपये भर है तो आपको 15 आने भर ही मिलेगा ।

श्री गुजराल : आप लोगों ने कहा था कि 14 कैरट के गोल्ड में कुंदन का काम करने में बड़ी मुश्किल आती है तो उसके बारे में क्या दिक्कत आती है वह भी बतलायेंगे ? कुंदन का काम 14 कैरट के गोल्ड में होना नामुमकिन क्यों है ?

श्री राम किशोर रस्तोगी : कुंदन 24 कैरट से अधिक शुद्ध सोने का बनाया जाता है यानी जो बिलकुल 24 कैरट का

सोना है उसको लेकर ही फिर पुट दी जाती है और पुट के बाद जो पत्थर उसमें लगाया जाता है उसको उससे कोई भी अलहदा नहीं कर सकेगा। कुंदन तो बिलकुल प्योर सोने का ही बनता है। 14 कैरेट की तो बात ही क्या है वह पीने चौबीस कैरेट का भी नहीं बन सकता है।

श्री गुजराल : एक बात और बतलाइये। सर्राफों ने एक बात यह कही कि जब हमारे पास एक आदमी आता है और हमसे जेवर बनवाता है तो हम उसे जेवर बनवा कर देते हैं और उसको इस बात की गारन्टी दे देते हैं कि मैं उसे वापिस ले लेंगे। मान लीजिये कि हम ने जेवर 22 कैरेट का बना कर दिया और अगर वह ग्राहक तीन, चार साल के बाद उसी गहने को सर्राफ के पास लाकर बेचे तो क्या वह उसको 22 कैरेट के दाम देगा ?

श्री रामचन्द्र सहाय : बिलकुल गलत बात है। ऐसा मुगलता पैदा करने वाली बात सरकार रख रही है क्योंकि वह उसमें से इतना कमीशन खाती है। यह एक लम्बी बहस की बात है लेकिन यह बात निश्चित है कि हज़ार तोले में से 50 तोला भी वापिस नहीं आता।

श्री गुजराल : आप लोग गोल्ड कंट्रोल आर्डर के खिलाफ हैं या इस बात के खिलाफ हैं कि कोई भी कंट्रोल हो या इसके खिलाफ हैं कि सर्राफ हों ?

श्री रामचन्द्र सहाय : हम ऐसे गोल्ड कंट्रोल को जिससे हमारा रोजगार छिनता है, हमें बेकार होते हैं और हमारे बच्चे भूखे मरते हैं, बिलकुल नहीं चाहते हैं और हम इन तमाम पाबन्दियों को बिलकुल हटा देना चाहते हैं।

श्री गुजराल : मेरी बात का जवाब दीजिये। क्या आप चाहेंगे कि यह चौदह कैरेट के बनाने का जो नियम है वह तो बना रहे और इस कानून में इस किस्म की तरमीम कर दी जाय कि 14 कैरेट तो रहे लेकिन आप

लोगों को खुली छूट हो जेवर बनाने की तो आप खुश होंगे या नहीं होंगे ?

श्री राम किशोर रस्तोगी : मेरा जवाब यह होगा कि जिस तरह से अभी तक काम करते आये हैं उसी तरह से आगे भी हमको अपना घंघा करने की इजाजत होनी चाहिए।

श्री गुजराल : क्या आप चाहते हैं कि सर्राफ नहीं होना चाहिए और बिलकुल सीधे स्वर्णकारों को काम मिलना चाहिए ?

श्री राम किशोर रस्तोगी : मेरा उत्तर हाँ में है।

श्री गुजराल : क्या आप इस बात के हामी हैं कि सरकार स्वयं ऐसी फैक्टरियां लगाये जहाँ कि सोने का काम किया जाय तो आप उनके अन्दर काम करना चाहेंगे या नहीं ?

श्री राम किशोरी रस्तोगी : हम अपना काम इंडिपेंडेंटली बिना किसी बंदिश के जैसे पहले करते थे वैसे ही अब भी करना चाहेंगे।

श्री पी० राम मूर्ति : आप ने कहा है कि इस बिल पर लोकमत लिया जाना चाहिए तो इससे आपका तात्पर्य क्या है ?

श्री एम० आर० रनपुरा : लोकमत जानने से हमारा अभिप्रायः यह है कि अभी निर्वाचन होने वाले हैं और उस अवसर पर रूलिंग पार्टी को गोल्ड कंट्रोल बिल जैसा कि इस समय पेश किया गया है उसको एक ईशू बना कर चुनाव लड़ें और जनता से यह मत देने को कहें कि गोल्ड कंट्रोल बिल रहे या न रहे।

श्री गुजराल : गोल्ड कंट्रोल आर्डर में जो शिथिलता आई है उस के बाद से आप लोगों को बराबर काम मिलता है या नहीं मिलता है ?

श्री एम० आर० रनपुरा : नहीं मिलता है।

श्री गुजराल : पहले जो काम मिलता था उसमें अब कितनी कमी हुई होगी ?

श्री एम० आर० रनपुरा : मैं सन्नत हूँ कि पहले की अपेक्षा हम को 25 फ्रीसदी काम ही मिलता है ।

श्री पी० राममूर्ति : बाहर से जो सोना गैर-कानूनी तौर पर यहाँ आता है, गोल्ड कंट्रोल के बाद उस में कुछ कमी हुई है या वह बढ़ गया है ?

श्री एम० आर० रनपुरा : वह बहुत ज्यादा बढ़ गया है ।

श्री पी० राममूर्ति : जब वह बहुत ज्यादा बढ़ गया है और आप लोगों को भी काम नहीं मिलता है, तो फिर वह सोना कहाँ जाता है ?

श्री एम० आर० रनपुरा : हम को तो वह दिखाई नहीं देता है ।

श्री शिव नारायण : स्वर्णकार लोग सोने का ही काम करते हैं, या वे चाँदी का भी काम करते हैं ?

श्री ओ० पी० रस्तोगी : हम लोग तो उन्हीं लोगों का प्रतिनिधित्व करते हैं, जो कि सोने का काम करते हैं ।

श्री शिव नारायण : आप ने कहा है कि आप को 100 ग्राम सोना रखने की इजाजत है । आप को इसके अलावा और कितना सोना रखने की इजाजत होनी चाहिए ?

श्री ओ० पी० रस्तोगी : कुछ जेवर ऐसे हैं, जिन में 100 ग्राम के लिए 200 ग्राम अर सोने की जरूरत होती है । कुछ जेवरों के लिए पचास ग्राम और सोने की जरूरत होती है और कुछ के लिए 500 ग्राम और सोने की जरूरत होती है । जैसे डाई के काम में 100 ग्राम के लिए 500 ग्राम और चाहिए और लाई के काम में 100 ग्राम के लिए 200 ग्राम और चाहिए ।

श्री एम० आर० रनपुरा : सर्टिफाइड गोल्डस्मिथ्स को पुराने से नये जेवर बनाने की इजाजत मिली है । हम को 15 तोने—200

ग्राम—1 नजी सो., रखने का इजाजत दी जाये ।

श्री शिव नारायण : राजस्थान के मित्र ने कहा है कि राजस्थान में सोने की स्मगलिंग ज्यादा होती है । क्या राजस्थान के लोगों के पास ज्यादा सोना है ? उन्होंने यह भी कहा था कि हम चीन के खिलाफ लड़ाई में जाने और पूरी मदद देने के लिए तैयार हैं । मैं यह जानना चाहता हूँ कि जब चीन ने हम पर हमला किया था, तो आप लोगों ने कितना सोना दिया ?

श्री एम० आर० रनपुरा : स्मगलिंग का ज्यादा सोना पंजाब से आता है ।

श्रीमती लक्ष्मीबाई : कहा जाता है कि जब सुनार अपनी मां, बहन या बेटे के लिए भी जेवर बनाता है, तो उस में भी चोरी करता है और मिलावट करता है । क्या यह सत्य है ?

श्री एम० आर० रनपुरा : यह गलत बात है ।

श्री ओ० पी० रस्तोगी : यह पुरानी कहावत है । इस में रत्ती भर भी सचाई नहीं है ।

श्री बसन्त कुमार जंबड़ा : सुनार जो भी आभूषण बनाता है, उसमें रत्ती लगती है, पालिश होती है, इसलिए उस में थोड़ी कमी हो जाती है । अगर इस आधार पर कोई बात कही जाये, तो वह तो अलग बात है । लेकिन सुनारों पर इस प्रकार की चोरी का आरोप लगाना गलत है ।

श्रीमती लक्ष्मीबाई : सुनारों की मजदूरी दुगुनी और तिगुनी हो जान की क्या वजह है ?

श्री एम० आर० रनपुरा : सुनार भूखा नहीं रह सकता है । ज्यों ज्यों महंगाई बढ़ती है, त्यों त्यों मजदूरी भी बढ़ती है । जब पार्लियामेंट के सदस्यों को पांच सौ, एक हजार चाहिए, तो सुनार को भी तो कुछ चाहिए ।

श्रीमती लक्ष्मी बाई : आप ने कहा कि ओरते १४ कैरेट का जेवर नहीं पहनती हैं। हमारे हैदरावाद में ८, ९ कैरेट का कुन्दन मशहूर है। वह कैसे पहना जाता है ?

श्री रामचन्द्र सहाय : सरकार ९ कैरेट से कम को सोना नहीं मानती है। अगर ९ कैरेट से कम है, तो चाहे दो मन रख लीजिये। उस पर सरकार की तरफ से कोई पाबन्दी नहीं है। सोना कभी ज़ाया नहीं होता है। जब वह चूड़ी जैसी छोटी चीज़ में लगाया जाता है, तो भी हम उस को वापस लेते हैं। १४ कैरेट तो वैसे ही है, जैसे एक सेर दूध में आध सेर पानी मिला दिया जाये। ख़ालिस दूध पीने वाला उस को पसन्द नहीं कर सकता है। सरकार का कानून है कि मिलावट नहीं करनी चाहिए। लेकिन यह अनोखी बात है कि अगर सोने में मिलावट न की जायेगी, तो जुर्म होगा।

श्री महावीर प्रसाद शुक्ल : कल श्री रामचन्द्र सहाय ने कहा था कि वह गोल्ड कंट्रोल के खिलाफ़ नहीं हैं। तो वह किस बात के खिलाफ़ हैं ?

श्री रामचन्द्र सहाय : चकि इससे बेकारी बढ़ रही है, इसलिए हम इस के खिलाफ़ हैं। अगर सरकार गोल्ड कंट्रोल करना जरूरी समझती है, अगर उस से देश को फ़ायदा है, तो जब तक सरकार हम को कोई रोज़गार न दे दे, तब तक गोल्ड कंट्रोल न किया जाये।

श्री महावीर प्रसाद शुक्ल : आप की मंशा केवल इतनी है कि आप अपनी वर्तमान आय से वंचित न किये जायें। उस अवस्था में आप गोल्ड कंट्रोल के खिलाफ़ नहीं हैं ? अगर आप की आय और रोज़गार बरकरार रहे, तो स्वर्णकार इसके विरुद्ध नहीं होंगे ?

श्री रामचन्द्र सहाय : बग़ैर किसी पाबन्दी के।

श्री महावीर प्रसाद शुक्ल : पाबन्दी के बावजूद अगर आप की आमदनी और रोज़गार 867(B) LS—5.

बरकरार रहें, तब तो आप इसके खिलाफ़ नहीं हैं ? आप ने कहा था कि आप सिद्धान्ततः गोल्ड कंट्रोल के विरुद्ध नहीं हैं, बल्कि आप इसलिए इसके खिलाफ़ हैं कि इस से आप की आय और रोज़ी में रुकावट पड़ती है। अगर इस से आप की आय में फ़र्क न पड़े, तब तो आप इस के विरुद्ध नहीं हैं ? क्या आप सब लोग इस स्टेटमेंट से सहमत हैं या इसके विरुद्ध हैं ?

श्री राम किशोर रस्तोगी : जो सवाल उनकी तरफ़ से किया गया है, उसकी क्लेरिफिकेशन में करना चाहता हूँ। अगर यह चीज़ गोल्ड कंट्रोल रूल्ज़ में आ जाये तो इसके बारे में भी सोचा जा सकता है।

श्री महावीर प्रसाद शुक्ल : यदि आपकी आय और रोज़ी बरकरार रहेगी तो क्या आप गोल्ड कंट्रोल के पक्ष में हैं, इसका सीधा जवाब दें।

श्री राम किशोर रस्तोगी : मतलब यह है कि अगर हमारी रोज़गार जैसी है वैसे ही रहती है, उस पर कोई किसी प्रकार का चैक नहीं लगता है तो गोल्ड कंट्रोल का कोई सवाल ही नहीं उठता है।

श्री महावीर प्रसाद शुक्ल : अभी कहा गया है कि रूल्ज़ आने के बाद स्मगलिंग बढ़ी है। फिर सवाल किया गया कि वह गोल्ड कहाँ जाता है और आप ने कहा कि होर्डिंग में जाता है। शादियों के समय जितने भी गोल्डस्मिथ हैं वे सोना गलाते हैं जोकि मोस्टली स्मगलड गोल्ड होता है, पुराने जेवर नहीं होते हैं, क्या यह सही है ?

श्री राम किशोर रस्तोगी : यह गलत है।

श्री महावीर प्रसाद शुक्ल : हम इसको अच्छी तरह से जानते हैं कि सोना ले कर गलाते हैं।

श्री राम किशोर रस्तोगी : यह गलत है।

श्री महावीर प्रसाद शुक्ल : मैं इसको अच्छी तरह से जानता हूँ। मैं उन फ्रैंड्स को जानता हूँ जिन्होंने सोना गलवाया है।

श्री राम किशोर रस्तोगी : मुनार नहीं, स्मगलर्ज गलवाते हैं।

श्री महावीर प्रसाद शुक्ल : गलाने का काम केवल स्वर्णकारों का है। इस प्रकार के स्मगलिंग में आपका हाथ होता है या नहीं ?

श्री राम किशोर रस्तोगी : जी नहीं।

सभापति महोदय : हम इसको इनके साथ आर्गु न करें।

श्री महावीर प्रसाद शुक्ल : आप ने अभी कहा कि आप खेती करने के लिए तैयार हैं, दूसरे देशों में जाने को तैयार हैं। आप इस बात को मंजूर करेंगे कि आपकी वर्तमान आय के बराबर ही यदि आपको कोई अन्य पैसा दिया जाये तो आप इस पेशे को छोड़ देंगे ?

श्री राम किशोर रस्तोगी : जी नहीं। कुछ परसेटेंज ऐसी हैं जो छोड़ सकती है लेकिन जो बूढ़े हो गये हैं, वे इस काम को छोड़ नहीं सकते हैं क्योंकि वे कोई दूसरा काम करने के काबिल नहीं हैं।

श्री प्रभात कार : अभी आपने कहा कि आप गोल्ड कंट्रोल आर्डर के खिलाफ़ नहीं हैं। लेकिन आप क्वालिटि कंट्रोल भी नहीं चाहते और आप इंडिपेंडेंट पुराना तरीका काम करने का जो है, उसको चाहते हैं। तब गोल्ड कंट्रोल किस तरह से हो सकता है अगर आपको पुराने तरीके से काम करने दें।

श्री एम० आर० रणपुरा : यह सरकार का काम है कि इसको देखें। हम रोजगार से वंचित होना नहीं चाहते हैं।

श्री राजेंद्र प्रताप सिन्हा : यह गोल्ड कंट्रोल रहेगा और अब जो इस में छूट मिली है

वह भी आगे चल कर नहीं रहेगी। म जानना चाहता हूँ कि जो मुनार लोग हैं, जो कारीगर लोग हैं उन में से कितनों ने अपने को दूसरे काम में लगा लिया है, कितनों ने अपने आपको रिहैबिलिटेड कर लिया है और कितने लोग अभी भी सोने का काम कर रहे हैं ?

श्री एम० आर० रणपुरा : सब लोग अपना अपना धंधा करना चाहते हैं, दूसरा धंधा करना नहीं चाहते हैं। हमारा जन्म का धंधा सोने का है। दूसरे धंधों में ये जायेंगे तो वहाँ फेल हो जायेंगे। मुनारों को सोने का काम करने की पूरी छूट मिलनी चाहिये। सभी आवश्यक सुविधायें मिलनी चाहियें। जो आज तक स्वर्ण का काम करते रहे हैं उनको इस काम को करते रहने की छूट मिलनी चाहिये और आगे किसी को इजाजत न दी जाये कि वह सोने का काम करे।

श्री राजेंद्र प्रताप सिन्हा : स्वर्ण कंट्रोल तो रहने वाला है और कुछ मुनार दूसरे धंधों में भी लग गये हैं। किन्तु उन में लग गये हैं और कितने अभी भी इस काम में हैं ?

श्री एम० आर० रणपुरा : यह तो परिस्थितियों पर निर्भर करता है और यह हिसाब कितनाब का प्रश्न है। बहुत से मुनार पुनर्वास की तरफ़ झुक गये हैं और बहुत कम सोने का काम कर रहे हैं। यदि मुनारों की परिस्थितियों में सुधार हो जाता है तो मौका काम करने का इनका बड़ जाता है।

श्री राम किशोर रस्तोगी : स्वर्णकार दस्तकार हैं और वे दस्तकारी से प्रेम रखते हैं। अगर उनको दूसरी दस्तकारियों में काम मिल जाता है और उस में उनके परिवारों का गुजर बसर हो जाता है तो तीस साल से कम की अवस्था के लोग उन में जा सकते हैं।

श्री राजेंद्र प्रताप सिन्हा : तीस साल से कम कौन लोग हैं ?

श्री राम किशोर रस्तोगी : जिन की शिच होगी वे अवश्य जा सकते हैं।

श्री राजेन्द्र प्रताप सिन्हा : मुनारों के बच्चों की पढ़ाई के बारे में हम क्या गवर्नमेंट को रिक्वैस्ट करें ताकि उनकी अच्छी तरह से पढ़ाई लिखाई हो सके ?

श्री राम चन्द्र सहाय : उनकी फीसों माफ हों, उनको पुस्तकें मुफ्त में मिलें, उनको छात्रवृत्तियां दी जायें, उनको सर्विस में प्राथमिकता दी जाये। जो भी हिदायतें दी जायें, उन पर यूनिफार्मली अमल हो। ऐसा न हो कि कहीं पर तो आधी फीस माफ हो और कहीं पर सारी।

श्री राजेन्द्र प्रताप सिन्हा : पुराने गहनों को नयों में बदलने के लिए २२ कैरेट की छूट दी जाये या नहीं ?

श्री बसन्तकुमार जंबड़ा : कैरेट के आधार पर छूट नहीं होनी चाहिये।

श्री राजेन्द्र प्रताप सिन्हा : छूट देते हैं तो क्या आप समझते हैं कि स्मगलिंग बढ़ेगा ?

श्री एम० आर० रणपुरा : जहां तक उनका यह कहना है कि 'सोना स्वर्णकार गलाते हैं वह सही नहीं है। वे गलाते नहीं हैं, वे गलाने वाले नहीं हैं। सर्राफ भी बनाते नहीं हैं, गलाते नहीं हैं। सर्राफ तो न गलाता है और न बनाता है, वह तो बीच में आ कर घुमना चाहता है। वह स्वर्णकार को बदनाम करता है। जो कुछ खुराफात होती है वह सर्राफ करवाता है। स्वर्णकार तो उसको गहना बना कर दे देता है, और वह उसकी जांच कर लेता है। तो स्वर्णकार तो गड़बड़ी कर ही नहीं सकता।

श्री राजेन्द्र प्रताप सिन्हा : आपने बतलाया कि जो पुराने सोने का नया गहना बनाना होता है उसमें कुछ नया सोना लगाना होता है और बनाते वक्त कुछ सोना बच भी जाता है। तो क्या आपके लिए यह मुमकिन है कि बाजार से कुछ सोना लिए बिना आप नया गहना बना सकें ?

श्री एम० आर० रणपुरा : मुमकिन हो सकता है लेकिन हम को कठिनाई है। यह साफ जाहिर है।

श्री जशवन्त मेहता : हम बिल में संशोधन करना चाहते हैं जिससे कि स्वर्णकारों को सहूलियत हो। इसके लिए आप क्या मुद्दाव देना चाहते हैं।

श्री राम किशोर रस्तोगी : हम ने कहा था कि गोल्ड कंट्रोल आर्डर को वापस लिया जाये। लेकिन अगर इसको पार्लियामेंट बहुमत से पास करती है तो हम चाहते हैं कि सोने का काम करने की इजाजत केवल उन मुनारों को दी जाये जो अपना काम आप करते हैं, सर्राफ आदि को न दी जाये। इसमें एड-मिनिस्ट्रेटर को यह पावर है कि वह किसी व्यक्ति को लाइसेंस दे सकता है। लेकिन हमारा कहना है कि जो अपना काम खुद करते हैं केवल उनको ही इजाजत दी जाये।

दूसरी हमारी मांग यह है कि हम को अपना निज का दो सौ ग्राम सोना रखने की इजाजत दी जाये।

तीसरा मुद्दाव यह है कि १४ कैरेट को वापस लिया जाये। इसका ज़ेवर यहां की हवा में रंग में खराब हो जाता है।

श्री जशवन्त मेहता : कोई संशोधन कराना चाहते हों तो बतायें।

श्री राम किशोर रस्तोगी : एक्साइज वालों को ही पकड़ने की और केस चलाने की पावर दी गयी है। यह न होना चाहिए। जैसे पुलिस पकड़ती है और केस मजिस्ट्रेट चलाता है वैसे ही यहां भी होना चाहिए।

श्री जशवन्त मेहता : जो अमेंडमेंट आया उसके बारे में आपकी क्या राय है ?

श्री राम किशोर रस्तोगी : इससे स्वर्णकारों को फायदा नहीं हुआ। डीलर्स को भ्रष्टाचार करने का मौका मिला।

श्री एम० आर० मसानी : कल बतलाया गया कि स्मगलिंग दस फीसदी बढ़ गया है। आप इसका किस तरह से अन्दाजा लगा सकते हैं।

श्री एम० आर० रणपुरा : हम देखते हैं कि विलायती सोना बाजार में बिकता है। हम तो लाते नहीं लेकिन जिन लोगों का दूसरे देशों से सम्पर्क है वे लाते हैं। मुना गया है कि कुछ मिनिस्ट्रों के लड़के लाते हैं। वालकाट के बारे में भी यह मुना गया कि सोना लाता था। लेकिन उसको सरकार ने पकड़ा नहीं।

श्री एम० आर० मसानी : हमने मुना है कि बम्बई आदि बड़े शहरों में छोटी छोटी दुकानों पर सोने की बिसकिटें बिकती हैं।

श्री एम० आर० रणपुरा : हमने तो देखा नहीं लेकिन बेची जाती हैं यह सरकार को पता है। लेकिन इस सम्बन्ध में स्वर्णकार आपको कोई जानकारी नहीं दे सकते।

श्री एम० आर० मसानी : सेल्फ एम्प्लाइड सुनार और दूसरे सुनार कौन हैं।

श्री एम० आर० रणपुरा : जो अपना काम करते हैं वे सेल्फ एम्प्लाइड हैं और दूसरे वे हैं जो सराफों का काम करते हैं। उनको आउट वरकर कहते हैं। जो लाइसेंस दिया जाए वह उन्हीं को दिया जाए जो अपना काम करते हैं। आउट वरकर लोगों को अलग लाइसेंस न दिया जाए।

श्री एम० आर० मसानी : आपने कहा है कि इस बिल में सुधार करने की आवश्यकता नहीं है, इसको रद्द कर दिया जाए ?

श्री एम० आर० रणपुरा : अगर सरकार यह कहे कि वह स्वर्णकारों के लिए आसमान के तारे भी लाकर जमीन पर रख देगा; तब भी मैं कहता हूँ कि हमारा पुनर्वास नहीं हो सकता। इसी लिए गुजरात में मांग थी कि इसको रद्द कर दिया जाए। लेकिन बहुमत,

ने पास हो गया। लेकिन हम समझते हैं कि हमारा पुनर्वास नहीं हो सकेगा।

डा० लक्ष्मीमल्ल सिधवी : स्वर्णकारों की संख्या के बारे में आपका क्या अनुमान है।

श्री एम० आर० रणपुरा : हमारे प्रदेश में 50 या 60 हजार स्वर्णकार हैं। सरकार ने स्वयं ही यह घोषणा की है कि तीस हजार स्वर्णकार देश में हैं। लेकिन जब पुनर्वास का सवाल सामने आया तो कहा जाता है कि बीम हजार से भी कम लोगों को स्वर्णकार माना गया है। जो लोग मीना आदि का काम करते थे उन को स्वर्णकार नहीं माना गया। लेकिन हमारे अखिल भारतीय स्वर्णकार संघ की यह घोषणा है कि देश में बीम लाख स्वर्णकार हैं।

डा० लक्ष्मीमल्ल सिधवी : सरकार स्वर्णकारों का पुनर्वास करने में किस कारण से असफल रही है ?

श्री एम० आर० रणपुरा : पुनर्वास के जो नियम बनाये गये हैं और जो परिस्थितियाँ उसमें रक्खी गई हैं कि इस इस आधार पर उनको बसाया जायगा उस से पुनर्वास की समस्या हल नहीं होती है। अब स्वर्णकारों के लिए यह लाजिमी करार दे दिया गया है कि वे लिखित रूप में इस तरह का प्रमाणपत्र दें कि वे सोने का ही व्यापार करते थे तभी उनको सरकार द्वारा स्वर्णकार माना जायेगा। इस तरह की शर्त लगाने से उनको बड़ी कठिनाई पेश आ रही है।

पुनर्वास के हेतु जहां तक स्वर्णकारों को कर्जा देने की बात है तो उसके लिए उसे जमानत देनी पड़ती है और नतीजा यह होगा कि वह संकट में फंस जाता है।

डा० लक्ष्मीमल्ल सिधवी : पुनर्वास की योजना में क्या ऋण देने के अलावा और कोई कदम ऐसा नहीं उठाया गया जिससे कि उनका पुनर्वास सम्भव हो सके ?

श्री एम० आर० रणपुरा : सरकार ने स्वर्णकारों के बच्चों को मुफ्त शिक्षण और बेकार हुए लोगों को नौकरियां व अन्य धंधे देने की योजना घोषित तो अवश्य की है लेकिन उन पर पूरी तरह से अमल नहीं हो रहा है। इस तरह की शिकायतें हमारे संघ के पास अनेकों मौजूद हैं जहां कि स्वर्णकारों के अतिरिक्त लोगों को सम्बद्ध अधिकारियों द्वारा पुनर्वास सम्बन्धी सहायता प्रदान कर दी गई है। वैसे मैं इससे इंकार नहीं करता कि कुछ भी नहीं किया गया है। मध्यप्रदेश में एक हजार स्वर्णकारों को जबलपुर फैक्टरी में नौकरी दी गई है और अन्य क्षेत्रों के स्वर्णकारों को भी कुछ नौकरियां दी गई हैं लेकिन पूरा अमल अभी भी नहीं हो रहा है।

डा० लक्ष्मीमल्ल सिधवी : क्या आप यह कहेंगे कि वास्तव में पुनर्वास की योजना कार्यान्वित हो ही नहीं सकती है ?

श्री एम० आर० रणपुरा : सरकार को उसके लिए स्वर्णकारों को अपने विश्वास में लेना होगा, उनसे सुझाव लेना होगा और जब उसके अनुसार स्कीम शुरू की जायगी तो सफलता मिल पायेगी।

डा० लक्ष्मीमल्ल सिधवी : किस स्तर पर उनका प्रतिनिधित्व होना चाहिए ?

श्री एम० आर० रणपुरा : जो ऐडवाइजरी बोर्ड बनाया है उसमें ठीक प्रकार से उनको प्रतिनिधित्व मिलना चाहिए। जिला स्तर पर जो बोर्ड बनाये जाय उनमें स्वर्णकारों के प्रतिनिधि लिये जायं। इसलिए योजना को सफल करना या न करना सरकार के हाथ में है।

डा० लक्ष्मीमल्ल सिधवी : आप लोगों ने जो आपन प्रस्तुत किये हैं उनमें किसी ने तो कहा है यह स्वर्ण नियन्त्रण अधिनियम वापिस लिया जाय तो कुछ लोगों ने अपनी साक्षी में यह कहा है कि अगर इसमें कुछ आवश्यक संशोधन कर दिये जायें तो इस पर अमल किया जा सकता है और आप अपना कार्य

कर सकते हैं, मैं जानना चाहता हूं कि वास्तव में किस स्थिति को आप स्वीकार करते हैं, स्वर्ण नियन्त्रण अधिनियम को आप वापिस लेना चाहते हैं जिससे कि आपकी स्थिति में कोई फर्क न आये या आप ऐसा समझते हैं कि कुछ आवश्यक संशोधन हो जाने के बाद इस पर अमल किया जा सकता है ?

श्री रामचन्द्र सहाय : वास्तविक मंशा हमारी यह है कि हम कोई भी नियन्त्रण अपनी कला पर नहीं चाहते हैं। कंट्रोल अगर आपको रखना है तो यह कंट्रोल आपको केवल गोल्ड स्मगलर्स पर रखना चाहिए न कि गोल्डस्मिथ्स पर कंट्रोल होना चाहिए। जो उन्होंने मेमो-रेंडम पेश किया है उसमें यह साफ जाहिर कर दिया है कि स्मगलर्स कंट्रोल होना चाहिए।

डा० लक्ष्मीमल्ल सिधवी : सोने के तस्कर व्यापार का उल्लेख करते हुए आप लोगों ने कहा है कि उसमें इस स्वर्ण नियन्त्रण अधिनियम से कोई फर्क नहीं पड़ा है तो क्या आप बतला सकते हैं कि आप किस आधार पर यह बात कहते हैं ?

श्री एम० आर० रणपुरा : पार्लियामेंट में हुए डिबेट से यह बात साफ जाहिर हो जाती है कि सोने का तस्कर व्यापार रुका नहीं है अपितु कुछ बढ़ा ही है।

डा० लक्ष्मीमल्ल सिधवी : आप में से एक व्यक्ति ने कहा कि तस्कर के स्रोत अभी तक सूखे नहीं हैं और उसके समर्थन में आपने श्री पाटिल के वक्तव्य का हवाला दिया तो क्या आप यह कहने की स्थिति में हैं कि तस्कर के स्रोत कहां पर हैं, किस तरह के हैं, तस्कर व्यापार बढ़ने के कारण राजनैतिक कारण हैं या और कोई कारण हैं जिनकी कि वजह से सोने के तस्कर व्यापार के स्रोत यथावत बने हुए हैं ?

श्री एम० आर० रणपुरा : तस्कर का व्यापार बड़े बड़े पूंजीपति करते हैं जिनका कि प्रभाव होता है। वह १४ कैरेंट में यह

स्मलिंग कर रहे हैं और उनको इसके करने की पूरी छूट है। उस पर कोई प्रभावशाली चैक नहीं है। जनता को अभी भी स्वर्ण के आभूषण के प्रति एक मोह व लगाव है और उनको स्वर्ण की आवश्यकता रहती है और उसमें इस देश में बाहर से लाया हुआ सोना चुपचाप खप जाता है।

डा० लक्ष्मीमल्ल सिंघवी : लाइसेंस प्राप्त करने में आपका क्या अनुभव है और उसमें क्या क्या दिक्कतें आती हैं ?

श्री एम० आर० रणपुरा : आज मुनारों को प्रमाणपत्र प्राप्त करने में बड़ी कठिनाई पेश आती है। उनके ऊपर जमानत दाखिल करने की शर्त लगाई जाती है। मेरी प्रार्थना है कि सरकार को बगैर किसी शर्त के तमाम मुनारों को यह धंधा करने के लिए लाइसेंस देना चाहिए। उनके ऊपर जमानत आदि की पाबन्दी नहीं आयद करनी चाहिए।

डा० लक्ष्मीमल्ल सिंघवी : आपने जिक्र किया है कि प्रासीक्यूशन लांच करने से पहले जो उनके घरों की तलाशियां ली गईं तो उस सिलसिले में अधिकारियों ने उनके साथ बहुत बुरा सलूक किया और अपने अधिकारों का दुरुपयोग किया तो आप उसके बारे में क्या कुछ बतलाना चाहेंगे ?

श्री बसन्तकुमार जंबड़ा : उनको ऐक्साइज इंस्पैक्टर्स द्वारा हैरेस किया जाता है, कहीं कहीं पर तलाशी आदि लेने के सिलसिले में मुनारों को मारा भी गया है, उनके घरवालों की बेइज्जती करते हैं। मैं नहीं समझता कि इस तरह से नौकरशाही द्वारा मुनारों को बेइज्जत व परेशान किया जाना आज के प्रजातंत्री युग में उचित है। उनके घर के बर्तनों और अचार के मर्तबानों तक को बेकार में हैरेस करने के लिए चैक करते हैं। स्वतंत्र भारत में इस तरह का अत्याचार होना अनुचित बात है।

डा० लक्ष्मीमल्ल सिंघवी : क्या आप को इस बात का व्यक्तिगत अनुभव है कि ऐक्साइज

डिपार्टमेंट ने स्वर्णकारों के खिलाफ मुकदमा किया हो और अपने अधिकारों का दुरुपयोग किया हो, या अन्य कारणों से स्वर्णकारों को दिक्कत पेश आई हो ?

श्री बसन्तकुमार जंबड़ा : धार का एक केस है कि एक स्वर्णकार ने प्रमाणपत्र प्राप्त कर लिया था, लेकिन वह चांदी के आभूषण बेचने का भी काम करता था। जब ऐक्साइज डिपार्टमेंट को मालूम पड़ा कि वह चांदी के आभूषण बेचने का काम करने वाला है, तो उस को बताया गया कि वह सोने का काम नहीं कर सकता है। ऐक्साइज अधिकारियों ने प्रमाणपत्र को निरस्त करने से पूर्व ही उस का सारा सोना जब्त कर लिया और वह केस अभी इन्दौर में चल रहा है।

डा० लक्ष्मीमल्ल सिंघवी : स्वर्णकारों की शैक्षिक स्थिति क्या है ?

श्री एम० आर० रणपुरा : ज्यादातर अनपढ़ हैं।

डा० लक्ष्मीमल्ल सिंघवी : 14 कैरट के बारे में कहा जाता है कि 7 माशे सोने और 5 माशे खोट से 14 कैरट बनता है। इसलिए उसको हमारे देश में स्वीकार नहीं किया जाता है। क्या आप बता सकते हैं कि 14 कैरट सोने की चमक रखने का क्या तरीका है और उस पर कितना व्यय होता है ?

श्री एम० आर० रणपुरा : उसमें पालिश नहीं आता है।

डा० लक्ष्मीमल्ल सिंघवी : आपने जिक्र किया है कि कुछ आभूषण रिवाज के कारण प्रचलित हैं। क्या यह सही है कि राजस्थान में कुछ ऐसे आभूषण प्रचलित हैं, जो कि 22 कैरट के अतिरिक्त नहीं बनाए जा सकते हैं ?

श्री रामकिशोर रस्तोगी : बिल्कुल नहीं बनाए जा सकते हैं। खास तौर से उत्तर प्रदेश में 22, 24 कैरट के जेवरों का प्रचलन है।

डा० लक्ष्मीमल्ल सिधवी : क्या यह रिवाज के कारण है कि क्या ये आभूषण ऐसे हैं कि वे आसानी से 14 कैरट के नहीं बन सकते हैं ?

श्री बसन्तकुमार जंबड़ा : बहुत से आभूषण ऐसे हैं, जो कि नहीं बनाए जा सकते हैं ।

डा० लक्ष्मीमल्ल सिधवी : एक जापन में कहा गया कि स्वर्णकारों को अपनी कला को चन्वाने के लिए कुछ स्वर्ण की आवश्यकता होती है । क्या यह सही है ?

Chairman: They have explained it.

Dr. L. M. Singhvi: My question is: Is it a fact that the goldsmiths require for plying their trade a certain quantity of gold of their own which they utilise in making ornaments and without which they cannot make any ornaments?

Chairman: They do not want any restrictions. They have said that.

डा० लक्ष्मीमल्ल सिधवी : कुन्दन के जो आभूषण बनते हैं, उनमें कितने कैरट की आवश्यकता है ? क्या वे उससे कम से नहीं बनाए जा सकते हैं ?

श्री राम किशोर रस्तोगी : कुन्दन के जेवर पक्के सोने से बन सकते हैं । कुन्दन पक्के सोने को भी और पकाता है । उसकी कुछ क्रियायें हैं । उस सोने को फिर से तार खींच कर और पीट कर पकाया जाता है । तब उसमें कुदरती लाग पैदा होती है । उसको एक दूसरे पर रखा जाता है और वह बिल्कुल चिपक जाता है । जेवर भी पक्के सोने पर चिपक जाता है । तब वह मजबूत और खूब-मूरत बनता है । पुरानी किस्म के कुन्दन के जेवर पर मीना का काम होता है । मीना भी पक्के सोने पर होता है । वह कागज की मोटाई की दीवार होती है । उसमें खुदाई करके बेल-बूटे बनाए जाते हैं । पक्के सोने के अतिरिक्त उसके बनने का प्रश्न ही नहीं है ।

Shri Dahyabhai V. Patel: Since it was said here that these people who work on gold get their gold from the market, have they any means of finding out how the gold is coming into India, who are the people who smuggle, or has Government cared to make any enquiries from them as to how the gold is being smuggled or who are the people who bring gold into India?

श्री श्री० पी० रस्तोगी : जिन लोगों का बाहर से व्यापार है, वे लाते हैं । मुझे मालूम नहीं है कि कस्टम अधिकारियों की आंख बचा कर वह सोना कैसे आ जाता है । सोना ही नहीं ट्रांजिस्टर और बिजली की दूसरी चीजें आती हैं । सरकार ने खुद स्वीकार किया है कि और खुद भूतपूर्व वित्त मंत्री ने स्वीकार किया है कि चूँकि हमारे मेजर्ज फ्ले हुए, इसलिए गोल्ड कंट्रोल लगाना पड़ा । कस्टम अधिकारी क्यों लाने देते हैं, यह हमको मालूम नहीं है ।

श्री डाह्याभाई व० पटेल : क्या सरकार की तरफ से आप को कभी पूछा गया कि कौन लाता है ? क्या कभी कोई एन्क्वायरी हुई ?

श्री श्री० पी० रस्तोगी : हम लोगों से कभी एन्क्वायरी नहीं हुई ।

Chairman: How can you expect them to answer this question, Mr. Patel?

Shri Dahyabhai V. Patel: Has Government asked them? Government wants to prevent smuggling. As to how this gold comes, are they able to enlighten the Government? They have never been asked. It is a material point. If Government is serious, it would have asked.

Chairman: The answer is 'no'.

Shri Dahyabhai V. Patel: Therefore my question is very material.

Chairman: All right.

Shrimati Renuka Devi Barkataki: Can the witnesses give me the number

as to how many of them are working under sarafs and how many are self-employed goldsmiths?

श्री एम० आर० रणपुरा : 95 परसेंट सेल्फ एम्प्लायड हैं और 5 परसेंट सर्राफों के पास काम करते हैं ।

श्रीमती रेणुका देवी बड़कटकी : उन पांच परसेंट लोगों को कितना प्राफिट मिलता है ?

श्री एम० आर० रणपुरा : सेल्फ-एम्प्लायड गोल्ड-स्मिथ्स को अपने ग्राहकों से सिर्फ मेकिंग चार्जिज लेते हैं ।

Shrimati Renuka Devi Barkataki: Will you be satisfied if Government takes steps to form co-operative societies among goldsmiths to give them the necessary materials—gold, machine tools and all that?

Shri M. R. Ranpura: It is quite impossible.

Shrimati Renuka Devi Barkataki: Why is it quite impossible?

श्री एम० आर० रणपुरा : हिन्दुस्तान में कोआपरेटिव सोसायटीज का यह अनुभव है कि वे बिल्कुल फेल हुई हैं । कोआपरेटिव सोसाइटी में दो चार बड़े बड़े आदमी घुस जायेंगे और सारा कारोबार अपने हाथ में ले लेंगे, जिस से बाकी लोगों को कोई लाभ नहीं होगा । उस से डेमोक्रेटिक सोशलिज्म का बिल्कुल दीवाला निकल जायेगा ।

Chairman: Even a co-operative means self-control.

श्रीमती रेणुका देवी बड़कटकी : जिन गोल्डस्मिथ्स को लाइसेंस दिये हुए हैं उनको मिडलमैन को एलिमिनेट करके अगर सोना दे दिया जाए तो क्या आप सैटिसफाई हो जायेंगे ? उनको जितने सोने की जरूरत है वह अगर दे दिया जाये तो आप सैटिसफाई हो जायेंगे ?

श्री एम० आर० रणपुरा : स्टेट बैंक से बुलियन को बेचने का आप अधिकार वापिस ले लें । जो अपने आप काम करते हैं उन्हें ओपन मार्केट में सोना मिलना चाहिये ।

श्रीमती रेणुका देवी बड़कटकी : जो बिल है इससे कौन एफेक्टिव है ?

श्री राम किशोर रस्तोगी : सभी गोल्डस्मिथ ।

श्री एम० आर० रणपुरा : सर्राफ तो हमें गुलाम बनाये रखना चाहते हैं क्योंकि उनका धंधा बन्द हो जाता है ।

श्रीमती रेणुका देवी बड़कटकी : आपका सुझाव क्या है ?

श्री एम० आर० रणपुरा : गोल्ड बिल नहीं होना चाहिये ।

श्रीमती रेणुका देवी बड़कटकी : क्या इससे सर्राफ एफेक्ट नहीं होते हैं ?

श्री एम० आर० रणपुरा : बिल्कुल नहीं ।

Shrimati Renuka Devi Barkataki: The complaint has been that these goldsmiths are used by the saraffs and others and they are not getting due profit from them. Suppose Government take steps to eliminate these sarafs and give whatever gold is necessary directly to the goldsmiths, and Government also arranges for the marketing of the products, and the Bill is passed after making provision for all this so that there may be no smuggling and you may not be exploited by the saraffs etc., then, would you be satisfied with it?

श्री राम किशोर रस्तोगी : आर्ट का जहाँ तक ताल्लुक है उस पर किसी तरह का चैक नहीं होना चाहिये ।

श्री एम० आर० रणपुरा : आप प्रैक्टिकल नालेज हासिल करें, आप अनुभव करें कि क्या क्या दिक्कतें हैं फिर आप बिल लायें । बिना इस सब चीज को अनुभव किये और बिना

मुश्किलात को देखे आप यह सब कुछ कर रहे हैं ।

श्रीमती रेणुका देवी बड़कटकी : कौन सी मेन क्लाज है जिसको आप अपोज करते हैं, एडमिनिस्ट्रेशन वाली क्लाज को छोड़ कर ?

श्री एम० आर० रणपुरा : जहाँ तक गुजरात संघ का सम्बन्ध है, वह सभी क्लाजिज को अपोज करता है ।

श्रीमती नन्दिनी सतपत्ती : सारे भारत में कितने स्वर्णकारों को आल्टरनेटिव जाब्ज मिल गई है बिल आने के बाद से ?

श्री एम० आर० रणपुरा : दो परसेंट को भी नहीं मिली है ।

श्रीमती नन्दिनी सतपत्ती : जिन दो परसेंट को मिली है वे क्या करते हैं ?

श्री एम० आर० रणपुरा : कुछ तो गांवों में अनाज का धंधा करते थे और उसमें वे सफल नहीं हुए । कुछ को नौकरी पर एक दो महीने रखा गया फिर निकाल दिया गया । टैम्पोरेर; तौर पर उनको रखा जाता है और फिर निकाल दिया जाता है ।

श्रीमती नन्दिनी सतपत्ती : 14 कंस्ट के जेवर बनाने का जो चार्ज होता है वह 22 कंस्ट के जेवर बनाने से क्या अधिक नहीं होता है ?

श्री एम० आर० रणपुरा : दो या तीन गुना होता है । उसमें ज्यादा मशीनरी काम में आती है ।

श्रीमती नन्दिनी सतपत्ती : स्वर्णकारों को क्या ज्यादा लाभ नहीं होता है उसमें ?

श्री एम० आर० रणपुरा : लाभ की बात नहीं है । परेशानी बहुत होती है । वह तो मेकिंग चार्ज है और कुछ नहीं ।

श्रीमती नन्दिनी सतपत्ती : प्रॉफिट भी अधिक नहीं है ?

श्री एम० आर० रणपुरा : कुछ प्रॉफिट नहीं है । लेबर चांजिज अधिक होते हैं ।

श्रीमती नन्दिनी सतपत्ती : क्या मजदूरी ज्यादा नहीं होती है ?

श्री एम० आर० रणपुरा : उसका इसमें जीवन यापन नहीं हो सकता है । चौदह कंस्ट का काम वही कर सकता है जो सरफे का काम करते हैं या जो सरफे के पास सुतार रहता है ।

श्रीमती नन्दिनी सतपत्ती : स्टाइपेंड मिलने में क्या कुछ असुविधा होती है ?

श्री एम० आर० रणपुरा : सरकार ने इस स्कीम पर अभी तक अमल नहीं किया है ।

श्रीमती तारा आर० साठे : अगर आपकी कोओप्रोटिव सोसाइटी बना दी जाए तो क्या इससे आपको लाभ नहीं होगा ?

श्री बसंत कुमार जंबड़ा : एक स्वर्णकार जिस आभूषण को तैयार करता है उसमें उसके बाद मीना होता है, फिर सैटिंग का काम होता है फिर डायमंड का काम होता है । कोओप्रोटिव सोसाइटी का मतलब यह है कि उसको आप काम सौंप देंगे । अगर कोओप्रोटिव सोसाइटी इस आधार पर बनाई जाए कि उसमें सब प्रकार के काम करने वाले शामिल हों तब तो वह हो सकता है चल जाये अन्यथा वह नहीं चल सकती । अगर किसी एक को आप काम दे देते हैं और वह आपसे दूसरे को और फिर वह आपसे तीसरे को दे देती है तो काम नहीं चल सकेगा । तब तो पूंजी लगाने वाले जो हैं वही लाभ उठाएंगे और कोओप्रोटिव सोसाइटी को कोई लाभ नहीं होगा, और वह नहीं चल सकेगी ।

श्री एम० आर० रणपुरा : सोने के मामले में कोओप्रोटिव सोसाइटी चल नहीं सकती है । बम्बई में तीन और राजकोट में

एक बेयरहाउस बना है। एडमिनिस्ट्रेटर साहब ने उनको देखा है। पचास हजार रुपये के तो धियार चाहियें। फिर सोना बाहर से आता नहीं है। सोना है ही नहीं। नगीना तब कहां से बनेगा। सोना सरकार भी नहीं देती है।

श्रीमती तारा आर० साठे : मशीनरी अगर मिल जाये तो क्या आप नौ कैरट के भी या बारह कैरट के भी आभूषण बना सकते हैं और उसको एक्सपोर्ट कर सकते हैं।

श्री बसन्त कुमार जंबड़ा : चौदह कैरट के आभूषण जनता में बहुत कम पसन्द किये जाते हैं। इसके आभूषण पर्याप्त मात्रा में नहीं बन सकते हैं और न ही हम लोग इतने में जीवन यापन ही कर सकते हैं। ऐसी स्थिति में कोओप्रेटिव सोसाइटी फेल हो जाएगी।

श्रीमती तारा आर० साठे : क्यों नहीं बन सकते हैं, मेरे हाथ में जो चूड़ी है वह चौदह कैरट की बनी हुई है।

सभापति सहोदय : हमें आर्गु विटनेसिस के साथ नहीं करना है।

श्रीमती तारा आर० साठे : यह कहा जाता है कि जो चौदह कैरट के आभूषण होते हैं वे लाल होते हैं। लेकिन बहुत से एलायम हैं जिनसे अगर आप सफेद चाहें तो सफेद बना सकते हैं, दूसरे किसी रंग में चाहें तो वैसा भी बना सकते हैं। 22 या 24 कैरट वाले आभूषण भी शुद्ध सोने के नहीं बनते हैं। अगर कोओप्रेटिव सोसाइटी बन जाये तो यह सब बातें आपको मालूम हो जायेंगी और गवर्नमेंट भी आपकी मदद करेगी। तरह तरह के रंगों में आप आभूषण बारह कैरट या चौदह कैरट के बना सकेंगे।

श्री बसन्त कुमार जंबड़ा : चौदह कैरट के आभूषण जनता पसन्द नहीं करती है। राजस्थान तथा ऐसे ही अन्य क्षेत्रों में प्योर

सोने के ही आभूषण लोग पहनना पसन्द करते हैं।

श्रीमती तारा आर० साठे : आप प्योर सोना नहीं देते हैं।

श्री बसन्त कुमार जंबड़ा : देहातों में प्योर सोना ही आपको मिलेगा।

श्री बी० एल० चांडक : अभी कहा गया कि बीस लाख मुनारों में से सत्तर प्रतिशत से अधिक देहातों में रहते हैं। जो देहातों में रहते हैं वे सब क्या सोने का काम करते हैं या सोने के साथ साथ चांदी का भी करते हैं ?

श्री बसन्त कुमार जंबड़ा : दोनों का सम्मिलित भी करते हैं।

श्री बी० एल० चांडक : चांदी का उसमें प्रोपोर्शन कितना होता है ?

श्री एम० आर० रणपुरा : दोनों का करके उनका रोजगार चल रहा है।

श्री बी० एल० चांडक : अगर वे चार सौ तोले चांदी का काम करते हैं तो मैं समझता हूं कि मुश्किल से वे चार पांच तोले सोने का काम करते होंगे।

श्री बसन्त कुमार जंबड़ा : मद्रास, आंध्र प्रदेश, पंजाब, बंगाल आदि प्रदेशों में जो जमा देहात में रहती है, वह अधिकांशतः सोना ही पसन्द करती है और वहां सोने का ही काम होता है। कुछ प्रदेश हैं जहां चांदी का काम होता है। बिल्कुल स्पष्ट तो मैं नहीं कह सकता हूं लेकिन उन क्षेत्रों में अधिकांशतः सोने का ही काम होता है और देहातों में शुद्ध सोने का होता है।

श्री बी० एल० चांडक : पुनर्वास की बात कही जाती है। अधिकांश जो मुनार देहातों में हैं वे बहुत थोड़ा काम सोने का करते हैं और ज्यादा काम चांदी का वहां होता है क्योंकि गरीब लोग चांदी के गने पहनते हैं, क्या यह सही नहीं है।

श्री श्री० पी० रस्तोगी : बीस लाख में चांदी के गहने बनाने वाले नहीं जोड़े गये हैं ।

श्री बसन्त कुमर जंबड़ा : उत्तर प्रदेश, मध्य प्रदेश आदि देहातों में तो चांदी के गहने बनते हैं । बंगाल, मद्रास, आंध्र प्रदेश, गुजरात, पंजाब आदि ऐसे इलाके हैं जहाँ पर देहातों में सोने का काम अधिक होता है ।

श्री बी० एल० चांडक : अभी मेम्बर साहब ने पूछा था कि जो 14 कैरट का सोना है उसमें तरह तरह से एलाय मिलाये जा सकते हैं और उसमें इलास्टिसिटी पैदा की जा सकती है । मैं पूछना चाहता हूँ कि क्या आप अपने काम में 14 कैरट का उपयोग करेंगे, उपयोग कर सकते हैं और उसका उपयोग करना चाहिये ?

श्री एम० आर० रणपुरा : हिन्दुस्तान में तो तांबा और चांदी मिलायी जाती है । दूसरी धातु मिलायेंगे तो सोना फट जाएगा, काम नहीं बनेगा ।

श्री राम चन्द्र सहाय : सरकार ने 14 कैरट की घोषणा तो कर दी, लेकिन आज तक नहीं बतला सकी कि इसका जेवर कैसे बन सकता है । इसके बारे में किताबों में तरह तरह के फारमूले हैं । लेकिन किताबों की बात और है और वास्तविकता और है । अगर आप इजाजत दें तो हम यहाँ इस बात को दिखाने का कल प्रबन्ध कर सकते हैं कि हमको किस प्रकार 14 कैरट का जेवर बनाने में कठिनाई होती है ।

श्री बी० एल० चांडक : अभी आपने कहा कि लाइसेंस केवल उन्हीं लोगों को दिया जाए जो अपना काम आप करते हैं । क्या आपका यही मतलब है कि सुनार वही है जो सुनार के घर पैदा हुआ है, या कि जो सुनार का काम करता है उसको आप सुनार मानते हैं ?

श्री एम० आर० रणपुरा : हमारा मतलब उससे है जो यह काम करता है । हमारे सब के सदस्य मुसलमान भी हैं ।

श्री बाल गोविन्द वर्मा : मैं जानना चाहता हूँ कि जो जेवर आप बनाते हैं उसमें सोने का अनुपात कितना होता है ?

श्री एम० आर० रणपुरा : एक जमाना था कि 14 आने का काम होता था, लेकिन आज महंगाई के समय है इसलिए कुछ ज्यादा होगा ।

श्री बालगोविन्द वर्मा : इस टांके का दाम किसको मिलता है, आपको या सर्राफ को ?

श्री एम० आर० रणपुरा : जो काम बनता है उसमें जो टांका लगता है उसका दाम कम होता है और घाटा ज्यादा होता है ।

श्री बालगोविन्द वर्मा : अगर हम आपसे शुद्ध सोने का गहना लें और वापस क तो कितना कम आप देंगे ?

श्री एम० आर० रणपुरा : हमने बताया कि एक आना काट कर बाकी दे देंगे ।

श्री बालगोविन्द वर्मा : मैं जानना चाहता हूँ कि शुद्ध सोने में मिलावट करके सर्राफ कितना मुनाफा कमाते हैं ?

श्री एम० आर० रणपुरा : अधिकांश सर्राफ तो अपना सोना खुद बना कर हमको देते हैं और हम उसका जेवर बना देते हैं ।

श्री तुल महेन राम : क्या यह सही है कि आप 22 कैरट और 24 कैरट के जेवर के लिए इसलिए आप्रह कर रहे हैं कि उसमें आप ज्यादा मिलावट करके ज्यादा नफा ले सकते हैं, क्योंकि उसका रंग ठीक रहता है, पर 14 कैरट में आप यह नहीं कर सकते, इसलिए उसका विरोध करते हैं ?

श्री एम आर० रणपुरा : यह बिल्कुल गलत है ।

श्री तुल मोहन राम : क्या यह सही है कि 14 कैंट में मिलावट की ज्यादा गंजाइश नहीं है इसलिये आप उसका विरोध कर रहे हैं ?

श्री एम० आर० रनपुरा : हम इसलिए 14 कैंट का विरोध करते हैं कि आपने बड़े लोगों को तो 500 भरी या 1000 भरी तक सोना रखने की इजाजत दे रखी है, तो एक साधारण आदमी जो मेहनत करके 50 रुपया बचाता है और अगर वह अंगूठी चाहता है तो उसको क्यों 14 कैंट के लिए मजबूर किया जाए। उसको भी अच्छे मोने का जेवर बनाने की इजाजत होनी चाहिये। इसके अलावा 14 कैंट में शुद्धता की जांच करना कठिन है क्योंकि उसको कसौटी पर नहीं कसा जा सकता।

श्री तुल मोहन राम : क्या ऐसा नहीं होता कि कोई 24 कैंट का जेवर मांगे और आप उसको 20 कैंट का दे दें ?

श्री एम० आर० रनपुरा : हम ऐसा ही करते।

श्री तुल मोहन राम : सरकार ने जो 14 कैंट के जेवरों का प्रदर्शन किया, तो ये जेवर स्वर्णकारों के बनाए हुए थे या इनको सरकारी अफसरों ने बनाया था ?

श्री एम० आर० रनपुरा : इनको स्वर्णकारों ने बनाया है, लेकिन जैसा मैंने पहले बताया यह जेवर अच्छा नहीं रहता। इसके अलावा इन गहनों को उन स्वर्णकारों ने बनाया जो मद्रास आदि शहरों में रहते हैं और जो इस काम को जानते हैं। बाकी देश में यह नहीं चल रहा है।

श्री राजेन्द्र प्रसाद सिन्हा : हम यह जानना चाहते हैं कि ऐसे कितने सुनार हैं, उनका परसेटिज क्या है, जो अपने आप किसी दूसरे काम में लग सकते हैं और जिनको सरकारी सहायता की आवश्यकता नहीं है और ऐसे कितने हैं जिनके पुनर्वास के लिये सरकारी सहायता चाहिए ?

श्री एम० आर० रनपुरा : मैं उन बहुत कम हैं जिनके पास पैसा है और जो खुद बस सकते हैं। अधिकांश सुनार त गरीब लोग हैं। उनको तो सरकार की सहायता की आवश्यकता होगी।

श्री राजेन्द्र प्रसाद सिन्हा : हम ऐसे स्वर्णकारों को जानते हैं जो दूसरे व्यवसायों में अपने आप लग सकते हैं।

श्री एम० आर० रनपुरा : जो आर्टिजन क्लास है उसको तो पुनर्वास की आवश्यकता होगी। हो सकता है उनको रुपए की आवश्यकता न हो, उनको नौकरी आदि दे दी जाए और उससे उनका काम चल जाए।

श्री गुजराल : आपका ठीक तरह काम चलने के लिए आप चाहते हैं कि आपको अपने पास सोना रखने की इजाजत हो ताकि वह ढलाई के काम आ सके। दूसरी बात आपने यह कही कि हम जो काम आप बताते हैं उसमें कई लोगों को काम करना पड़ता है, उसके लिए भी कुछ रुपया इनवेस्ट करने को चाहिए। इसके साथ ही साथ आपने यह कहा कि स्वर्णकार के पास सरमाया नहीं है। अगर आपको अपना सोना रखने की और जुनूद आदि के लिये सामान रखने की इजाजत दे दी जाए तो आप रुपया कहां से लाएंगे क्योंकि आपके पास रुपया है नहीं और कोआपरेटिव सोसाइटी के आप पक्ष में नहीं। तो फिर इसका क्या तरीका होगा ?

श्री ओ० पी० रस्तोगी : स्वर्णकारों के पास काम करने की अलग अलग टैक्नीक्स हुआ करती हैं और हर एक अपनी अपनी टैक्नीक में माहिर हुआ करता है। अब होता यह है कि एक रुपया भर आपने दे दिया और एक रुपया भर दूसरे ने दे दिया। दोनों को मिला कर हमने एक को कुछ दे दिया और दूसरे को कुछ दे दिया। किसी के पास खुद अपना होता था तो कोई दूसरे से जिसके

पास पैसा होता था उससे कर्ज लेकर काम चला लिया करते थे। इस तरह से वह अपना काम चला लिया करते थे।

(The witnesses then withdrew.)

VI. Shri Chokshi Mahajan, Ahmedabad

Spokesmen:

1. Shri Sarabhai M. Chokshi
2. Shri M. G. Merchant
3. Shri Bhailalbai Dahyabhai Chokshi
4. Shri Chitranjan B. Dave.

VII. Navsari Chokshy Association, Navsari

Spokesmen:

1. Shri Ranchhoddas D. Choksi
2. Shri Narendra H. Parikh
3. Shri Shyamlal G. Choksi
4. Shri Sudhanbhai T. Choksi.

VIII. Chokshi Mahajan Association, Dabhoi

Spokesmen:

1. Shri Bhogi Lal Gobardhan Das
2. Shri Chandulal Bhogi Lal.

(Witnesses were called in and they took their seats).

Chairman: Whatever evidence you give is liable to be printed and published and distributed among Members of Parliament. Your memorandum has been distributed to the Members. Since you are all bullion merchants of Gujarat and your problems are common, I suggest you may choose one from among yourselves to lead the evidence. You need not repeat what is contained in the memorandum. If you want to stress any particular point, or if there are any new points, you may please tell the Committee.

Shri Rajendra Pratap Sinha: I would like to know if they are bullion merchants only or jewellers also.

Shri M. G. Merchant: We are also.

I have been asked by my Association to convey to you thanks for allowing us to tender evidence before you. I am representing the Choksi Mahajan association of Ahmedabad from Gujarat as well as the other associations at the instance of the Chairman.

The association feels that the gold control rules were introduced at the time of foreign invasion under special circumstances that prevailed in the country and that those special circumstances have ceased to operate. It is in the fitness of things that the Government not only withdraw the gold control rules but withdraw this Bill also. The objects for which these rules have been introduced in the country have not been achieved to the extent to which they were expected. This has been amply explained in our memorandum and I would make only stray references to these points.

Firstly, it has been said that these were needed to check smuggling but it has not been shown whether smuggling has been stopped in any way or checked. So, our submission is that the steps that have been taken or that are under contemplation are on the wrong track. The cause of smuggling is something else. The tendency for smuggling arises because of the huge profits reaped by smugglers and it is not a particular class of persons who do it; the smugglers are a class by themselves, smuggling takes place in gold and certain other articles because of certain economic conditions and the law of supply and demand. This Bill is not the correct method to check smuggling. This 18 months' experience has proved beyond doubt that smuggling has not been checked; that is the view of many learned experts, social workers and of the business community. It would be worthwhile for the Government to pause for a while before they make a permanent statute like this.

If the Government wished to have such a Bill, let them continue the gold

control rules for two more years with some modifications designed to give some relief to people like us and then decide whether they should do this.

There is great resentment not only among the choksies and gold dealers but from the entire public for allowing only 14 carat ornaments to be manufactured. The relaxations announced by the Finance Minister on the 25th of September was perhaps the reaction of the resentment of the public. Instead of the 14 carats, I suggest that we should switch over to a purity of 20 or 22 carats. If it is felt by the Government that this brings good to the Government and the nation at large, the gold business may be under the control of the Government. We have got no objection if the Government controls our business but then it should be done in a manner, in a way which suits not only the public but the dealers at large. I had already stated that for this, the purity should be raised from 14 to 20 or 22 carats. This, I believe, would serve the purpose both of the Government and the public. The Government would be able to control and check the day-to-day transaction of the gold dealers for special registers have been prescribed in the Bill in which we have to post the entries which stand testimony to the every day business of the dealers.

Government has also lost sight of the entire problem of unemployment that has been caused among the dealers. It has not only affected choksies but also gumastas or munims who were employed by the dealers and also the goldsmiths. Nothing has been done to rehabilitate this class of persons.

It has been believed generally that choksies are rich people with ample means to switch over to some other business. It is not a fact. They are very small dealers, most of them situated in the farthest corner of the country which has five lakhs of villages. They have to earn their daily bread with meagre resources and it has been impossible for

them to switch over to some other business without support or help or guidance.

It is surprising that the Government prefers to allow the people on the one hand the preparation of new gold ornaments of the same purity out of the old ornaments; on the other hand prevents the dealers who had been doing this business for ages together and doing this service to the citizens. When the dealers sell ornaments to the public, they issue pucca receipts and a guarantee that on any working day if the buyer comes back to the dealers, the dealer will take back that ornament after deducting the labour charges and pay the market rate prevailing on that day. This has been stopped. This has been an impossible task for the choksies to render service to the customers. So, I would suggest that in view of the several difficulties that have been caused to the dealers, it is worth-while considering whether the gold control should be allowed to exist as it is, or you should still recommend this Bill to Parliament. I for one would request and pray that this is a very premature stage when gold control should be introduced in our country on a permanent basis.

***Shri Bhailabhai Dahyabhai Chokshi:** It is a very important point that I would like to place before you, and that is, because of the failure of the Government to check smuggling, somebody else is being punished by introducing this Bill. There is a proverb in Gujarati that the person who brings water is being punished. I want to ask, because of the inefficiency of the Government to check smuggling, why should the dealer be punished by the introduction of this Bill.

I am of the opinion that the allure-ment for smuggling is because of the difference in the rate which prevails in the international market and the rate which prevails in our country. Government should import gold and make it available so that the tempta-

*The witness gave his evidence in Gujarati which was translated into English.

tion and the inducement of the smuggler is reduced. I may further point out that by smuggling, the Government is losing money to the tune of Rs. 50 crores and so, if the Government starts importing, it would be a saving to the Government.

I am further of the opinion that the present price-line is flaring up to a very high degree, and everybody wants to check it. This flaring up of the prices is due to gold control, since the price in the market depends upon the price-level of gold. Therefore, I would insist that the import of gold and selling gold at a lesser rate would bring down the general level of prices.

I may further point out that at present the prices of commodities, etc., are going up because of the fact that the possessor or the producer who has got the raw material is not selling out in the market, since he is not getting gold which he used to purchase previously. Therefore, at present, those people actually conserve or keep their produce with them and sell it only at a time when there is need for money, with the result that the supply of commodities in the market is less and the prices go up.

My contention is that by gold control, not only have the goldsmiths been affected but other dealers have also been severely affected. Further, because of the permission granted to the manufacturer to manufacture new ornaments of the same purity from the old ones, the business in 14 ct. gold has also gone out. When the public can see that they can have 22 ct. purity in gold ornaments, naturally, they are tempted to have yellow colour of 22 carat rather than the brownish colour of 14 carat gold.

श्री भौजी लाल गोवर्धन दास : सोने के प्रति इस परम्परागत मोह तथा हमारी अर्थव्यवस्था में तथा हमारे धार्मिक और सामाजिक रीति रिवाजों में इसके द्वारा महत्वपूर्ण पार्ट अदा किये जाने के कारण सोने के बारे में उठाये जाने वाले किसी भी

बड़े कदम का व्यापक रूप से असर पड़ना अनिवार्य है। इसके धार्मिक और सामाजिक पहलू के अलावा इसका आर्थिक आधार भी है। भारत में एक परिवार की बचाने की औसत क्षमता लगभग 120 रुपये प्रति वर्ष है और इस बचत का एक भाग सोने के गहनों में लगा हुआ है। किसानों के लिए, जो इस देश में भारी बहुमत में हैं, इस प्रकार धन लगाये जाने का बहुत अधिक महत्व है। जब भी फसल अच्छी होती है, किसान अपनी बचत को सोने में बदल देता है। यह कीमती पीली धातु उस समय काम आती है जब फसल नष्ट हो जाती है या किसान को बैल खरीदने तथा जमीन को सुधारने के लिए पैसे की जरूरत पड़ती है। उसे अपनी बचत को सुरक्षित रखने के लिए सोना ही सब से सुविधाजनक रहता है। यह तब तक रहेगा जब तक साक्षरता, बैंकिंग की आदत तथा सुविधाओं का विस्तार नहीं हो जाता।

यदि नया विधेयक स्वीकृत हो जाता है तो सरकार को यह अधिकार मिल जायगा कि वह आपको अपने सोने के गहने बताने के लिए मजबूर कर सके। आखिर में यह नौबत भी आ सकती है कि सरकार किसी भी शुद्धता के सोने के गहने रखने की अधिकतम सीमा निर्धारित कर दे।

संसद् ने स्वयं यह स्वीकार किया कि स्वर्ण नियंत्रण इस देश में व्यापक रूप से हो रहे सोने के तस्कर व्यापार को रोकने में विफल रहा है।

सोने के प्रति जनता का परम्परागत मोह तब तक खत्म नहीं होगा जब तक उनके लिए पैसा लगाने का कोई इतना ही सुरक्षित और आसान तरीका नहीं ढूँढ निकाला जाता और जब तक सरकार मुद्रास्फीति को रोकने के लिए कोई यथार्थवादी आर्थिक नीति नहीं अपनाती।

स्वर्ण नियंत्रण के बुरी तरह विफल होने के क्या कारण हैं इसकी जानकारी सरकार

को हो जानी चाहिए ये कारण बहुत ही स्पष्ट हैं ।

सोने की मांग को घटाने का एकमात्र तरीका यही है कि मुद्रास्फीति को रोका जाय और धन लगाने का कोई ऐसा तरीका अपनाया जाय जो सोने की तरह ही सुरक्षित और स्थायी हो । इसके लिए यह जरूरी है कि मुद्रास्फीति को बढ़ावा देने वाली सरकार की मौजूदा आर्थिक नीतियों में परिवर्तन किया जाये ।

14 कैरेट का सोना आम जनता को आकृष्ट करने में विफल रहा, किन्तु यदि जनता 14 कैरेट के गहने अपना भी ले तो भी सोने की मांग में कमी होने वाली नहीं है । जनता बचत को किसी अन्य श्रेय में लगाने की अपेक्षा अधिक से अधिक गहने रखना चाहेगी, जिससे वह उतना सोना रख सके जितना वह खरीदना चाहती है । साधारण व्यक्ति के लिए सोना मरी हुई या अलाभ कर रकम नहीं है । दर असल देखा जाय तो यह अन्य सिक्यूरिटियों से भी जानदार है, क्योंकि वह इसे किसी भी समय रकम में बदल सकता है । अन्य सिक्यूरिटियां बैंक के कार्य के समय के बाद बेकार सी हैं ।

स्वर्ण नियंत्रण से देश के उत्पादन को धक्का पहुंचा है । स्वर्ण नियंत्रण से पहले इसमें वृद्धि होती थी । इसके अलावा सरकार को यह कानून लागू करने के लिए अतिरिक्त रकम खर्च करनी पड़ती है ।

Shri L. N. Bhanja Deo: Can they give us some suggestions as to how the smuggling can be stopped? What is the extent of smuggled gold that comes into India? They are bullion merchants and they must be having some idea about it.

Shri M. G. Merchant: A better indicator is the Government who has got the barometer to say what is the extent of smuggling in the country.

Shri L. N. Bhanja Deo: Can they tell us from which country this smuggled gold comes in?

Shri M. G. Merchant: Better sources are again with the Government.

Shri Homi F. Daji: In one of the memoranda I find that they have estimated the total value of gold in India at Rs. 4,100 crores. Is it a rough estimate or is there some basis for it, because the Government has been unable to give any estimate of it?

Shri Bali Ram Bhagat: You were not here yesterday when these figures were given.

Shri M. G. Merchant: We are relying on the statistics that the Government gives to the public.

Shri Homi F. Daji: All the memoranda and the evidence are on the basis that the Gold Control Order, the whole concept of it, is wrong and that it should be scrapped. Supposing that is not possible, would you like to suggest some concrete reliefs which will help the trade short of absolute addition of gold control so that we can consider them?

Shri M. G. Merchant: I have already said in my earlier submission to the Committee that because we have got a fascination for control, free trade under government control should be allowed as it existed in the nation.

Shri Homi F. Daji: I have not understood it.

Mr. Chairman: Let the Government supply gold to whomsoever it wants.

Shrimati Tara R. Sathe: You said that if the Government would import gold the price of gold will come down. Will you assure the Government that if it imports gold and puts it into the market the sarafs and jewellers will not go and buy that gold with a view to hoard so that the prices will again go up? That is no solution unless you give that promise.

Shri M. G. Merchant: It is not a question of promise. Those who need gold are going to the market today.

If the Government would import and sell the needy will go to the market and get the gold. I would impress once more that this would definitely curb the activities of the smugglers. At present there is a vast difference between the rate that exist at international level and the rate in this country.

श्री महावीर दास : स्मर्गलिंग से सोना आता है उसको कौन खपाता है ।

श्री एम० जी० मरचेंट : हमको पता नहीं ।

श्री महावीर दास : तो आप यह नहीं मानते कि सोना स्मर्गलिंग हो कर आता है ?

श्री एम० जी० मरचेंट : हम तो सरकार की बात को ठीक मानते हैं । हम मानते हैं कि हमारी ५० करोड़ की विदेशी मुद्रा बाहर से सोना स्मर्गलिंग करने में बच हो जाती है ।

Shri B. K. Gaikwad: You have suggested the continuance of the gold control rules for two years and then introduce legislation after two years if necessary. May I know the reasons for that?

Shri M. G. Merchant: The sentiment, the attachment, the affinity and the value attached to gold in the economic life of our country is a very special feature. Against this sentiment, because we feel that gold control should be introduced our suggestion is that we should allow more latitude and time to gain more experience. Let us come to some agreed conclusion over the issue rather than take some decision hurriedly over it.

Shri Rajendra Pratap Sinha: Mr. Chairman, I would suggest that we should, if possible, get direct replies from the people who are actually concerned with this. Their present lawyer spokesman, if necessary, may interpret them because of the language difficulty. But we would like to hear directly from the people.

Chairman: If any member wants to put any question to any particular

witness, he can do so. Now, if they want him to be their spokesman, why should we object?

Shri B. K. Gaikwad: May I know the number of unemployed choksis because of this scheme? Suppose the Government is prepared to rehabilitate them like the refugees in some area, would they be prepared to go settle there?

Shri Shyamlal G. Chokshi: When the Gold Control Order came into force, I requested the Finance Minister to help me. We went into the motor spare parts business. I tried to get some assistance from the STC but they did not even reply to me. Of course, if facilities are given I myself would like to go into some other business.

Chairman: If the Government takes up rehabilitation scheme, as they have done for refugees from East and West Pakistan, are you prepared to go there?

Shri Shyamlal G. Chokshi: If some facilities for going into other business are given, naturally we can do.

Shri B. K. Gaikwad: Suppose some arrangement is made by Government in order to rehabilitate the unemployed choksis by giving them some land for cultivation. Would they be prepared to leave their present residences and go to such places?

Shri M. G. Merchant: So far as statistics about the number of unemployed choksis is concerned, it is not readily available. We will correct it and supply it to you.

श्री नरेन्द्र एच० पारिख : बहुत सी चौकसीज अगर देखा जाय तो वह ५०,६० या ७० साल की पुरानी हो गयी हैं । मैं स्वयं अपने बारे में बतलाऊं कि मैं १२ साल की उम्र से इस धंधे में लगा हुआ हूँ और मुझे यह काम करते हुए तीस साल हो गये हैं । अब अगर मुझे लैंड कल्टीवेट करने को कहा जाय तो आप ही बतलाइये कि मैं कहां जाऊंगा और मैं क्या कर सकूंगा ? दूसरे जमीन देने की जो बात की जाती है तो हिन्दुस्तान में कल्टीवेबुल

लैंड है ही कों और हमें देने के लिए जमीन आपके पास कहां से आयेगी ? खुद अनाज तो आप को अपने देश के लिए काफ़ी मात्रा में बा र से मंगाना पड़ रहा है । हमें और दूसरा बिजनेस आप कहां से और कौनसा देंगे ?

Chairman: If you are given land, would you be prepared to accept it?

Shri Narendra H. Parekh: It is impossible for Government to give us land.

Chairman: The possibility may be left to Government. Suppose you are given land, would you be prepared to collect or occupy it?

Shri Narendra H. Parekh: He would like to go only to a commercial line.

श्री गुजराल : जहां तक मेरी समझ में आया है य् चौकसी का व्यापार यही है कि सोना लेना और सोने को बुलियन की शकल में बेचना या इसके अलावा और भी कुछ है ?

Shri M. G. Merchant: The word 'chokshi' cannot very well be defined. It can only be described because the functions of chokshi vary from place to place. In very big cities like Bombay and Delhi there may be isolation in water-tight compartments between bullion merchants and others dealing in gold.

श्री गुजराल : चौकसीज ज्यादातर बुलियन को बेचते हैं या उसे लेते हैं । इसके अलावा क्या वे और भी कुछ करते हैं ?

श्री एम० जी० मर्चेंट : औरनामेंट्स लेते भी हैं और बेचते भी हैं । सोने का भी वे व्यापार करते हैं । और बुलियन भी बेचते हैं ।

श्री गुजराल : आप में और सराफ़ में क्या फर्क होता है ?

श्री नरेन्द्र एच० पारिख : सराफ़ लोग ज्यादातर पुराने ग्ने खरीदते हैं और उनको रिफाइन करके अच्छा बनाते हैं । हमारे पास

इसका हिसाब मौजूद है कि वे कितने ग्ने खरीदते हैं और फिर उनको रिफाइन करके बेच देते हैं ।

श्री गुजराल : मैं ऐसी कोई बात नहीं कह रहा हूं । मैं तो समझने की कोशिश कर रहा हूं । आप लोगों का ज्यादातर धंधा यः है कि आप लोग ग्ने लेते हैं, उसके सोने को साफ करते हैं और फिर सोने को बेचते हैं यह धंधा आपका क्या गोल्ड कंट्रोल आने से पहले था ?

श्री नरेन्द्र एच० पारिख : यः सब चीजें लेते हैं हम सोना भी बेचते हैं और उसके ग्ने भी बना कर बेचते हैं ।

श्री गुजराल : आप लोग ग्ने का व्यापार उतनी ही अच्छी तरह और ईमानदारी के साथ करते हैं जैसे कि कोई एक अच्छा और साखदार आदमी करेगा । अगर सोने के ग्ने एक्सपोर्ट करने के लिए सरकार द्वारा बॉडेड वर्कशौप्स बना दिये जायें जहां पर ये ग्ने बनाये जायें तो क्या आप इसमें शामिल होंगे और इस काम को चलायेंगे ?

Shri M. G. Merchant: It is a very good suggestion. If we could be provided with such facilities we will be quite satisfied and we are willing to co-operate with the Government in the furtherance of their policy.

श्री गुजराल : अगर देश के अन्दर सोने की खपत कम करनी हो और उस खपत को कम करने के लिए यः कैरेट का झगड़ा छोड़ कर सरकार एक सीलिंग लगा दे कि हर एक खानदान या फैमिली ज्यादा से ज्यादा इतना सोना अपने पास ग्ने की शकल में रख सकती है तो आपके खयाल में वह सीलिंग कितनी होनी चाहिए ?

श्री नरेन्द्र एच० पारिख : जो सवाल पूछा गया है उसके लिए सोचने की जरूरत है क्योंकि यः हमारी चौकसियों के लिए नहीं है ।

श्री गुजराल : आप की राय क्या है ?

श्री नरेन्द्र एच० पारिख : उसके ऊपर कोई तात्कालिक राय देना बड़ा मुश्किल है ।

श्री गुजराल : एक बात मुझे बतलाइये । आप लोग सोने के व्यापार की मुख्तलिफ़ शकलें देखते रहते हैं । गहने को लेकर उस से सोना बनाते हैं और बुलियन को लेकर उससे गहने बनाते हैं तो किसी न किसी प्वाएंट पर इस सोने के व्यापार में यह तो आप को अवश्य पता चल ही जाता होगा कि स्मगलड सोना यहां से वहां जा रहा है । इससे मेरी यह मुराद नहीं कि उस स्मगलिंग में आपका भी हाथ होता है लेकिन व्यापार के दौरान यह तो पता आप को अवश्य चल ही जाता होगा कि वहां से वह स्मगलड सोना आ रहा है और आगे इस तरह से जा रहा है । आप के खयाल में यह जो सोना बाहर से स्मगलड होकर हमारे देश में आता है वह यहां किस चैनल के जरिये मार्केट में पहुंचता है ?

श्री नरेन्द्र एच० पारिख : हमें इसका कोई ज्ञान नहीं है ।

श्री गुजराल : देखिये मैं एक बात साफ़ कर दूँ । मैं यह बात कोई आप को इल्जाम देने या दोष लगाने के वास्ते नहीं कह रहा हूँ बल्कि मैं तो सिर्फ़ सोचने और समझने की बात कह रहा हूँ । सब भाई यहां पर एविडेंस देने आये हैं उसके लिए हम आपके आभारी हैं । आप ईमानदार हैं और इज्जतदार आदमी हैं यह भी हम मानते हैं लेकिन हम तो सिर्फ़ आप से इस बात को समझने की कोशिश कर रहे हैं कि यह जो सोना बाहर से स्मगल होकर आता है वह आखिर किसी न किसी तरीके से तो कंज्यूमर्स के पास पहुंचता ही है तो वह किस चैनल के जरिये पहुंचता है यह बात क्या आप के ध्यान में आई है ?

श्री बंलाबाई दह्याबाई चौकशी : छोटे शहरों में माल नहीं आता है, इसलिए वहां पर किसी को मालूम नहीं है कि वह कहां से आता है । वह माल बड़े बड़े शहरों में आता है । जो लोग फ़ारेन कंट्रीज़ से आते हैं, वे

बड़े बड़े शहरों में आते हैं और अपने साथ माल लाते हैं । गांव वालों को नहीं मालूम पड़ता है कि कहां से माल आता है ।

Shri M. G. Merchant: He is of opinion that it is very difficult to locate the source from which it is coming.

Shri D. Balarama Raju: As a result of the Gold Control measure could you say whether smuggling of gold has decreased or increased?

Shri M. G. Merchant: It is said that gold worth 4,000 crores.....

Chairman: We want your information.

Shri M. G. Merchant: We have no date except that we get from newspapers.

Shri V. C. Kesava Rao: I would like to know whether the public prefer 14 ct. gold ornaments or rolled gold ornaments.

श्री नरेन्द्र एच० पारिख : ज्यादातर लोग पुराने गहने ले कर आते हैं । लोग 14 कैरेट के गहने कम खरीदते हैं ।

श्री शिव नारायण : आप लोगों को 14 कैरेट पर एतराज है । अगर गवर्नमेंट अपनी दुकान खोल दे और वहां से 20, 22 कैरेट का सोना बेचा जाये और बिज़िनैस करने वाले वहां से खरीद कर अपना व्यापार चलायें, तो इस में आप को क्या एतराज है ? आप की इस बारे में क्या राय है ?

श्री नरेन्द्र एच० पारिख : क्या आप का मतलब है कि गवर्नमेंट खुद बिज़िनैस करे ?

श्री बंलाबाई दह्याबाई चौकशी : 1934 में जब सोने का भाव चढ़ गया, तो ब्रिटिश गवर्नमेंट ने लाखों तोले सोना टेंडर के द्वारा बेचा ।

श्री शिव नारायण : क्या आप इस बात से सहमत हैं कि अगर गवर्नमेंट खुद यह काम करे, तो स्मगलिंग रुक सकता है ?

श्री नरेन्द्र एच० पारिख : गवर्नमेंट सोना किस को देगी ? हिन्दुस्तान में तो ज्यादातर लोग पुराने गहनों से नगीना बनवाते हैं ।

श्री बैलाबाई दह्याभाई चौकशी : अगर यहां पर फ़ारेन भाव से सोना मिले, तो स्मगलिंग बन्द हो जायेगी ।

श्रीमती लक्ष्मीबाई : क्या यह सही है कि आप अच्छा सोना ले कर सुनारों को कहते हैं कि इस में मिलावट कर दो ? क्या यह भी सही है कि आप गोल्ड खरीद कर ज़ेवर बनाने के लिए सुनार को दे देते हैं और बीच में फ़ायदा उठाते हैं ?

श्री नरेन्द्र एच० पारिख : ऐसा नहीं होता है । हमारी चौकशी की बड़ी दुकान है, जो कि दो, तीन सौ साल से चल रही है, जबकि सुनार बदलते रहते हैं ।

श्रीमती लक्ष्मीबाई : क्या यह सही है कि आप ग्राहक और सुनार के बीच में रह कर फ़ायदा उठाते हैं ?

श्री नरेन्द्र एच० पारिख : ऐसा नहीं है । आप देखिए कि गोल्ड बेंगलूर की मज़दूरी 20 रुपये है । हम कारीगर को पन्द्रह रुपये देते हैं । हम जो पांच रुपये रखते हैं, उसमें इनकम टैक्स, सेल्फ़ टैक्स, डाई, प्रैस, मशीनों आदि का खर्चा शामिल है ।

श्रीमती लक्ष्मीबाई : आप काम करने वाले नहीं हैं, व्यापार करने वाले हैं । आप के पास कैपिटल है । आप धंधा कर सकते हैं । आपने कहा है कि स्मगलिंग ज्यादा हो गया है । आप बतायें कि स्मगलिंग का गोल्ड कहां जा रहा है । आप को पुरस्कार मिलेगा ।

श्री नरेन्द्र एच० पारिख : यह कोई नहीं बता सकता है । सरकार भी नहीं बता सकती

है । हमारे पास तो स्मगलड गोल्ड कभी आता नहीं है ।

श्रीमती लक्ष्मीबाई : वह कहां जा रहा है ?

श्री नरेन्द्र एच० पारिख : यह मालूम करना गवर्नमेंट का काम है ।

श्री महावीर प्रसाद शुक्ल : आपने बताया कि आपकी दुकानें दो तीन सौ बरसों से चल रही हैं । इससे मैंने यह समझा है कि आप लोग सोने का व्यापार जैनीरेशंज से कर रहे हैं और इसलिए आप लोगों को इस बात का ज्यादा अनुभव हो सकता है कि सोना कहां से आता है । क्या आप बता सकते हैं कि देश भर में जो स्मगलड गोल्ड फैला हुआ है, यह कन्ज्यूमर तक किस रास्ते से पहुंचता है ? आखिर साधारण नागरिक सीधे तो स्मगलर के पास नहीं जाता है ?

श्री नरेन्द्र एच० पारिख : सरकार खुद मालूम नहीं कर सकती है । हम कैसे मालूम कर सकते हैं ?

श्री महावीर प्रसाद शुक्ल : पुराने ज़ेवर से नये ज़ेवर बनाने की जो छूट दी गई है, क्या इससे स्मगलड गोल्ड के ज़ेवर बनाने का मौका मिल रहा है ?

श्री नरेन्द्र एच० पारिख : पुराने ज़ेवर से नये ज़ेवर बनाने में स्मगलड गोल्ड का इस्तेमाल नहीं होता है । यह गरीब मुल्क है । यहां पर ज्यादातर लोग पुराने ज़ेवरों से नये ज़ेवर बनवाते हैं ।

श्री महावीर प्रसाद शुक्ल : कितने लोगों के पास पुराने ज़ेवर हैं ?

श्री नरेन्द्र एच० पारिख : बहुत से लोगों के पास हैं ।

Shri Prabhat Kar: So far as I could understand Shri Choksi, those who are without jobs are thinking in terms of rehabilitation help from Government. They can switch over to some other trade. They are people who have been in this trade for long, no doubt and if they have some money

with them, they should take up some other trade. If every-one without a job is to look for Government help, that is not practicable.

Shri M. G. Merchant: It is for you to consider.

Shri Jashvant Mehta: You have just said that you want amendment in the Bill that you should also be allowed to re-make old ornaments into new ones, just the goldsmiths who have been allowed to do so under the new amendment. Is that your demand?

Shri M. G. Merchant: Our request and demand will always be that we should be treated on a footing of equality.

Shri Jashvant Mehta: Like self-employed goldsmiths.

Shri M. G. Merchant: If something is being done to others, we should also be considered like one of them.

Shri Jashvant Mehta: The main purpose of the Gold Control Bill is to stop the drain of foreign exchange because there is widest disparity in international price and our price, and we are also in need of foreign exchange. Suppose the Government allows you to import and export also. You earn the foreign exchange and export the ready-made ornaments. Are you prepared to go in that line?

Shri M. G. Merchant: I will go a step further and suggest to Government the following. The Government should also encourage us if we export such things which have not so far been exported to other nations by allowing us to import gold as a sort of incentive.

श्री राजेन्द्र प्रताप सिन्हा : सुनारों ने हमको बताया है कि कनवर्शन का जो काम होता है, पुराने गहनों को नये गहनों में बदलने का जो काम होता है यह तब तक नहीं हो सकता है जब तक कुछ नया सोना उसमें न लगाया जाए। पता

नहीं यह बात ठीक है या गलत। अभी आप कह रहे हैं कि नए सोने की जरूरत नहीं है। मैं जानना चाहत हूँ कि कौनसी बात सही है ?

श्री एम० जी० मर्चेंट : हो सकता है कि जो आपको बताया गया हो वह सही हो। लेकिन हमारी मान्यता यह है—और हमारी मुश्किल यह है कि चौदह कैरट के आर्नमेंट्स को रिमाडल करने में बड़ी मुसीबत का सामना करना पड़ता है। प्योर सोने की अगर चार बैंगल्ल हमें दे दी जायें तो हम चार बैंगल्ल बना सकता हैं। अगर आप हमें इसकी छूट दे दें तो हम बना देंगे।

Shri B. D. Pande: I want to know whether the members of the Association here are aware of a Press Note which was issued a short while ago announcing the Governments intention to give financial assistance to small dealers to rehabilitate themselves in another business if they have given up the business in gold altogether.

Shri Narendra H. Parikh: We have not seen that Press Note.

Shri B. R. Bhagat: Are you not aware of the Press Note issued in early May this year?

Shri Narendra H. Parikh: No.

Shri M. G. Merchant: We have no knowledge of it.

Shri B. R. Bhagat: So far rehabilitation was confined to self-employed goldsmiths only. As far back as May, Government considered it and thought it wise that the small dealers having a turnover of Rs. 50,000 or less, if they give up their gold business, are also qualified to get assistance for their rehabilitation in some alternative business.

Chairman: You have not seen that notification.

Shri Narendra H. Parikh: No.

Mr. Chairman: Thank you.

(The witnesses then withdrew)

The Committee then adjourned.

MINUTES OF EVIDENCE GIVEN BEFORE THE JOINT COMMITTEE ON THE
GOLD (CONTROL) BILL, 1963.

Wednesday, the 22nd July, 1964 at 09.05 hours.

PRESENT.

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Homi F. Daji
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri M. R. Masani
17. Shri Jashvant Mehta
18. Sardar Gurmukh Singh Musafir
19. Shri Chhotubhai M. Patel
20. Shri T. Ram
21. Shri Shivram Rango Rane
22. Shri S. C. Samanta
23. Shri Era Sezhiyan
24. Shri Sheo Narain
25. Dr. L. M. Singhvi
26. Shri Balgovind Verma
27. Shri Bhisma Prasad Yadava
28. Shri T. T. Krishnamachari

Rajya Sabha

29. Shri Mahabir Dass
30. Shri B. K. Gaikwad

31. Shri I. K. Gujral
32. Shrimati Nandini Satpathy
33. Shri C. D. Pande
34. Shri Dahyabhai V. Patel
35. Shri P. Ramamurti
36. Shri Shiva Nand Ramaul
37. Shri V. C. Kesava Rao
38. Shri Sherkhan
39. Shri Mahabir Prasad Shukla
40. Shri Rajendra Pratap Sinha
41. Shrimati Tara R. Sathe

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidhambaram, *Under Secretary, Ministry of Finance. Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES EXAMINED

- I. Shri Rajkot Sona Chandi Karigar Mandal, Rajkot.
 1. Shri Manilal Rugnath Ranpura
 2. Shri Jamnadas V. Parekh.
- II. Ahmedabad Jadia Karigar Association, Ahmedabad.
 1. Shri Ramlal Verma
 2. Shri Kalicharan Jadiya
 3. Shri M. G. Merchant.
- III. Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur.

Shri V. N. Sanglikar.
- IV. Shri Akhil Hind Shrimali Soni Mahamandal, Bombay.
 1. Shri Jamnadas N. Jadia
 2. Shri Maganlal J. Parekh
 3. Shri Harilal D. Jhaveri.
- V. The Gujarat State Gold Licence Dealers Association, Ahmedabad.
 1. Shri Ramanlal P. Chokshi
 2. Shri Shantilal K. Chokshi
 3. Shri M. G. Merchant

4. Shri Chitaranjan B. Dave
 5. Shri N. N. Chokshi.
- VI. Shree Ratanpole & Richey Road Gold, Silver & Jewellery Orname Merchants' Association, Ahmedabad.
1. Shri S. L. Zaveri
 2. Shri N. A. Kansara
 3. Shri B. S. Kansara
 4. Shri M. G. Merchant.
- VII. Surt Chokshi Mahajan, Surat.
1. Shri Hamendra Dahyabhai Choksi
 2. Shri Navinchandra Virchandbhai Chokshi
 3. Shri R. D. Choksi
 4. Shri S. G. Choksi.
- VIII. Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce) Ahmeda
Shri M. G. Merchant.
- IX. All India Sarafa Association, Bombay.
1. Shri Vali Mohamed Sonawala
 2. Shri P. Gopalkrishnaiah
 3. Shri B. S. Mahajan
 4. Diwan Daulat Ram
 5. Shri Sheelchand Jain
 6. Shri Rajendrakumar Berry
 7. Shri M. G. Merchant
 8. Shri J. R. Gagrat.
-
- I. Shri Rajkot Sona Chandi Karigar Mandal, Rajkot.
Spokesmen:
1. Shri Manilal Rugnath Ranpura
 2. Shri Jamnadas V. Parekh.
- II. Ahmedabad Jadia Karigar Association, Ahmedabad.
Spokesmen:
1. Shri Ramlal Verma
 2. Shri Kalicharan Jadiya
 3. Shri M. G. Merchant.

III. Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur.

Spokesman:

Shri V. N. Sanglikar.

IV. Shri Akhil Hind Shrimali Soni Mahamandal, Bombay.

Spokesmen:

1. Shri Jamnadas N. Jadia

2. Shri Maganlal J. Parekh.

3. Shri Harilal D. Jhaveri.

(Witnesses were called in and they took their seats).

Shri M. G. Merchant: Sir, our President, that is, the President of the Ahmedabad Jadia Karigar Association, is neither a goldsmith nor a merchant but he represents those who carry out a special piece of art, and that special craftsmanship exists in this land. And that is why they have been specially termed as Jadies. Now, the President will explain to you their difficulties arising out of this Bill.

श्री राम लाल वर्मा : सभापति महोदय, आपने संयुक्त प्रवर समिति के सम्मुख जो मुझे अपनी कठिनाइयां रखने का मौका दिया उसके लिए मैं आपको धन्यवाद देता हूँ।

सबसे पहले तो यह चीज़ आवश्यक है कि जिस गम्भीर विषय पर हम लोग आज विचार कर रहे हैं उसको ठीक से समझना जरूरी है क्योंकि जब तक आप उसे समझेंगे नहीं तब तक आप उसके ऊपर कोई स्पष्ट निर्देश नहीं दे सकते हैं। इसलिए मैं आपको जड़ाई क्या वस्तु है और कुन्दन क्या वस्तु है यह मैं आपको बतलाना चाहता हूँ लेकिन यह सब मैं आपको ज़रा पीछे बताऊंगा उसके पहले मैं थोड़ा सा अपना वक्तव्य दे लूँ।

स्वर्ण नियन्त्रण नियमों के कारण जहाँ इस व्यवसाय और उद्योग को जबरदस्त धक्का लगा है वहाँ कुन्दन की जड़ाई के काम का तो दम ही निकल गया है। यह एक विशुद्ध स्वदेशी हस्तकला है। इसमें शुरू से अन्त तक किसी प्रकार के यन्त्र या मशीन आदि की मदद नहीं ली जाती है केवल लोहे की ढो, तीन सलाई मात्र का ही इस कुन्दन की जड़ाई

के काम में सहारा लिया जाता है। इसके अलावा मैं आपको बतलाना चाहता हूँ कि जिन औजारों से हम काम करते हैं वे सब के सब स्वदेशी हैं। इसमें काम आने वाले नग आदि सब के सब भारतीय कारीगरों द्वारा बनाये जाते हैं और वे विदेश से नहीं आते हैं। सैंकड़ों व हजारों कारीगर इसी काम से अपनी रोज़ी कमाते हैं। एक प्रकार से यह कला 100 प्रतिशत स्वदेशी है और साथ ही 100 प्रतिशत हस्त उद्योग भी है। सोने, चांदी आदि धातुओं के घाट का प्रयोग किया जाता है। इसके अलावा हाथी दांत और अन्य पत्थर आदि पर भी जड़ाई का काम किया जाता है। नग सैट करने के लिए कुन्दन का प्रयोग किया जाता है जो कि विशुद्ध सोने का ही बनता है।

मैं आपको यह बतला देना चाहता हूँ कि जब गोल्ड कंट्रोल अमल में आया और गोल्ड बोर्ड के चेअरमैन श्री कोटक के सामने जब यह मामला आया था तो उन्होंने उस समय यह कहा था कि चौदह कैरेट का कुन्दन बन सकता है। हम इसके लिए कोशिश कर रहे हैं और आजमाइश कर रहे हैं तो उस वक्त भी मैंने कोटक साहब से यह नम्र निवेदन किया था कि चौदह कैरेट का कुन्दन बन नहीं सकता है और उसका बनना असम्भव है। हालांकि उन्होंने यह कहा था कि उसका बनना सम्भव है लेकिन अब जब वह 1963 में 19 फरवरी को अहमदाबाद में पधारे थे और उन्होंने मुझे मिलने का समय दिया तो मैंने उन्हें विस्तार से इस बात को समझाया कि कुन्दन 24 कैरेट से कम में हो नहीं सकता है। बनाने को बना भले ही लिया जाय लेकिन वह महज़ दिखावा मात्र के लिए ही होता है।

उस वक्त कोटक साहब भी मेरी बात को मान गये और इस बात को समझ गये कि कुन्दन 24 कैरेट से कम में हो नहीं सकता है। उस समय उन्होंने इस बात को कबूल कर लिया कि यह कुन्दन का काम एक दम विशुद्ध सोने से ही हो सकता है अन्यथा नहीं। उसके लिए उन्होंने प्रीमिस किया था कि मैं आपको इस काम के लिए रियायत दूंगा लेकिन दुर्भाग्यवश उनका वह प्रीमिस सिर्फ़ बातों ही बातों में रह गया और अभी तक अमल में नहीं आया है।

सरकार के वर्तमान आदेश से हमारा धंधा एक दम चौपट हो गया है और हम एक दम बेकार हो गये हैं। सरकार सोने का तस्कर व्यापार रोकना चाहती है उसके इस उद्देश्य से हम सहमत हैं लेकिन उसने जिस नीति का अवलम्बन किया है और जिसके कि कारण हजारों और लाखों कारीगर बेकार होकर भुखमरी का शिकार बन रहे हैं, उस नीति का समर्थन करने में हम अपने को असमर्थ पाते हैं। सरकार सोने की भारी मात्रा में जो चोरी होती है उसको रोकना चाहती है लेकिन देखने में यह आ रहा है कि सोने की चोरी करने वाले तो पकड़े नहीं जा रहे हैं अलबत्ता बेचारे गरीब स्वर्ण-कारों को दंडित किया जा रहा है। पकड़े कारीगर जा रहे हैं जो कि दिन भर में मुश्किल से ढाई ग्राम कुन्दन का उपयोग करते हैं और वह सोना भी कभी हमारे देश में अपने घर का होता है तो कभी आहूक देता है फिर हमें किस तरह चोरी का गुनाहगार बनाया जाता है। सोने का संग्रह करने के लिए विपुल धनराशि होने की जरूरत है जबकि गरीब स्वर्णकार जड़िया कारीगर मुश्किल से अपने कुटुम्ब का भरण पोषण करने में समर्थ है और वह सोना संग्रह करने के लिए इतना सारा धन कहाँ से ला सकता है? सरकार इस पर ध्यान दे। सरकार स्वदेशी और हाथ-कारीगरी को प्रोत्साहन देती है और उन की मदद भी करती है। इस अवस्था में इस हाथ-कारीगरी

और बढ़िया उद्योग को सरकार नयी विनाश की ओर धकेलने जा रही है। यह काम शुरू से अन्त तक हाथ से होता है। सरकार का उद्देश्य हाथ-कारीगरी को प्रोत्साहन देना है। यह कारीगरी न केवल हिन्दुस्तान में, बल्कि दुनिया के सब देशों में अनोखी है और यहां के अतिरिक्त यह कहीं भी नहीं मौजूद है। यह बहुत पुराना उद्योग है जब से सभ्यता शुरू हुई और उसका काम से विकास होता गया, तब से—प्रस्तर युग, लौह युग, धातु युग के बाद से और वर्तमान आधुनिक युग में भी—यह काम चल रहा है। सारे देश-विदेशों में इस की ख्याति पहुंची है। आपको मानूम होगा कि मुद्रासिद्ध तख्ते-ताऊस, मयूर सिंघासन, में यही काम किया गया था।

यह काम अभी भी दुनिया में अल्प-परिचित है। यूरोप और अमरीका के पर्यटक इस कला को देख कर बहुत प्रसन्न और प्रभावित होते हैं और अच्छी मात्रा में इसके नमूने अपने देशों में ले जाते हैं। अभी इन पाश्चात्य देशों में तथा विश्व के अन्य उन्नत देशों में इसके प्रचार की आवश्यकता है और यह प्रचार केवल सरकार ही अच्छी तरह से कर सकती है। इसके बदले में उन देशों से अच्छी मात्रा में विदेशी मुद्रा प्राप्त हो सकती है, जिससे राष्ट्र का विकास हो सकता है।

किसी भी कारीगरी का तब तक विकास नहीं हो सकता है, जब तक कि उसकी सरकार की ओर से प्रश्रय और प्रोत्साहन नहीं मिलता है। इसलिए हम यह प्रार्थना करते हैं कि सरकार इस कला तथा उद्योग को बन्द करने के बजाये इसको प्रोत्साहन दे और इस कारीगरी को आगे बढ़ाने के लिए हमको प्रोत्साहित करे।

इस तमाम बातों पर स्वर्ण बोर्ड शोर करे। हमें विश्वास है कि यह समिति इस हस्त-कला को प्रोत्साहन देने के लिए भारत सरकार को जोरदार सिफारिश करेगी।

मैं आपको बताना चाहता हूँ कि जड़ाऊ क्या है।

Shri M. G. Merchant: Now he will tell you how Kundan is not possible to be prepared if the gold used is not 99 per cent pure. The different pieces of articles which these people have prepared are placed before the Committee. You can see how it exemplifies the special heritage of India. It deserves serious consideration by the Committee for its preservation. It is a work through which we can earn foreign exchange.

Shri Rajendra Pratap Sinha: How much of these articles are exported today?

Shri M. G. Merchant: At present there is no regular trade in export. Whenever foreigners come from other countries, especially from the Middle-East and also Europe and America, they appreciate these articles and purchase a large amount of them.

Chairman: What is your sale per year of these special articles?

श्री रामलाल वर्मा : मैं इसका विक्रेता नहीं हूँ। मैं बनाने वाला हूँ व्यापारी लोग हम से बनवाते हैं और बेचते हैं।

Chairman: He says he is only a worker and not a businessman.

श्री राम लाल वर्मा : मैं इस कला के कुछ नमूने आप लोगों को दिखाने के लिए लाया हूँ।

श्री मगनलाल जे० पारिख : मुझे माफ़ किया जाये कि मैं हिन्दी अच्छी तरह नहीं बोल सकता हूँ, क्योंकि मेरी मातृभाषा गुजराती है।

हम ने अपनी संस्था का परिचय अपने मेमोरेण्डम में दे दिया है। हमारी संस्था एक स्कूल रन कर रही थी, जिस में साइंटिफिक तरीके से सोने की कारीगरी का काम सिखाया

जाता था। गोल्ड कंट्रोल की वजह से हम को वह स्कूल बन्द करना पड़ा है। भारतवर्ष में अपनी किस्म का वह एक ही स्कूल था।

हम लोग यह मानते हैं कि सोने की स्मगलिंग और होर्डिंग से देश में किसी को फायदा नहीं हुआ है। यदि गवर्नमेंट का इरादा स्मगलिंग और होर्डिंग को रोकना है, तो हम लोग उस में पूरा सहयोग देंगे। गवर्नमेंट ने यह सोचा था कि स्वर्ण नियंत्रण नियमों के द्वारा दानचोरी और संग्रहखोरी समाप्त हो जायेगी, लेकिन हम समझते हैं कि इस में उस को सफलता नहीं मिली है। बल्कि इन नियमों का परिणाम यह हुआ है कि स्वर्णकारों की बरसों पुरानी कला और धन्धा समाप्त हो रहे हैं और उन की रोज़ी-रोटी समाप्त हो रही है। समाजवादी समाज का ध्येय रखने वाली सरकार दानचोरों और संग्रहखोरों को तो अंकुश में नहीं ला सकी है। इस के विपरीत मेहनत और मजदूरी करने वाले हस्तकला के कलाकारों तथा हाथ से काम कर के अपनी रोज़ी-रोटी और गुज़ारा करने वाली बड़ी तादाद की प्रजा को जड़मूल से कुचल कर फेंक दिया गया है। यह बहुत ही दुखद घटना है।

दानचोरी और संग्रहखोरी से स्वर्णकारों का कोई सम्बन्ध नहीं है और उनकी साबितों के लिए करीब अठारह महीने से नया दागिना बनाने का प्रतिबन्ध होते हुए भी दानचोरी कम नहीं हुई और भाव नहीं घटे बल्कि भविष्य में नया दागिना नहीं बने दागिनी से जो दागिना अस्तित्व में है उन को कोई निकालता नहीं।

स्वर्ण नियंत्रण के पहले बम्बई रिफाइनरी में प्रतिदिन अंदाज़ चार हज़ार तोला सोने का जूना दागिना रिफाईन होने को आता था और सारे भारत वर्ष में 30 हज़ार तोला सोने का जूना दागिना रिफाईन होने को आता था। स्वर्ण नियंत्रण से यह बन्द हो गया और जिनको कि जरूरत थी उसके एक य

दूसरे प्रकार से दागिना बनवा लिया इससे प्रतीत होता है कि शुरुवात से इस सरकारी बधनोए दानचोरी बड़ने में सहायता मिली और यह फैक्ट सरकार को जब मालूम पड़ी तो 22 कैरेट के जूने दागिने में से नया बनाने की छूट मिली ।

जहां तक सोने के प्रति मोह का सम्बन्ध है, वह किसी भी तरह से कम नहीं हुआ है और न ही आगे होगा । जब दागिना बेचने की व्यापारियों को एक मास की छूट दी गई थी तो आप जानते ही हैं कि कितनी लम्बी लम्बी क्यूज व्यापारियों की दूकानों के बाहर जेवरात खरीदने के लिए लगी थी । रात दिन सोने की और सोने के जेवरों की बिकरी चलती थी । इतना मोह लोगों को सोने के प्रति था । जनता का भी प्रेम और मोह स्वर्ण आभूषणों के प्रति है उसको कायदा से नहीं पलट सकते हैं । हजारों सालों से यह मोह चलता आ रहा है सीता माता को स्वर्ण मृग के लिए मोह हुआ था जब सीता माता को मोह हो सकता है तो आम जनता को कितना मोह हो सकता है, इसका अनुमान आप आसानी से लगा सकते हैं । इस तरह के नियंत्रण लगा कर मैं तो कहूंगा कि चोरो की आप मदद कर रहे हैं । यह जो सोने के मामले में आप हस्तक्षेप करते हैं, यह बिल्कुल गलत है ।

सरकार की नीति के फलस्वरूप लाखों की तादाद में सुनार बेकार हो गए हैं । सरकार ने उनकी सहायता करने का निश्चय किया है । लेकिन पिछले अनुभव के आधार पर कहा जा सकता है कि उनकी सहायता आप किसी भी प्रकार से नहीं कर सकते हैं, उनका पुनर्वास आप समुचित ढंग से नहीं कर सकते हैं । भविष्य में सरकार दो चार पांच करोड़ रुपया अगर उनके पुनर्वास पर खर्च कर भी दे तो भी कुछ नहीं हो सकता है । जिन लोगों को पुनर्वास की जरूरत है उनकी तादाद बहुत बड़ी है । इतनी बड़ी संख्या लोगों की है कि उनकी सहायता नहीं हो सकती है । यह बिना जरूरत

के खर्च आप करने जा रहे हैं । यह पैसा किसी और अच्छे कामों में लगाया जा सकता है । इस से कुछ भी हासिल नहीं होगा । अपने प्रमाणिक धन्धे से लाखों कारागरो को विमुख करके दुनिया की कोई महान से महान सिद्धि यदि मिलती है तो यह निकम्मी है, अन्यायी है और इस प्रजा के ऊपर एक अत्याचार है ।

आप देखें कि लोग अपनी पूंजी सोने में क्यों लगाते हैं । जो पड़े लिखे लोग बैंकों में या गवर्नमेंट सिक्वोरिटीज में अपनी पूंजी लगाते हैं उनकी मृत्यु के बाद जब वह पैसा उसके परिवार वालों को मिलना होता है तो उनको बड़ी दिक्कत का सामना करना पड़ता है । पैसा वापिस होते होते उनको छः आठ महीने या साल लग जाता है । यह तो पड़े लिखे लोगों की हालत हुई । जो बेपड़े-लिखे लोग हैं उनकी दशा तो और भी दयनीय है । वे इन जगहों पर रुपया नहीं लगा सकते हैं । उनको इसका पता ही नहीं होता है । वे अपना धन सोने में लगाते हैं और जब जरूरत होती है, इसको बेच कर या इसको गिरवी रख कर अपना काम चला लेते हैं । जो बीमों की रकमें भी होती हैं उनके मिलते मिलते भी काफी समय लग जाता है और तब तक परिवार वालों की दशा बहुत खराब हो चुकती है । लेकिन जिन लोगों ने अपना पैसा या अपनी पूंजी सोने में लगाई होती है उनको वक्त जरूरत इसको काम में लाने में कोई दिक्कत नहीं होती है । बहुत थोड़े समय में वे इससे अपना काम चला सकते हैं । आधी रात के समय भी अगर उसको पैसे की जरूरत होती है तो सोना अगर उसके पास है तो उसका काम चल सकता है ।

अब मैं इम्पोर्ट अग्रेस्ट एक्सपोर्ट के बारे में कुछ कहना चाहता हूं । सरकार कहती है कि गोल्ड लग्जरी की आइटम है लेकिन ऐसी बात नहीं है । गोल्ड लग्जरी की आइटम नहीं है । मैं प्रार्थना करता हूं कि जो आनर्निमेंट्स एक्सपोर्ट होते हैं उनके अग्रेस्ट सोना इम्पोर्ट करने की इजाजत दी जानी चाहिये और क

देना चाहिये कि अमुक परसेंटेज सोने में इम्पोर्ट किया जा सकता है। अरब राज्यों को गहने जाते हैं और वहाँ से सोना आता है। या तो गवर्नमेंट खुद बाहर से सोना मंगा कर कारीगरों को दे या फिर उनको मंगाने दे। 22 कैरट या 18 कैरट जितने के वे जेवर बना कर भेजें उनके अग्रेस्ट उनको सोना मंगाने की छूट होनी चाहिये। इस तरह से जो कारीगर हैं उनका काम चल सकता है। इससे स्मर्गलिंग भी रुकेगा। आप हिसाब कारीगरों से लेकर उनको सोना दें। मैं यह नहीं कहता हूँ कि बिना हिसाब किताब लिये हुए आप सोना दें।

जो स्मर्गलिंग करते हैं उनके विरुद्ध आप कड़ी से कड़ी कार्रवाई करें, हमें कोई एतराज नहीं है। उस में अगर आप हमारा सहयोग भी मांगेंगे तो वह भी हम आपको देने के लिए तैयार हैं। लेकिन यह जो हस्तकला है इसको आपको सुरक्षित रखने का प्रयत्न अवश्य करना चाहिये। हम लोगों को आपको जीने देना चाहिये।

सर्टिफाइड गोल्डस्मिथ का प्रमाणपत्र जो भी यह काम करता है उसको मिलना चाहिये और यह हमेशा मिलता रहना चाहिये। कभी भी इसको बंद नहीं किया जाना चाहिये। देहात का जो गोल्डस्मिथ है उसकी स्थिति को आप देखें। वह जब बूढ़ा हो जाता है तो उसका गुजारा किस तरह से चल सकता है। उसके दो तीन बच्चे हैं तो उनको वह पढ़ा लिखा भी नहीं सकता है। उसके बच्चे भी उसकी काम में सहायता करते हैं और वे इस काम को बहुत जल्दी सीख जाते हैं। अगर उनको यह काम करने की छूट होती है तो वे बड़े हो कर अपना तथा अपने कुनबे का निर्वाह कर सकते हैं। जो आज पालिसी है उसके मुताबिक गोल्डस्मिथ को लाइसेंस नहीं मिलता है। उसको लाइसेंस परमानेंटली मिलना चाहिये। जो भी चाहे उसको मिलना चाहिये।

जो सरकार की तरफ से सहायता गोल्डस्मिथ को मिली है वह देरी से मिली है और बहुत कम मिली है। जो मिली भी है उसे भी वे खा पी गए हैं। उनके लिए अपना गुजर बसर चलाना भी मुश्किल है। उनसे जो लोन उनको मिला है गवर्नमेंट वापिस लेने के लिए कहेगी। वे इसको अदा नहीं कर सकते हैं। अगर उनको लाइसेंस मिल जाए और वे अपना काम करना शुरू कर दें तो आपका जो रुपया है, उसको भी वे बहुत जल्दी अदा कर सकते हैं।

जो सर्टिफाइड गोल्डस्मिथ हैं, उनमें कुछ ऐसे हैं कि जिन के घर के मैम्बर, लेडीज़ और पढ़ने वाले बच्चे अपने खाली समय में बाप की मदद करते हैं। तो हमारी गवर्नमेंट से अर्ज है कि जो उन लोगों को अपने बच्चों और स्त्री आदि से मदद मिलती है वह उनको लेने देना चाहिए।

हमारे गोल्ड एडमिनिस्ट्रेटर साहब, जी पांडेय जी, ने मार्च 1964 में जो हम लोगों को छूट दी थी वह अभी तक कायदे में नहीं आयी है। तो हमारी प्रार्थना है कि उस छूट को कायदे में लाया जाना चाहिए।

एक्साइज अफसरों को बहुत वाइड पावर्स दे दी गयी हैं। इसके लिए स्वर्णकारों को कोर्ट का प्रोटेक्शन मिलना चाहिए और उनके केस कोर्ट में चलने चाहिए।

Chairman: We have heard the evidence. Don't repeat the same arguments of the previous witnesses.

Shri V. N. Sanglikar: I come from Kolhapur. I am the President of the Kolhapur District Sone Chandi Kamgar Sangh, Kolhapur. In the olden days this was an organization—well-established one—in the *mani* business on a very large scale in Kolhapur State. The *mani* required little gold. Especially in 10 grammes of gold something like 32 to 3200 *manis* are

prepared. These are sacred and are required for marriage purposes. Market for these is throughout India and no province is an exception for this market. So, this business 1,000 men and 500 women workers of poor-classes. They should be exempted from the Gold Control Rules which will serve the two purposes—the continuance of the religious feelings of the people in the country and at the same time it will be able to give employment to the poor-class people numbering like 1,000—1,500. This is the main cause of Kolhapur that I want to place before the hon. Members.

Next, this industry is also running on a very large scale in every line and the poor-class workers have been affected in large numbers in this district. They are very poor and they do not deal in gold as the bullion merchants or any other people do. They do not import anything. At the same time, they are not interested in the gold as any hoarders of gold are. But, this Gold Control Order has affected these persons only. I may be allowed to say that the Gold Control Bill does not touch those hoarders or those persons who hold lots of ornaments but it only touches the poor workers. That is why though I appreciate the aims and objects of the Gold Control Rules which have been changed to Gold Control Bill, the primary object of the Gold Control Rules was appreciable because they wanted to check the import of contraband gold. For checking that import, there are many other laws which can be made effective for stopping that business. At the same time, the hoarded gold has gone underground after November, 1962. When the hon. Prime Minister, Mr. Morarji Desai, had given a lecture stating that he was going to have controls on gold, big hoarders of gold were alerted at that time. It is a very sad story that after implementation of Gold Control Rules for 1½ years, only gold worth Rs. 48 crores has been declared.

Chairman: I suppose you mean the then Finance Minister.

Shri V. N. Sanglikar: I am sorry. The then Finance Minister said that there was a hoarded gold worth Rs. 2,000 to 5,000 crores. So, the second object to bring out the hoarded gold has not come true. At the same time we see the same thing now.

जिस समय गोल्ड कंट्रोल आर्डर जारी हुआ, उस समय दस ग्राम सोने का दाम 110 रुपया था, जो कि आज ब्लैक मारकेट में 140 रुपया है। जो इस गोल्ड कंट्रोल आर्डर लाने का मंशा था वह पूरा नहीं हुआ, न तो इससे सोने की कीमत कम आयी और न इसका कंज्यूमर गुड्स पर असर पड़ा और न देश की जनता को इससे कोई फायदा मिल सका। इससे कोई लाभ नहीं हुआ इस वास्ते हम चाहते हैं कि इसको हटा लिया जाय।

The capital in unproductive gold is locked up and this should be used for the productive purposes. That is one of the aims stated at that time. But, that has not come out. Seeing all these things, it has been very clear that this Gold Control Bill is a copy of the same Gold Control Rules. My contention is that the old Gold Control Rules should be withdrawn as it has done only one thing and that is that has created harassment to lakhs of workers. I wanted to say that this Gold Control Bill should be withdrawn mainly because none of its aims has been fulfilled. In the present Gold Control Rules, when we look to the aims, we clearly see that the aims have been changed and it is only generally said in the betterment of the economic and financial betterment. This statement is given generally and this can be made applicable to any other rules too. This would be detrimental to the national interest also because income from income tax, Sales tax etc. from business men will go and it will be a national loss. At the same time, the expenditure over the Excise Departments has been very much increased.

Chairman: All that has come out in evidence.

Shri V. N. Sanglikar: There is the expenditure on the Excise department also. At the same time this Department has proved to be a great calamity to the gold workers, as the working of the Department is quite corrupt and troubling to the gold workers. It is quite inefficient, and for the last year and a half no Government agency has been able to dig out sufficient gold required for the nation. This thing should be taken into consideration while bringing a fresh Gold Control Bill on these lines.

Now, pertaining to the gold workers specially I want to say that the Bill should be so drafted that the poor gold workers are allowed to carry on their business as before. About gold the gold workers are very little concerned. Provision for the supply of pure gold to the workers may be made through Government agencies, and they should be allowed to carry on their business without any let or hindrance.

So, three or four provisions I want to suggest in the present Gold Control Bill. There should be no hindrance and all the gold workers should be licensed without any hitch. All the gold workers should be allowed to do their work taken from other dealers or from other gold workers, because the gold industry is so specialised that no single worker is able to complete an ornament. At the same time, the gold worker should not be placed under such unnatural controls, and a gold worker may be allowed to have servants or he may be allowed to serve with any other person. He should not be prohibited from working with other gold workers.

The gold worker is at present allowed to take gold ornaments and repair them new. But this is not sufficient for so big a community to earn their livelihood. At present, those gold

workers who for generations together have been working in this line are half fed as a result of this control. The thing is that at present the rules are relaxed and so the gold workers are working at their sweet will, but after the Gold Control these rules will be strictly observed, and the gold worker by taking only the old ornaments and making them new will not be able to earn his livelihood. And the rehabilitation measures are quite out of the capacity of the Government, because the community is cut and I think the nation is not in a position to spend crores of rupees on an unnecessary job.

The gold worker should be allowed to have gold from declared gold and at the same time have that gold which is allowed by the Government, that is 50 grammes for an adult and 20 grammes for a child. He should be allowed to take this gold for making ornaments, and the declared gold also, he should be allowed to buy. And he should be allowed to possess some gold of his own. He should not be disallowed from having his own gold in this industry.

At the same time he should be allowed to book orders from anywhere in India and to carry out and supply those orders. In that way he will be able to carry on his business.

By observing the community of the gold workers we can very well see that the proportion of education is very scarce in the whole community and so they are not able to turn to other lines of business successfully. The Gold Control Rules should not make it binding on them to have complicated books of accounts. They should be allowed to keep simple books of account and if there are some mistakes in that account, the same should not be considered seriously. They should be considered lightly and no punishment should be given for that.

So I suggest one clause, 15A as follows:

"Notwithstanding in chapter II, a certified goldsmith can buy primary gold from any dealer and prepare or make or manufacture *Mains* (balls), marriage rings, lachchas, Mangal Sutrās required for religious needs at marriages and religious rituals and sell them to dealers for resale".

And lastly I want to say that this Gold Control Bill does not have any provision for appeals by the gold workers to the courts of law which is quite contrary to the democratic practices. The gold worker is placed at the mercy of the authorities, especially the Excise Officers, and if appeals are to be filed above the Excise officers there is no provision in any of the clauses for an appeal to the courts of law. This is primarily necessary so that the gold workers may not be harassed by the executive.

Thank you, Sir, for giving me this opportunity.

Shri Jamnadas V. Parekh: I am from the Rajkot Sona Chandi Karigar Mandal, Rajkot.

Chairman: Mr. Ranpura gave evidence for almost two hours yesterday.

Shri Jamnadas V. Parekh: He is our President.

Chairman: All right. Please do not repeat what has already been said and be brief.

Shri Jamnadas V. Parekh: I am coming from Rajkot and represent the Goldsmiths Union.

Chairman: Rajkot seems to be very strong!

Shri Jamnadas V. Parekh: There live in Rajkot about 3,000 artisans. Mainly they are all artisans and finding out their maintenance from their artisan-ship only.

First of all I want to tell you that our Mandal stands for complete withdrawal of the proposed Gold Control Bill, because for the ordinary goldsmith there is nothing better than that. But if the Government insist on making this Bill an Act, then we demand that to reduce the vast unemployment among our class the restrictions put on certified goldsmiths should be immediately removed. It is generally believed that by the concessions given to the goldsmiths by section 13 in Chapter III they are very much benefited. Actually the position is not so. Even when the concessions were declared we had told the concerned authorities that only 25 per cent of the total number of goldsmiths will get some work by that, because only those goldsmiths who have shops and customers can get work while the majority of them have not got shops or customers. They are simply ordinary workers who have no property and who simply earn their livelihood by their labour. That is the majority of the artisans. Besides, recently, on account of the high increase in the prices of essential commodities, the people have been giving the lowest priority to ornaments-making, and as a result of that, only 10 per cent of our artisans can get work, 90 per cent of them are unemployed and living in poor conditions.

The 14-ct. ornaments have not acquired popularity, and, therefore, even our artisan-brothers who are working under the jewellers also have not been able to get work from the jewellers and dealers, and they also are in a very difficult position.

Sometimes, it is said that a goldsmith can do silver work, and it is asked 'What harm is there in switching over from gold to silver? They can get their livelihood by doing silver work.' But the real position is that those artisans who are working on gold cannot work on silver. The tools required for silver work are different from those required for gold

work. Moreover, the art is also different, and goldsmiths cannot become silversmiths. So, in this way also, the goldsmiths cannot be helped by being given silver work.

Further, the restrictions put on certified goldsmiths are such that a father cannot help his son. If the father is a certified goldsmith and the son is also a certified goldsmith, and both are sitting in one shop also, the father cannot help the son, and the son cannot help the father, similarly, two brothers cannot help each other. It is a curious type of restriction put on them. And yet Government say that they have given concessions and these people can work. Moreover, the work of these artisans is such that nobody can work without helping one another. The father has to keep one set of customers, the son has to keep another set of customers, and both of them have to keep separate accounts and show their accounts separately. So, the joint family system is also hampered very much by this.

Shri Jashvant Mehta: Do you mean that they have to take separate licences and sit in separate shops?

Shri Jamnadas V. Parekh: They can sit in one shop but they cannot help each other, because that is impossible under the present rules. If they do so, the excise authorities can come over there and take away all the gold ornaments and the tikkis, and they can harass the goldsmiths.

Shri Jashvant Mehta: They have to keep separate accounts?

Shri Jamnadas V. Parekh: Yes.

Shri Rajendra Pratap Sinha: Can the family not take a licence together?

Shri Jamnadas V. Parekh: They can get a licence individually, but they cannot help each other.

As I have already pointed out, the work of these artisans is such that

they cannot do their work without getting one another's help. I am not referring to specialised jobs, but even during the ordinary process of ornament-making, one has to take the assistance of another, and then only the complete ornament can be made. Besides, the customers who want to make ornaments come in the nick of time at the time of the marriage season, and they demand their ornaments immediately. Without getting help from one another, the artisans cannot prepare the ornaments in time.

There is one another difficulty which I should like to point out and which you can understand only if you visit the goldsmiths' shops. I would like to suggest especially that this committee should appoint a sub-committee which should visit the goldsmiths' shops and the warehouses and try to understand what processes have to be gone through for making ornaments.

Suppose a goldsmith is given five tolas of gold from old ornaments for making new ornaments, by a customer. The goldsmith has to melt the old ornaments and make one *gatta* of five tolas, out of which he has to make tikkis and then go to the place where wires etc. could be drawn. From a *gatta* of five tolas, only two tolas wires can be drawn. After preparing something out of them, he has again to melt the remaining gold and again has to go to the roll-press, and again he has to make tikkis etc. That kind of thing puts the goldsmith into great hardship.

So, the goldsmiths are demanding—and I am sorry that Government have not as yet attended to their demand—that they should be allowed to have only 100 gms of primary gold in order to have the ornaments processed. Government have not so far conceded to their demand, as if the goldsmiths are great smugglers and they can misuse all that gold. Actually, the position is not like that at all. I want to point out that the ordinary

goldsmiths who belong to a labouring class and who are mere wage-earners or bread-earners cannot be accused as smugglers. The ordinary goldsmiths can never help in smuggling, and they cannot indulge in smuggling also because they are very poor people, and smuggling can be indulged in only by the richer sections of the society and not by these poor goldsmiths.

Chairman: Nobody is accusing you as smugglers. So, why do you presume that?

Shri Jamnadas V. Parekh: The excise authorities are behaving in that manner. That is our practical experience.

Chairman: That is a different matter. If they disobey the rules, then they have to pay the penalty for it.

Shri Jamnadas V. Parekh: The general behaviour of the excise authorities is like that. They harass these goldsmiths very much.

I would also like to point out that the Gold control Order was passed at a time of crisis. Now, when the crisis has eased to some extent, we demand that the Gold Control Order should also be eased, and the gold control rules should not be put on a permanent footing in the form of an Act. If Government cannot withdraw these rules, at least they should wait for some more time and see how far the present measures are successful and how far they have helped the society and how far they have been successful in achieving the objectives mentioned in the Bill, namely the promotion of the economic and financial interest of the country, and then only put these measures on a permanent footing.

The scheme for the rehabilitation of the goldsmiths has also failed like anything, because the State Governments have not made proper schemes at all. The Gujarat Government have formulated a scheme, but it has helped the goldsmiths only very inadequately, because the goldsmiths are getting

a loan ranging from Rs. 500 to Rs. 2000 after three to six months' time, and that does not get all help in their rehabilitation.

Chairman: The point has been made out already.

Shri Jamnadas V. Parekh: We specifically demand one more thing, namely that clause 17 of Chapter IV regarding declaration of gold by the customers or the ordinary people should be removed from the Bill, because even today, the customers who come to us for making new ornaments from out of their old ornaments are afraid that some kind of ceiling is going to be imposed by Government, and therefore, that has also affected our business because the people are now not coming forward to make ornaments as before.

Shri M. R. Ranpura: The Gold Control Bill is said to be in the economic and financial interests of the country, but there are six points to be considered—economic, financial, mathematical, practical, experimental and social.

जो यह बिल रखा गया है इस पर मैं गुजरात की ओर से प्रमुख रूप से दो बार बोल चुका हूँ। मैं राजकोट से आया हूँ। कल समय मुझे मिला था। उस वक्त कुछ सवाल किये गये थे जिन का क्लेरिफिकेशन करना जरूरी है। उस वक्त दो तीन बातें रह गई थीं, जो आज मैं आपके सामने रखना चाहता हूँ।

पहली बात तो यह कि इस बिल को पोस्टपोन कर दिया जाए। जो सुविधायें सरकार देना चाहती है वे सुविधायें वह दे दे उसके बाद देखा जा सकता है कि इस बिल को कानूनी शकल दी जाए या नहीं। डिफेंस आफ इंडिया रूलज के तहत जो भी सुविधायें आप देना चाहते हैं दे दें। अगर फायदा उन से हुआ है तो कानून यह पास किया जा सकता है और अगर न हो तो फिर कोई

दूसरी बात सोची जा सकती है। एक दो साल के बाद यह बिल आवे, यह मेरी प्रार्थना है।

गुजरात और रोजकोट की ओर से बहुत बार वित्त मंत्री से मुलाकात का अवसर देने की प्रार्थना की गई है। अब मेरी इस कमेटी से यह प्रार्थना है कि इसके पहले कि यह बिल पार्लियामेंट में पेश किया जाए एक बार फिर हम को बुलाया जाए और फाइनल स्टेज पर हमारी राय इसके बारे में ली जाए। एक्सपेरिमेंट से कुछ नहीं होता है। एक्सपेरिमेंट होना चाहिए और एक्सपेरिमेंट के आधार पर ही सब काम होने चाहियें। इस बिल को आखिरी रूप देने से पहले जो हमारी राय है, उसको जरूर जान लिया जाना चाहिये। अगर बिल पास हो गया तो फिर बाद में कुछ नहीं होगा।

अब मैं आत्म-हत्या के जो केस हुए हैं, उनके बारे में कुछ कहना चाहता हूँ। गुजरात में हम तर के काफी केस हुए हैं। आत्म-हत्याओं के सम्बन्ध में गोल्ड कंट्रोल अफिसर मि० थामस ने ५ जून को लिखा है कि मृत्यु तो किसी भी प्रकार से हो सकती है और यह जरूरी नहीं कि आत्महत्या ही की गई हो। मैं तीन केस लाया हूँ जिन को मैं आपके सामने रखना चाहता हूँ। एक लड़की ने जिस की आयु सत्तर साल की थी और जिस को तीन सौ रुपया लोन का मिला था, जब वह खर्च हो गया तो आत्म त्या कर ली जहर पी कर।

मोरबी में नाटूलाल प्रेमजी नाम के एक व्यक्ति ने जिसकी आयु २२ साल की थी और जो एक मुनार था और जिस ने एक महीना बहुत मेहनत की एक दिन सुबह आठ बजे भगवान के सामने दीया जलाया और उसी समय दूकान में उसका पार्ट फेल हो गया। उसकी बीस साल की बीवी है और एक साल की बच्ची है। उसकी बीस

साल की बीवी को नौकरी तो दी गई, लेकिन आप देखें कि नौकरी उसको कौन सी मिली। राजकोट के एक अस्पताल में झाड़ू लगाने की नौकरी उसको मिली।

मोरबी में एक २८ साल का मुनार था। उसकी मां है और एक बेटा है। उनकी एप्लीकेशन पर लोन पास हो गया। लेकिन फिर लोन बन्द कर दिया गया और वह नहीं मिला। उसने आत्महत्या कर ली। उसकी अस्सी साल की मां जिन्दा है। उसके खाने का इंतजाम सरकार ने नहीं किया है।

श्री ब० रा० भगत : आत्महत्या की बात तो ठीक हो सकती है। लेकिन क्या आपको मालूम है कि पिछले कई सालों से गुजरात में आत्महत्याओं के बहुत से केसिस हो रहे हैं और वहां स्टेट गवर्नमेंट ने एक कमेटी बिठाई है जो पता लगाये कि क्या वजह है कि गुजरात में इतनी अधिक आत्महत्याएँ हो रही हैं। ये गोल्ड कंट्रोल आर्डर से पहले से हो रही हैं।

श्री एम० आर० रणपुरा : मैं दूसरों की बात नहीं कह रहा हूँ, मुनारों की कह रहा हूँ।

श्री ब० रा० भगत : असम्बली में यह सवाल उठा था। सरकार ने उस पर एक कमेटी बिठाई है कि क्यों ज्यादा केसिस इस तरह के हो रहे हैं। क्या आपको यह मालूम है।

श्री एम० आर० रणपुरा : यह बात दूसरी है।

सभापति महोदय : अब सवाल पूछें।

श्री जसवन्त मेहता : क्या मीनाकारी का काम अहमदाबाद में भी होता है? उसके एक्सपोर्ट के लिए क्या सुविधायें हैं?

श्री रामलाल वर्मा : अहमदाबाद में मीनाकारी का काम नहीं होता है जड़ने का

काम होता है, कुंदन का काम होता है। मीनाकारी का काम जयपुर, बीकानेर, बनारस दिल्ली आदि में होता है।

श्री जसवन्त मेहता : आपके लिए कुछ इंतजाम प्योर गोल्ड का सरकार ने किया है या नहीं किया है ?

श्री राम लाल वर्मा : बिल्कुल नहीं किया है। हम से कोटक साहब ने, एक डेपुटेशन की शकल में जब हम उनके पास गये थे, प्रामिज्ञ किया था कि वे हमें सोना देने की सिफारिश करेंगे लेकिन सोना हमें मिला नहीं है।

श्री जसवन्त मेहता : कुंदन के काम के या मीनाकारी के काम के लिए अगर ऐसी व्यवस्था बिल में कर दी जाए कि आपको अलग से सोना मिले तो क्या आप उसको चाहेंगे ?

श्री राम लाल वर्मा : खुशी से चाहेंगे।

श्री जसवन्त मेहता : किस तरह से आप चाहते हैं कि आप को सोना मिले ?

श्री राम लाल वर्मा : कारीगरों को काम करने के लिए जितने सोने की जरूरत है वह हमें मिलना चाहिये चाहे सरकारी एजेंसी के जरिये मिले, बैंक की मार्फत मिले, किसी भी सूरत से मिले।

श्री जसवन्त मेहता : गोल्ड कंट्रोल आर्डर आने के बाद और इस एडमिनिस्ट्रेशन के बारे में आपका तजुर्बा क्या है, आपकी राय क्या है ?

श्री राम लाल वर्मा : जिस किसी को भी अधिकार दिया जाता है, वह ऐसा आदमी होना चाहिये जिसको काम का ज्ञान हो, जो उस काम का विशेषज्ञ हो।

श्री महावीर दास : कुन्दन का जो कंगन बनाया जाता है, उसके पंच कुंडे आदि खाद मिलने से बने बने बनाये जाते हैं ?

श्री राम लाल वर्मा : वे किसी भी धातु के बनाये जा सकते हैं, लेकिन वह धातु सख्त होनी चाहिए। पक्के सोने के भी बन सकते हैं लेकिन वह जल्दी घिस जायेगा, इसलिए उसमें बहुत थोड़ी दूसरी धातु मिलायी जाती है।

श्री महावीर दास : १४ कैरेट के कंगन पर चाहे मीनाकारी का काम न हो सके लेकिन कुन्दन का काम तो आप कर सकते हैं ?

श्री राम लाल वर्मा : मैंने कहा कि सोना चांदी तो क्या हम पत्थर तक पर यह काम कर सकते हैं, जैसे मोती पर, मानिक पर जो अभी आप को बताया गया है।

मैं चाहता था कि मुझे आप पांच मिनट का समय दें तो मैं आपको समझा सकूँ कि कुन्दन क्या चीज है। उससे आपको यह समझने में सुभीता हो जायेगा। हमारे कोटक साहब को भी इसका अन्तर नहीं मालूम था। यह तो केवल वही लोग जानते हैं जो कुन्दन का काम करते हैं। लेकिन अगर आप यह कबूल करते हैं कि कुन्दन के लिए २४ कैरेट सोने की जरूरत है तो मुझे कुछ करने की जरूरत नहीं है।

श्री महावीर दास : मैं यह जानना चाहता हूँ कि इसमें मैथामेटिकल और सोशल चीजें किस तरह इनवाल्व होती हैं ?

सभापति महोदय : वह बात इस गवाह ने नहीं कही है।

श्री शिव नारायण : मैं यह जानना चाहता हूँ कि यदि सरकारी दुकान खुल जाये और वहाँ से आपको सोना मिले तो उतने तो आप संतुष्ट होंगे, और जो कानून है उसके प्रिंसिपल से तो आप सहमत हैं !

श्री राम लाल वर्मा : अगर ऐसा हो जाये तो मैं १०० प्रतिशत तो नहीं लेकिन ६० प्रतिशत सहमत हो सकता हूँ।

श्री शिव नारायण : जो कानून हम बना रहे हैं उससे आप सहमत हैं ?

श्री राम लाल वर्मा : यहाँ पर एक सवाल है। अगर आप पबलिक को भी सोना खरीदने की छूट देंगे तभी तो पबलिक हमारे पास काम बनवाने आवेगी।

श्री शिव नारायण : अगर सरकार की दुकान से सोना दिया जाये तो ?

श्री रामलाल वर्मा : अगर सरकारी दुकान से सब को सोना लेने की छूट हो तो मैं सन्मत हूँ।

श्री गुजराल : क्या आप बता सकते हैं कि जो आप कुन्दन का माल बनाते हैं उसमें से कितना माल बाहर भेजा जा सकता है ?

श्री राम लाल वर्मा : मैं तो कारीगर हूँ। यह तो आपको व्यापारी बता सकते हैं। अनेक शहरों में बहुत से कारीगर इस काम को बनाते हैं और बाहर के लोग इसको पसन्द करते हैं यः तो मुझे मालूम है लेकिन कितना बाहर जा सकता है यह तो व्यापारी बता सकते हैं।

श्री गुजराल : अगर सरकार अपनी तरफ से हर बड़े शहर में ऐसा कारखाना खोल दे जहाँ यह काम बनाया जाये, जिसमें कुन्दन वर्ग का काम हो, तो क्या आप को ऐतराज होगा ?

श्री राम लाल वर्मा : जी नहीं, हम तो खुश होंगे क्योंकि इससे कारीगरों को काम मिलेगा।

श्रीमती तारा० आर० साठें : आपने कहा कि एक्साइज डिपार्टमेंट में करषान है, इस बारे में आप कुछ बता सकते हो ?

सभापति महोदय : इस गवाह ने यह नहीं कहा।

डा० सिधवी : क्या आपने यह जांच करके देख ली है कि मीना और कुन्दन के काम में २४ कैरेट से कम के सोने से काम नहीं हो सकता ?

श्री राम लाल वर्मा : अगर मुझे पांच मिनट का समय दिया जाये तो मैं आपको दिखा सकता हूँ कि इसमें क्या दिक्कत है और किस प्रकार २२ कैरेट और २० कैरेट के सोने से यह काम नहीं हो सकता।

Dr. L. M. Singhvi: The information given by very responsible spokesmen who were protagonists of the Gold Control Bill was that ornaments could be manufactured but here they say that it is not possible. We want to know why they could not make ornaments.

Chairman: What the witness says is that for particular varieties of ornaments, it is not possible to make them with less than 22 or 24 carats purity.

Dr. L. M. Singhvi: That is right. That is why we want to know the reason. If you could give them some time, they may be asked to explain it.

सभापति महोदय : क्यों २४ कैरेट के नीचे के सोने में कुन्दन का काम नहीं हो सकता ?

श्री राम लाल वर्मा : मैं आपको बताना चाहता हूँ कि सोने में यह विशेषता है कि उसमें मुलामियत होती है और उसका रंग नहीं बिगड़ता। और धातु इससे कड़े होते हैं। जितना शुद्ध सोना होगा उतनी ही उसमें मुलायमियत अच्छी होगी और उसका रंग नहीं बिगड़ेगा।

कड़ा हो जायेगा। इसलिये मैं कहता हूँ कि यह सोना कुंदन है। कुंदन का अर्थ ही विशुद्ध सोना है। यह शुद्ध सोने का कुंदन है आप किसी में लगाइये चिपक जाता है। इसकी पहचान यह है कि चिपक जाता है और खोलना चाहें तो मुश्किल से ही खुलता है। यह जो आपस में चिपकाने की शक्ति है वह इसीलिये है कि इस में प्योरिटी है और मुलामियत है। वह मुलामियत इस में तब आती है जब कि कुंदन तपाया जाता है। अगर कच्चा कुंदन होगा और उस को हम तपायेंगे और अगर उसमें किसी भी धातु का कोई भी अंश मिला हुआ होगा तो वह काला पड़ जायेगा। उस में यह चमक नहीं रहेगी। कोई भी धातु की चमक की जाय मगर उसे आंच में तपाने से उस की वह चमक जाती रहेगी लेकिन कुंदन की चमक ज्यों की त्यों बनी रहने वाली है।

डा० लक्ष्मीमहल सिंघवी : मीने का काम कम से कम कितने कैरेट में बन सकता है ?

श्री राम लाल वर्मा : मीने का काम सन तरीके का हो सकता है लेकिन मैंने जो नमूना बतलाया उस के लिये दो रत्ती का फेर होना चाहिये। २२ कैरेट से भी अच्छा सोना होना चाहिये। जाहिर है कि जितना बढ़िया काम चाहेंगे उतना अच्छा सोना उसके लिये होना चाहिये। जितना हलका सोना होगा उतना ही घटिया मीने का काम भी होगा। कुंदन के लिये २४ कैरेट होना चाहिये। एक बात मैं और बतला दूँ कि यह काम अनटचड बाई हैंड होता है, चिमटी और सलाई से यह काम किया जाता है।

Shri Era Sezhiyan: In the Memorandum that has been given it is said that only a small amount of gold is required for kundan work. I would

like to know what percentage of gold will be required for this purpose per year. What is the content of pure gold in this particular ornament?

Chairman: It depends on the size of the ornament and number of ornaments.

Dr. L. M. Singhvi: He is asking about the kundan component of the ornament.

Shri Era Sezhiyan: I would like to know the percentage.

Shri Ramlal Verma: Four annas, that is 25 per cent. It is three grammes.

Shri B. R. Bhagat: In that it is one-fourth of a tola. In the other, it is one-eighth of a tola.

Shri Era Sezhiyan: What is the percentage of pure gold in that ornament which he has just now shown?

Shri B. R. Bhagat: One-eighth.

Shri Era Sezhiyan: What is the price?

Shri B. R. Bhagat: That depends on the stones.

Shri Ranpura: This ring, for instance, has 12 annas gold, that is 75 per cent.

श्री ब० रा० भगत : आपके कहने के मुताबिक क्या मैंने यह ठीक समझा है कि कुंदन और मीने का काम २४ कैरेट और २२ कैरेट में अच्छा होता है हालांकि उससे कम कैरेट में यह काम हो सकते हैं मगर वह काम उतने अच्छे नहीं होंगे ?

श्री राम लाल वर्मा : कुंदन का काम २४ कैरेट के नचे कि भाँसी तरीके से हो ही नहीं सकता है क्योंकि बगैर इसके स्टेशन गहने में फिक्स हाँ नहीं हो पायेंगे।

श्री ब० रा० भगत : क्या मीने का काम २४ कैरेट या २२ कैरेट से कम में हो सकता है ?

श्री राम लाल वर्मा : मीने का काम दो, तीन रत्ती के फेर अर्थात् मेल से होता है ।

श्री बालगोविन्द वर्मा : क्या जड़िया वर्कर्स को ऐक्साइज डिपार्टमेंट की तरफ से परेशान किया जाता है ?

श्री राम लाल वर्मा : हमारा काम बंद है ।

श्री बालगोविन्द वर्मा : मैं जानना चाहता हूँ कि क्या जड़िया वर्कर्स को ऐक्साइज डिपार्टमेंट की तरफ से कोई परेशानी पैदा होती है ?

श्री राम लाल वर्मा : दरअसल बात यह है कि जड़िया लोगों की संख्या काफी कम है । सुनारों की बनिस्बत जड़िया कम होते हैं और ऐक्साइज वालों को सोनियों से ही फुरसत नहीं मिलती है जो वह जड़िया वालों पर आयें ।

श्री बालगोविन्द वर्मा : आप लोगों में जड़िया ही जड़िया वर्कर्स हैं अथवा सुनार भी हैं ?

श्री राम लाल वर्मा : धंधे से जाति का कोई सम्बन्ध नहीं है । हम में जड़िया भी सुनार भी हैं । हम में ब्राह्मण जाति के लोग भी हैं, बनिये जड़िया भी हैं और अहीर जड़िया भी हैं । यह धंधा सब कौमों और सब जातियों के लिये खुला हुआ है ।

श्री बालगोविन्द वर्मा : ऐक्साइज डिपार्टमेंट से किस तरह से आप के लिये परेशानियाँ पैदा होती हैं ?

श्री राम लाल वर्मा : वे मेरे यहां नहीं आये हैं इसलिये मुझे उस का कोई अनुभव नहीं है ।

श्रीमती लक्ष्मी बाई : आप सुनार हैं, अच्छा सुन्दर काम करते हैं, मन भी सुन्दर होता है और चीजें भी अच्छी बनाते हैं । आप कहते हैं कि २४ कैरेट के बगैर कुंदन का काम हो ही नहीं सकता है तो अगर कोई ऐसे काम को कम कैरेट में बनाना सिखा सके और २४ कैरेट के बजाय ८, १० कैरेट में भी कुंदन का काम बनाना सिखा सके अगर गवर्नमेंट इस के लिये कोई स्कूल खोलती है और इसके लिये कोई ट्रेनिंग देती है और ८, १० कैरेट से भी कुंदन का काम करना सिखाती है क्या आप उसमें सीखने के वास्ते तैयार हैं ?

श्री राम लाल वर्मा : मैं तैयार हूँ । मैंने कोटक साहब को भी कह दिया था कि १४ कैरेट तो क्या २४ कैरेट से हलके में किसी भी कैरेट में अगर कुंदन बना कर दिखला दिया जाय तो मैं उसे सीखने को तैयार हूँ । वह मेरी इस बात से कनविस भी हो गये थे और मुझे उन्होंने यह प्रामिस भी किया था कि वे इस सम्बन्ध में हमें रिआयत देने की सिफारिश भी करेंगे लेकिन अभी तक बना कुछ भी नहीं है ।

श्रीमती लक्ष्मी बाई : साफ साफ बतलाइये कि अगर २४ कैरेट से कम में सरकार कुंदन का काम सिखाने की ट्रेनिंग देती है तो आप उसे सीखने को तैयार हैं या नहीं ?

श्री राम लाल वर्मा मैं ने अभी बिस्तार से समझा कर और दिखला कर बतला दिया कि कुंदन २४ कैरेट से कम में बनना असम्भव है और उसके कारण भी मैं ने बतला दिये फिर भी मुझे से यह प्रश्न किया जा रहा है इस पर मुझे हैरानी ही होती है ।

श्री होमी दाजी : अभी गोल्ड कंट्रोल आर्डर में कुछ संशोधन हुआ और कारीगरों को काम करने की छूट मिली कि वे पुराने आर्नामेंट्स से नये आर्नामेंट्स बना सकते हैं। क्या यह काम करने के लिये भी कुछ मात्रा में अलग से सोने की आवश्यकता पड़ती है ?

श्री राम लाल वर्मा : जरूर। अगर दो आने कुन्दन का काम है, तो काम शुरू करने पर हम चार आने कुन्दन लगायेंगे, फिर वह दो आने रहेगा। बिना सोने के सुनार का काम तो चल सकता है, लेकिन जड़िया का काम नहीं चल सकता है। रत्ती दो रत्ती का कुन्दन नहीं बनता है। एक, सवा, डेढ़, तोले का कुन्दन बनता है। जब हम डबल लगायेंगे, तब आधा रहेगा।

श्री होमी दाजी : सरकार की जो मंशा है आप लोगों को रोजगार देने की, उस में कानून अपूर्ण होने से कुछ रुकावट आ गई। आप को अलग से सोना नहीं मिलता है। आप को कितना एडीशनल सोना रखने की इजाजत मिले, जिससे आप का काम चल सकता है ?

श्री राम लाल वर्मा : अगर हम को सौ ग्राम तक एडीशनल सोना रखने की इजाजत हो, तो हम संतुष्ट होंगे। हम को मासिक कोटा दे दिया जाये।

श्री होमी दाजी : सौ ग्राम एक बार दे दिया जाये ? वह हमेशा के लिये काफ़ी होगा ?

श्री राम लाल वर्मा : हम को स्टॉक रखने की इजाजत दे दी जाये। महीने के महीने जितना कम हो जाये, वह हम को मिलना चाहिये। सौ ग्राम हमारे पास रहना चाहिये।

श्री होमी दाजी : क्या आप अनुपात बता सकते हैं कि पांच तोले के काम में कितना सोना लगेगा ?

श्री राम लाल वर्मा : यह तो आर्नामेंट के प्रकार पर आधारित है, वस्तु पर निर्भर है। एक नग आठ तोले का बनता है और उस में कुन्दन एक तोला, दस, बारह आने लगता है, जब कि हल्की चीज़ में चार आने भर लगता है।

श्री होमी दाजी : अगर आप को सौ ग्राम दे दिया जाये, तो उस को चैक करने का कोई जरिया नहीं है। ऐसा कौन सा तरीका हो सकता है कि आप एकाउंट दें कि यह चैक हो सके कि उसमें ब्लैक मार्केटिंग नहीं हुआ ?

श्री राम लाल वर्मा : हम कारीगर हिसाब-किताब में कुछ ज्यादा एक्सपर्ट नहीं हैं। हम अपना हिसाब-किताब बड़ी मुश्किल से रखते हैं। प्रामाणिकता और काम के बेसिस पर इस को आधारित रख सकते हैं।

Shri M. R. Masani: I want to know from the representative of Kolhapur District Sone Chandi Kamgar Sangh as to how the distinction between self-employed goldsmiths and out-workers should be abolished. Are they suggesting that all out-workers should be given certificates as licensed goldsmiths or some other way in which this distinction would be removed?

Shri Jammadas V. Parekh: We have already demanded and mentioned in our memorandum that the difference between certified goldsmiths and out-workers should be abolished and all goldsmiths should be given uniform certificates.

डा० लक्ष्मीमल्ल सिंघवी : क्या आप के दृष्टिकोण से यह सम्भव है कि इस

विधेयक में कुछ आवश्यक संशोधन कर दिये जायें, तो यह आप को मान्य हो जायेगा ? अगर ऐसा है, तो वे आवश्यक संशोधन क्या हैं ? क्या आप का यह दृष्टिकोण है कि इस बिल में कोई परिवर्तन कर के भी इस को कार्यान्वित करने योग्य नहीं बनाया जा सकता है और इस लिये इस को वापस ले लेना चाहिये ?

Shri Jamnadas V. Parekh: If all our demands which we have mentioned in the Bill are provided in the Bill, then as a lesser evil we can accept the Bill.

Shri M. R. Masani: Then nothing will be left of the Bill.

Shri Era Sezhiyan: You have suggested that the difference between the certified goldsmiths and out-workers should be removed. Does that mean that any saraf or dealer can employ certified goldsmiths and have the work done by them? Is that your position?

Shri Jamnadas V. Parekh: We stand for abolition of this difference between the two and all goldsmiths should be put on uniform basis. The certified goldsmith can also do the work of a dealer and that should also be provided in the Bill. While the out-workers can keep 100 grams of gold with them, the certified goldsmiths have not been given any such facility. So there is this inequality between the two, which should be removed,

Shri Era Sezhiyan: Do you accept the point that a saraf or dealer could employ certified goldsmiths and carry on the business?

Shri Jamnadas V. Parekh: We stand for the demand that the certified goldsmiths should be allowed to help each other and he should also be allowed to keep another certified goldsmith as an employee. For that we have no objection. A saraf also can keep a certified goldsmith. That concession should also be given to certified goldsmiths, not only for the sarafs. That is our demand. We have no opposition to the sarafs. We are not enemies of that class. Our basic

demand is that this concession should be given to certified goldsmiths also.

Shrimati Renuka Devi Barkataki: In your memorandum in point No. 8 you have raised that a separate clause 15 (A) be introduced as follows:—

“Notwithstanding in chapter II, a certified goldsmith can buy primary gold from any dealer and prepare or make or manufacture Manis (balls), marriage rings, lachnas, Mangal Sutras required for religious needs at marriages and religious rituals and sell them to dealers for resale.”

Can you give us some idea as to what is the total amount of gold that is necessary for this religious purpose?

Shri V. N. Sanglikar: I have already told that the manufacturers of these Manis are specialists and these Manis have an all-India market.

So, this business is quite a big one in Kolhapur city.

Shrimati Renuka Devi Barkataki: He said that it has got an all-India market. What is the percentage of gold they have used in these manis?

Shri V. N. Sanglikar: It requires a purity of 20 carats and above.

Shrimati Renuka Devi Barkataki: What is the quantity?

Shri V. N. Sanglikar: It is a very small quantity. In 10 grammes, they can prepare 3,200 manis.

Shrimati Renuka Devi Barkataki: How much gold did you use for it in 1963?

Shri V. N. Sanglikar: I cannot say.

Shrimati Renuka Devi Barkataki: You said that it entails thousands of workers.

Shri V. N. Sanglikar: It engages about 800 to 1,000 workers who are men workers, and about 600 women workers. The women are engaged in it as a household business. The total is about 1,400 workers.

Shrimati Renuka Devi Barkataki: Is this their sole means of livelihood and have they no alternative means of livelihood?

Shri V. N. Sanglikar: Yes; especially the women take the manis home and work on it which helps their families. They do homework; they do this mani-work at home. The men workers make a living on this.

Shrimati Renuka Devi Barkataki: Are you objecting to the hardship of the goldsmiths or are you objecting by saying that the rules are not implemented strictly?

Shri V. N. Sanglikar: I am objecting on both these grounds. The mani-work gives employment to the workers who are thus able to fulfil the religious needs of the community.

Shrimati Tara R. Sathe: He said that the Excise Department is corrupt. Will he be able to give us some facts about it?

Chairman: Have you given any complaints about it to the higher officers?

Shri V. N. Sanglikar: It is a matter of daily experience.

Chairman: Have you given any complaints about corruption and inefficiency?

Shri V. N. Sanglikar: No.

Dr. L. M. Singhvi: At this stage, we should like to know what this mani work is.

Chairman: It is a work in which they use beads.

Shrimati Tara R. Sathe: He said that for gold work, the goldsmiths do not get licences or that it is difficult to get licences for the goldsmiths. Is it that though they had applied, they did not get licences?

Shri V. N. Sanglikar: Some gold workers are not given licences because they have taken loans from the Government and that is why they are not given licences. That cannot be an excuse because the loans taken from the Government are so small, say, Rs. 300 to Rs. 1,000, and that is not sufficient for them to start a fresh business. When the workers are working in their own line for their livelihood, they should not be prohibited from getting licences.

Shrimati Tara R. Sathe: Do you mean to say that they should be given licences?

Shri V. N. Sanglikar: Yes.

Shri Homi F. Daji: If I heard the witness aright, he said that the administration of the Gold Control Order should not be entrusted to the Excise Department, as that department is very corrupt. Accepting his argument, I would like to know which department of the Government is not corrupt.

Chairman: It is a different question which does not arise.

Shri B. K. Gaikwad: The witness said that a school was started to which the boys are sent. I just want to know the number of students in the school where this training was given.

श्री मगन लाल जे० पारिख : १००, १३०, १५० बालक पढ़ते हैं। दो शिफ्ट्स वहां लगती हैं, दिन की और रात की। जो लड़के वहां जाते हैं, वे दिन में तो मां बाप की काम में सहायता करते हैं और रात को शिक्षा प्राप्त करते हैं। असल से वहां विद्यार्थी आये हैं, गवर्नमेंट ने भेजे थे, मनीपुर से आये हैं।

Shri B. K. Gaikwad: What kind of work?

श्री मगन लाल जे० पारिख : मीना का काम होता है, एनग्रेविंग का काम होता है और इस तरह के दूसरे काम होते हैं, जो उनको सिखाये जाते हैं।

Shri B. K. Gaikwad: Was only a particular community admitted or any community could be admitted?

श्री मगनलाल जे० पारिख : सभी कम्युनिटीज के होते हैं। स्कालरशिप भी वहां मिलते हैं।

श्री बी० के० गायकवाड़ : आपने कहा है कि लाखों लोग बेकार हो गये हैं क्योंकि सोना नहीं मिलता है। वे क्या करते हैं ?

श्री मगनलाल जे० पारिख : किसी को लोन मिला तो उन्होंने बिजिनेस करने की कोशिश की लेकिन वह फर्चाभूत नहीं हुई। कोई रिकशा चलाता है, कोई कुछ और काम करता है।

श्री बी० के० गायकवाड़ : जो गोल्ड स्मगल हो कर आता है वह किस को मिलता है अगर आपको नहीं मिलता है ?

श्री मगनलाल जे० पारिख : व्यापारी लोग भी हैं, और कई लोग हैं।

श्री बी० के० गायकवाड़ : व्यापारियों के पास भी तो कारोबार लग होते हैं।

सभापति महोदय : हम इनके साथ अग्रु न करें।

Shri B. K. Gaikwad: He said that the mani business was done in Kolhapur and that a thousand workers were engaged in it. May I know how many manis were prepared? They are small ornaments. I just want to know since when they discontinued this business.

Shri V. N. Sanglikar: From the 9th January last.

Chairman: Absolutely no work is carried on now?

Shri V. N. Sanglikar: They cannot, because they cannot sell.

Chairman: Are these mangalasutras not available in the market?

Shri B. K. Gaikwad: What was the earning of a male worker and a female worker, who are part-time workers?

Shri V. N. Sanglikar: The earning of a male worker was from Rs. 80 to Rs. 100 a month and that of a female worker was up to Rs. 35 to Rs. 40 a month.

Shri B. K. Gaikwad: Since when did you make the manis and from where did you get the gold?

Shri V. N. Sanglikar: That was done by the wholesale dealers who provided the gold.

Shri B. K. Gaikwad: What do you propose in the Bill to help these workers?

Shri V. N. Sanglikar: Some provision should be made to supply gold to these workers, either by the Government itself or through some other agency.

Shri B. K. Gaikwad: How much gold would you require for these 1000 workers during a year?

Shri V. N. Sanglikar: That will have to be calculated.

Shri B. K. Gaikwad: The witness from Rajasthan said that there were about 3000 workers. I would like to put him the same question. May I know from him what was the income of these 3000 people in the past and what is their income now?

Shri Jamnadas V. Parekh: When there was no gold control their income was from Rs. 100 to Rs. 400 per month. Today about 90 per cent of those workers are without employment. They are starving. They have taken loans to the tune of Rs. 500 to Rs. 1000. They have no income and I would like the Committee to consider their case.

Shri B. K. Gaikwad: Was the loan taken utilised for starting some other work or for the maintenance of their families?

Shri Jamnadas V. Parekh: Some started cloth shops and grocery shops but they failed. If some industry is started by Government where they will be employed, then they will be sure of their bread. They have not used the loan on starting any industry.

Shri B. K. Gaikwad: It is the clear policy of the Government that in order to rehabilitate these swarnakars they should be given land wherever it is available. May I know whether such land has been given anywhere?

Shri Jamnadas V. Parekh: No. The Government is simply giving some fallow land without any other facility like better tools etc. Nobody has asked for such lands nor has it been given.

Shri V. C. Kesava Rao: Are they making jadia in 14 ct. gold?

Chairman: He has said that it cannot be done.

Shri V. C. Kesava Rao: He said that there are thousand workers out of whom 800 are women. May I know their wages.

Shri V. N. Sanglikar: A woman gets Rs. 35 and a man from Rs. 80 to Rs. 100 according to the work done.

श्री महाबीर प्रसाद शुक्ल : मैं यह जानना चाहता हूँ कि कुन्दन का जो काम होता है उसको सेल्फ एम्पलाइड सुनार करते हैं या वह शराफों के जरिये होता है ?

श्री राम लाल वर्मा : शराफ भी जड़ियों के पास आते हैं और व्यापारी भी आते हैं, इसका कुछ हिसाब नहीं है ।

श्री महाबीर प्रसाद शुक्ल : क्या यह हिसाब नहीं कि कितने जड़िये लोग खुद अपना काम करते हैं और कितने शराफों के कारखानों में काम करते हैं ?

श्री राम लाल वर्मा : जो प्रतिष्ठित कारीगर हैं, जिनकी अपनी साख है उनके पास तो ग्राहक खुद पहुँच जाते हैं, लेकिन जो बेचारे बाहर से काम की तलाश में आते हैं, वे शराफों के यहाँ काम करते हैं ।

श्री महाबीर प्रसाद शुक्ल : यह कुन्दन का काम खानदानी पेशा है, या इसको कोई भी कर सकता है ?

श्री राम लाल वर्मा : मैं खानदानी पेशेवर हूँ, और मैंने कई लोगों को सिखाया भी है । इसको कोई भी कर सकता है ।

श्री महाबीर प्रसाद शुक्ल : जिनका यह खानदानी काम है क्या वे अपनी गुजर के लिये कोई और भी काम करते हैं ?

श्री राम लाल वर्मा : अभी तक तो ये लोग अपना ही काम करते हैं और उसमें एक्सपर्ट हैं, दूसरा काम नहीं करते ।

श्री महाबीर प्रसाद शुक्ल : क्या आप बता सकते हैं कि जब कारीगर अपना काम करता है तो उसको कितनी आय हो जाती है ?

श्री राम लाल वर्मा : यह तो अपनी दक्षता पर निर्भर है । वैसे आम तौर पर लोग चार, पांच, छः रुपये रोज तक कमा लेते हैं ।

श्री महाबीर प्रसाद शुक्ल : कारीगरों की शिक्षा का क्या स्तर होता है ?

श्री राम लाल वर्मा : जब रजवाड़े थे तो जहाँ तक मुझे मालूम है, जयपुर में महाराजा आर्ट्स कांजेशन में यह काम सिखाया जाता था, राज्य के तरफ से, और दूसरी जगहों पर लोग कारीगरों की दुकानों पर बैठ कर काम सीखते हैं।

श्री महाबीर प्रसाद शुक्ल : क्या यह सही नहीं है कि रजवाड़ों और जमींदारी प्रथा के उन्मूलन के बाद से आपके व्यवसाय को धक्का लगा है ?

श्री राम लाल वर्मा : जी हाँ बहुत धक्का लगा है। मैंने पहले ही अर्ज किया कि कोई भी कला या शिल्प बगैर राजाश्रय के जन्मति नहीं कर सकती है।

श्री महाबीर प्रसाद शुक्ल : राजस्थान में कितने परिवार होंगे जो कि यह खानदानी पेशा करते हैं ?

श्री राम लाल वर्मा : श्री कोटक ने भी इसी तरह का प्रश्न मुझसे किया था और जानना चाहता था कि ऐसे कारीगरों की संख्या कितनी है और मैंने जो उसका अनुसंधान लगाया था उसके आधार पर मैं कह सकता हूँ कि बीकानेर में १०८ या ११० पेशेवर खानदानी कारीगर हैं। जयपुर में करीब २०० या २५० होंगे। पूरी और ठीक ठीक संख्या तो मैं नहीं बतला सकूंगा लेकिन दिल्ली में भी मेरी समझ में वे १००, २०० अवश्य होंगे। इस तरह से सारे हिन्दुस्तान में मेरे हिसाब से कोई १२०० खानदानी कारीगर होंगे। सब जगह तो मैं पहुंच नहीं सकता हूँ लेकिन मेरे पास जो पत्र आदि इस सम्बन्ध में आये हैं उनके आधार पर मैं यह कह सकता हूँ

कि हिन्दुस्तान भर में ऐसे कारीगरों की कुल संख्या करीब डेढ़ हजार के होगी।

श्री महाबीर प्रसाद शुक्ल : एक नये व्यक्ति को यह काम सिखाने में कितना समय लगता है ?

श्री राम लाल वर्मा : मेरी समझ में करीब दो, तीन वर्ष में वह अच्छे तरीके से यह काम सीख सकता है।

श्री महाबीर प्रसाद शुक्ल : मीन का काम सिखलाने में कितना समय लगता है ?

श्री राम लाल वर्मा : इसमें करीब डेढ़ वर्ष लगते हैं।

श्री तरदीब कुमार चौधरी : अभी गहने बनाने पर यह १४ कैरेट का प्रतिबंध जो सरकार ने लगाया है उसको हटा लिया जाय और सुनारों को १४ कैरेट के बजाय २०, २२ या २४ कैरेट का गहना बनाने की इजाजत दे दी जाय तो आपकी आजकी दिक्कतें हट जाती हैं तो उस हालत में क्या आप इस तरह का बंधन मानने को तैयार होंगे कि कितना गहना किसी के पास रह सकेगा उस बारे में क्या आप सोने की सीलिंग मानने को तैयार होंगे ?

श्री एम० आर० रणपुरा : आपने यह जो १४ कैरेट का प्रतिबंध हटाने की बात कही है तो वह तो नये अमैंडमेंट की बेसिस पर पुराने ग नों से नये गहने बनाने की छूट थी गई है। यह छूट हटा लेनी चाहिये क्योंकि इसका आड़ में काफ़ी गड़बड़ की जाती है। उसके अजाये सरकार को किसी भी कैरेट का सोने का गहना बनाने का इजाजत सुनारा को खुले रूप से देनी चाहिये। यह जो उनके रजिटेशन की शर्त है वह भी हटा लेनी चाहिये। सरकार को यह सारे बंधन हटा लेने चाहिये।

जो लोग सर्टिफिकेट लेते हैं जो अपना काम स्वयं बनने वाले हैं उनको सेल्स टैक्स की मर्यादा में रहते हुए पुराने जेवर ग्राहक से लेने की इजाजत दी जाए और उन पुराने जेवरों को गलाने के बाद जितनी प्योरिटी की मांग हो उतनी प्योरिटी के औरनामेंट्स सेल्स टैक्स की मर्यादा में बनाने की इजाजत दी जाय। यह चौदह कैरेट का बंधन बिलकुल दूर होना चाहिये।

श्री जशवन्त मेहता : गोल्ड कंट्रोल आर्डर जब से सरकार ने लागू किया है तब से सेंट्रल गवर्नमेंट के एक्साइज डिपार्टमेंट वालों का आपके साथ क्या इत्ताव रहा है ?

श्री एम० आर० रणपुरा : मैंने कल इस बारे में विस्तार में बतलाया था कि किस तरीके से हम स्वर्णकारों को प्रशासन के अफसरान तंग करते हैं। हमारे घरों की हमारे बर्तनों और अचार के मर्तबानों की तलाशियां लेते हैं और हमें मारते और

डांटते भी हैं। हमारे परिवार वालों को हैरेस करते हैं और उनकी बेइज्जती करते हैं। कायदे के मुताबिक 50 ग्राम सोना रखने की छूट मिली हुई है और हर कोई इतना सोना अपने पास रख सकता है लेकिन हमें इस तरह की शिकायतें मिली हैं जहां कि इतना सोना भी एक्साइज वालों ने सीज कर लिया। मैं अगर चाहूं तो उनके नाम भी दे सकता हूं। उन लोगों के घरों के पुराने जेवरात को जब्त कर लिया गया और हालांकि 50 ग्राम हर कोई वगैर लाइसेंस के रख सकता है लेकिन वह भी जबरदस्ती उन से छीन लिया गया है।

श्री जशवन्त मेहता : आप का इस बारे में क्या सरकार को कोई सुझाव है ?

श्री एम० आर० रणपुरा : हम चाहते हैं कि एक्साइज वालों को जुडिशिएल पावर्स नहीं दी जानी चाहियें और उसके लिये कोर्ट में ही सब कोई जाये।

(The witnesses then withdrew)

V. The Gujarat State Gold Licence Dealers Association, Ahmedabad

Spokesmen:

- | | |
|------------------------------|-----------------------------|
| 1. Shri Ramanlal P. Chokshi | 4. Shri Chitaranjan B. Dave |
| 2. Shri Shantilal K. Chokshi | 5. Shri N. N. Chokshi |
| 3. Shri M. G. Merchant | |

VI. Shree Ratanpole and Richey Road Gold, Silver and Jewellery Ornaments Merchants' Association, Ahmedabad.

Spokesmen:

1. Shri S. L. Zaveri
2. Shri N. A. Kansara
3. Shri B. S. Kansara
4. Shri M. G. Merchant.

VII. Surat Choksi Mahajan, Surat

Spokesmen:

1. Shri Hemendra Dahyabhai Choksi
2. Shri Navinchandra Virchandbhai Choksi
3. Shri R. D. Choksi
4. Shri S. G. Choksi

VIII. Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad.

Spokesman:

Shri M. G. Merchant.

IX. All India Sarafa Association, Bombay

Spokesmen:

- | | |
|--------------------------------|-----------------------------|
| 1. Shri Vali Mohamed Sonawala. | 5. Shri Sheelchand Jain |
| 2. Shri P. Gopalkrishnaiah | 6. Shri Rajendrakumar Berry |
| 3. Shri B. S. Mahajan | 7. Shri M. G. Merchant. |
| 4. Diwan Daulat Ram | 8. Shri J. R. Gagraat. |

(Witnesses were called in and they took their seats)

Chairman: Gentlemen, the memorandum that has been sent by you has also been circulated to the Members of this Committee. The evidence that you give here is public and is liable to be printed and also to be circulated and laid on the table of the House. You need not repeat the things that you have said in your memorandum. If anyone wants to lay stress on any points that can be made out, you may please do so. How many of you want to speak? I shall call group by group. If there is anybody else who wants to add anything, I shall give him five minutes time.

Shri J. R. Gagraat: As far as our representation is concerned, for the sake of brevity and clarity, we have divided it into five groups. I will take up each group and make my submission. I will not repeat the points that are stated in the memorandum.

Our first submission before you is that this Bill should not be considered or enacted into law during the pendency of the state of emergency. This is not merely a legal objection which is being raised but there is a lot of substance in it.

Chairman: Does it affect the fundamental rights of the citizens?

Shri J. R. Gagraat: It affects the rights of the citizens. This submission should not be taken lightly as the objection which we are raising is just. First objection is that during the emergency, this Government enacted the Defence of India Rules and they are now in force. These Rules have been amended twice. As far as these Rules are concerned, the existing Rules are sufficient to carry on things as they are. Now what is proposed to be done

by Government is that this Gold Control Bill is being brought in as an ordinary legislation—not as an emergency legislation. My objection arises in this way. Why should the emergency legislation be not sufficient? The reason is this. If during this emergency the Bill is brought in as an ordinary legislation, while the emergency subsists, then the Government claim protection of Article 358 and thereby deprive citizens of exercising their fundamental rights which are suspended only during an emergency. I can understand that the Government want to introduce an ordinary legislation during the emergency, but, why should Government introduce an ordinary law when there is in force an exhaustive code under the Defence of India Rules? The Members are familiar with Article 358 of the Constitution. It provides that:

“While a Proclamation of Emergency is in operation, nothing in article 19 shall restrict the power of the State as defined in Part III to make any law or to take any executive action which the State would but for the provisions contained in that Part be competent to make or to take, but any law so made shall, to the extent of the incompetency, cease to have effect as soon as the Proclamation ceases to operate except as respects things done or omitted to be done before the law so ceases to have effect.”

The effect of this Article will be very clear. If the Government today enacts this measure as an ordinary legislation, the citizens of our country will not be able to exercise their

fundamental rights under the Constitution. And any illegal provision contained in the Act and any illegal action of the executive gets immunity, and the immunity will be there for the law and for the past things done.

Therefore we see no reason or justification for rushing through an ordinary legislation when a defence measure already exists. If you go on the principles of fairplay and balance of convenience, there is no prejudice to the Government by not enacting this law but there will be irreparable prejudice to the citizens by rushing through an ordinary law during the subsistence of the emergency.

I therefore most emphatically submit that this is not a question of the citizens coming before the Committee and talking of their fundamental rights; it is a question whether a responsible government should take advantage of article 358 when there is already an emergency legislation in force. And I submit that I can conceive of no prejudice to the Government by deferring the enactment of the law, but I can conceive of great hardship to the citizens whose fundamental rights are valuable to them. This is the preliminary point which I am raising with all seriousness for the consideration of the Committee.

Connected with this is another important aspect, and it arises this way. The provisions of the Gold Control Bill are *pari materia* with the Defence of India Rules. These Rules have been challenged by writ petitions filed before the Bombay High Court and two are actually pending and coming up for hearing on the 6th of August.

Chairman: You are appearing there?

Shri J. R. Gagrati: Yes, Sir, I am appearing there.

And the matter is *sub judice* in a court of law. Therefore, if a matter in which a *pari materia* provision is there before a court of law, why

should not the Government await the verdict of the court and take the benefit of that verdict instead of putting through an Act containing the same provisions and subjecting the citizens to go through litigation where the same questions can arise?

Therefore I make my submission on these two fundamental issues: firstly, that during the emergency the ordinary law should not be enacted; and, secondly, in view of the fact that a matter similar to this matter is *sub judice* in a court of law the Members of the Committee should recommend the deferment of the consideration of this Bill *ab initio*. That is my first submission.

The second head is this—I will deal with five heads. This is the one which must have been put before you already and so I will not prolong the discussion. The second head which we have formulated is this that this Bill should not be recommended by this Committee for being enacted into law. And the reasons that we give in support of this are as follows:

The first is that, unlike other legislations which have come up before the Committee, this legislation has come up after running a trial period of eighteen months. Therefore it will not be correct for the Committee merely to consider the provisions and see the legislative competence and say that this Bill should be made into an Act. The actual working of the measure over a period of eighteen months will have to be gone into and considered by the Committee. And therefore I submit that the approach in this matter should be first to look at and review the Gold Control policy for the last eighteen months. If you are satisfied that it has succeeded, then you can recommend it; but if you are satisfied that it has not succeeded, then there is no question of considering the legislative competence of Parliament which is very wide and mighty. That question does not arise for consideration in my respectful submission.

We say that the Gold Control policy has not succeeded but has failed, for this reason that the two objectives which have been put in the forefront have not at all achieved any purpose. This is not just a bald statement that I am making, but since the Chairman has said that our memorandum has been read I will not repeat what we have said there but will only give the reference to the page where we have collected statistical data yearwise for a period of one year prior to the promulgation of these Rules and for a period of one year later, which shows that smuggling has not abated and gold prices have in fact increased, far from being reduced. At page 3 of our memorandum we have submitted chart-wise. . .

Chairman: We have got it.

Shri J. E. Gagra: You will see that these are very effective figures, the data on smuggling. Page 4 deals with the data with regard to prices. Therefore, both the professed objectives of the Government have not succeeded. It is no use saying that it has succeeded in general terms when the facts and figures belie the statement. Therefore, as far as the objectives are concerned we respectfully submit that on the material produced, both the objectives have failed.

The second point is, what has the Government achieved, apart from the failure of these two objectives. And my submission is this. The record of the last eighteen months shows, first of all, that the Government has failed to achieve the two objectives which they have enunciated; secondly, that the Government has on the contrary created new problems, problems which may not have been foreseen then. And what is more tragic is that Government has utterly failed even to solve those problems which are its own creation, which would never have arisen but for the promulgation of these Rules. These problems are oft-discussed and I will just analyse the points.

The first is the problem of unemployment. Government figures give the number as 5 lakh goldsmiths. But goldsmiths are not the only people who constitute the gold trade: there are the people employed on the administrative and accounting side, the owners, the proprietors. And our figure is very much in the vicinity of about a crore of people who have been affected by the effects of the Gold Control Rules.

Connected with unemployment you will see the immediate question of rehabilitation. There also the Government has totally failed to rehabilitate. Government's own admission is there when they had to amend the Gold Control Rules in September last to permit goldsmiths to repair old ornaments up to the original level, exceeding 14 ct., has been another feature of Government's failure.

About suicides, the figures show that between 75 to 200 goldsmiths have committed suicide.

The further fact remains that as far as the declaration under the new Rules is concerned, official figures show that only 13,000 individuals in a population of 400 crores have come forward and made declarations, and the total declared gold is only of the value of Rs. 42 crores against an estimated availability of Rs. 4,000 crores.

The figures speak for themselves about the total disrespect and disregard of these Rules by the people.

And what has been the immediate repercussion of the last eighteen months on the rural life of the country as a result of this? As far as rural credit on gold was concerned, it was a very common and convenient thing for our rural people who are not literate and who are not familiar with the modern mechanism of banking. Rural credit has come to a standstill and is disorganised, and it is now being done underhand, below the

table. Secondly, in the rural areas there is no available alternative investment which Government has offered. In the rural area there is no alternative banking policy which Government has thought of. It is admitted that there are only 600 branches to look after the needs of the entire country. And post offices cannot take the place of banks and offer banking facilities. Therefore, there is a total absence of the provision of any alternative investment; there is a total absence of the provision of any banking facilities, and a total absence of any concrete scheme before the rural people, which has all the advantages which gold had. . .

Chairman: The co-operative societies are there.

Shri J. R. Gagrati: The co-operative societies are not offering terms which gold was offering.

Chairman: Almost every panchayat has a co-operative society now.

Shri J. R. Gagrati: But what is the credit facility available to the people in the rural areas?

Chairman: The Reserve Bank is giving a lot of money to the co-operatives.

Shri J. R. Gagrati: As far as the usage of gold in the rural areas was concerned, it had its own advantages, and I am not aware of any alternative form offered by Government with the same advantage.

Shri B. R. Bhagat: Today, nearly Rs. 250 crores are being offered in the co-operative societies.

Shri J. R. Gagrati: We are not discussing co-operative societies now.

Chairman: That statement arose out of your observation that there was no other credit facility except this gold.

Shri J. R. Gagrati: My point is that there is no credit facility equal to the

facility which gold offered. We are today considering alternative means.

Chairman: So, your stand is not absolutely correct.

Shri J. R. Gagrati: With respect, I may submit that there is no alternative provided by Government.

Chairman: Is that your case then?

Shri J. R. Gagrati: Yes, it is my case that there is no alternative giving the same advantages which gold gave to rural areas, and my reasons are as follows. First of all, as far as gold is concerned, it can be liquidated at the shortest possible notice, but that is not so with Government paper and that is not so with co-operative societies. You cannot at short notice call upon a co-operative society to liquidate your assets. Secondly, gold gave a certain stability to the people in the rural areas. Thirdly, gold had a double advantage; not only was it a source of safety and security, but it was also an item of use, and it was an item of adornment. Therefore, it performed a dual function. But can a Government paper lying in your house or lying in the bank be used as an article for adornment? It is not possible for people to wear national policies or Government papers as ornament. After all, ornaments are ornaments, and they serve a dual purpose. I am sure, therefore, that the Members of the Committee will admit that there could be no alternative for gold in this respect.

Apart from the hardships which have been caused to the people, my further reason is that, if I may say so, the Government and the members of the ruling party themselves are divided on this Bill.

Shri Sheo Narain: On what basis are you saying this?

Shri J. R. Gagrati: I have my reasons for saying so. You may kindly turn to the debates which took place in the Lok Sabha on the 4th June. I

have got with me a copy of the printed debates. 20 Members spoke. Ten Congress Members spoke, out of which 7 vehemently decried the Bill; some of those hon. Members were even ex-Ministers of Government.

Chairman: You may leave it to the committee to consider all those points. You may go on with your argument.

Shri J. R. Gagrat: I am only answering the question put to me as if the statement had been made by me without verification, which is not correct. I repeat that out of 20 Members who spoke on that day, 17 had vehemently opposed this Bill, and 7 were Congress Members.

Chairman: The committee will take into consideration all those aspects, and the Bill is again going back to the House and the House will consider it.

Shri J. R. Gagrat: I was only answering the question which was put to me.

Chairman: That is beyond the point.

Shri J. R. Gagrat: A further fact connected with this point is that public opinion is also against the implementation of these rules. I am using the term 'public opinion' in contradiction to opinions which Members may consider as that of interested persons such as traders, jewellers and dealers. There is an interesting compilation actually published, containing this public opinion, in which you will notice the opinions expressed by independent and other newspapers.

Chairman: The committee has already got all that material.

Shri J. R. Gagrat: I am just giving a reference to the brochure entitled *Public opinion on Gold Control*. That makes it clear that it is not interested persons who object but even enlightened intelligent Indian public opinion is objecting to it.

Therefore, I would submit that this is a measure which has come before the committee with a sharp division of opinion among the members of the party in power and among the other Members of the House.

Lastly, on this aspect of failure, I would submit that not only have Government achieved no object and no purpose, but several problems have been created. And those problems are as follows: the problem of having a larger force to implement the Act, the problem of enforcement, the problem of rehabilitation and employment, the problem of providing alternative investments and banks, and the problem of loss of revenue which has occurred in the shape of loss of income-tax, sales-tax etc. The third head of my argument is that if Members of this Committee are of the view on recommending this Bill for consideration—which, as I said earlier, should not be done—it is requested that before this Bill is recommended, the committee should constitute or cast a duty upon Government to constitute a high-powered and independent all-party commission, and that commission should record evidence from all shades of opinion and of people. Let us not have a permanent law and then have a commission, but let us have the reverse of it. Let us have a commission which could elicit public opinion and then pass the law.

Therefore, if the Members of the Committee are inclined to recommend this Bill for consideration, then we submit that a commission may be appointed so that this matter may be gone into, and after they make their report, the Members should recommend what should be done.

Shri Homi F. Daji: That is what the committee stands for almost.

Shri J. R. Gagrat: The scope of the committee, I am afraid, is not the same as that of an all-party commission, which can go into each town and district and record evidence.

Chairman: You want us to give a go-by to this Bill and ask Government to appoint a commission?

Shri J. R. Gagrāt: I do not know why it should be thought that this suggestion would mean giving a go-by to the Bill. After all, here we are to assert our rights, and I say that we are entitled to make this suggestion to the committee, namely that let there be an all-party commission, if necessary with judicial personnel on it, so that an independent and detached view may be taken. Surely, I feel that we are entitled to make this suggestion before this Committee.

Shri Homi F. Daji: Here, all the parties are represented on this committee, but your suggestion to have judicial personnel changes the whole picture.

Shri J. R. Gagrāt: Even a commission of all-party members may consist of judicial personnel, and they should be free to go into the different parts of the country, record evidence, and collect data and so on.

Chairman: All parties are represented on this committee.

Shri J. R. Gagrāt: My point is this. Just as was done in the case of the prohibition law where we had the Tek Chand Committee's report, why not have a report on gold control also? We have already seen the fallacy of having laws affecting the social habits of the people and then having a report. In this case, therefore, why not have a commission and then have the law?

Chairman: That is a matter which is beyond the powers of this committee.

Shri J. R. Gagrāt: This is the suggestion that we make.

Chairman: You may make that suggestion to Government and not to us.

Shri Dahyabhai V. Patel: Certainly, we can make that recommendation. How is it beyond our powers?

Shri M. R. Masani: I suggest that we need not discuss our terms of reference just now.

Shri Prabhat Kar: The witness has referred to some case pending in the High Court. It will be interesting for the Members of the committee to know exactly the points which have been challenged in the court.

Chairman: You can ask for this information afterwards.

Shri J. R. Gagrāt: The Government of India is a party to both the petitions, and I can give an idea of the points raised in the petitions.

Chairman: You can give them later.

Shri Rajendra Pratap Sinha: You can give them to the Lok Sabha Secretariat.

Shri J. R. Gagrāt: Therefore, our suggestion does not tantamount to bypassing anything. I want to make it clear that we are not here to obstruct or bypass anything. That is not our object of coming before you.

Chairman: Your suggestion would mean that till the commission is appointed and it reports, this Bill will have to be kept pending.

Shri J. R. Gagrāt: The Defence of India Rules are—if I am wrong, you may correct me—very exhaustive. There is nothing which is overlooked there. There is no conceivable thing where Government cannot act there.

Now, I come to the fourth head of my argument. What is the solution to this problem? We are aware that there is smuggling. We are aware of the fact that the prices are high. We have taken the liberty to offer a solution and leave it to the Members to

decide what to do. And our solution is this.

The hon. Finance Minister, Shri T. T. Krishnamachari had admitted in the House on the 5th June that the only solution was to permit imports of gold at international price. That is the only solution as far as we also could think of, because we have also considered the matter very deeply, and our reasons are as follows. First of all, the demand for gold cannot be controlled when the demand is so inherently mixed up with the social habits of the people. Therefore, this Bill will only make the people more dishonest.

As far as the price is concerned, it will remain high as long as imports are prohibited. Of course, we do realise that Government cannot spare today the required foreign exchange for this purpose. But no foreign exchange is required at all for the following reason. As you are aware, there are various export promotion schemes which are being operated from 1959 onwards. Under these schemes, Government do not give or part with any exchange of their own. It is the exporter who has to effect an export and earn his own exchange, and from his earned exchange, he is allowed to import certain articles. Various commodities are listed under the export promotion scheme. If gold is introduced as an article which an exporter can import out of his own export earnings, he will get gold into the country at the international price. If gold comes into the country in that fashion, it is bound to break the back of the smuggler and of the price structure. No smuggler will have incentive to take any risk.

Shri Rajendra Pratap Sinha: The export promotion schemes are in respect of articles vital to the growth of the economy.

Shri J. R. Gagrat: The whole justification of this Bill is that the gold problem is vital to the country.

Chairman: It is a question of priority whether we should import gold or capital goods.

Shri J. R. Gagrat: When Government has to treat it as an emergency measure and says that it affects the socio-economic structure of our country, surely it is more important than textiles, cotton and cashew nuts which are being allowed to be imported.

Allowing import of gold at international prices may be experimented upon for one year, then appoint a commission, and then proceed with the Bill. Why this anxiety not to accept any suggestion from the trade, and just pass the Bill. With due respect I may say that a feeling has been creeping in slowly that no suggestion made by us is taken in the right spirit, and it is only thought that we want to obstruct the Bill, but I want to make it abundantly clear that we are not here for that purpose.

Shri B. R. Bhagat: What about the price differential?

Shri J. R. Gagrat: If gold is allowed to be brought into the country at the international price and sold, the price structure is bound to fall.

Shri B. R. Bhagat: Near to the international price?

Shri J. R. Gagrat: May not be near.

Shri B. R. Bhagat: How much gold will be required to be imported to bring down the price?

Shri J. R. Gagrat: I have not worked out the statistics, but over a period of years it is bound to fall. It is not impractical.

Secondly, tourists may be allowed to bring gold of 5 or 10 grams purchased out of their foreign exchange holding abroad.

Lastly, if our aforesaid suggestions are rejected and you decide to proceed with the Bill, we have a few suggestions to make on the Bill itself.

The first objection is to clause 2(f) which defines "ornament" and to clause 17 which provides for declaration of ornaments. Apparently, Government wants to plug the loopholes, the possibility of conversion of smuggled gold into ornaments or actual smuggling of ornaments into India, but the definition goes far beyond the object; it cannot be allowed to extend to non-gold ornaments which contain precious stones like diamonds, rubies, emeralds etc. where there may be no gold or the gold may be very negligible. If a man has a ring with a gold content of Rs. 35 and diamond worth Rs. 1 lakh, it is an ornament under this definition. There should not be a clandestine attempt to extend it to every innocent article in every household. We agree that abuse should be prevented, but under that guise power should not be taken in excess of necessity and contrary to the avowed objects of the Bill.

The definition says:

"'ornament' means any article in a finished form, meant for personal adornment or for the adornment of any idol, deity or any other object of religious worship, made of, or manufactured from gold, whether or not set with stones or gems, real or artificial, or with pearls real, cultured or imitation or with all or any of them and includes parts, pendants or broken pieces of ornaments;"

It should stop with "manufactured from gold". Therefore, Members should give very serious consideration to this definition before permitting Government to have an inroad into the proprietary rights of citizens.

Clause 17(1) reads:

"Where the Central Government is of the opinion that it is necessary so to do for carrying out the purposes of this Act, that Government may at any time, by general or special order, require that any person or class of persons owning ornaments...."

—ornaments in which there may be no gold, or the gold may be completely negligible—

"...shall, within such period as may be specified in the said order, make a declaration to the Administrator in the prescribed form...."

—we do not know what the form is—

"... as to the quantity, description and other prescribed particulars of the ornaments owned by such person or each person in that class:"

So, Government wants to be empowered to deal with non-gold ornaments, to which we object. It goes beyond the scope of the object of the Bill, and should not be tolerated by this Committee.

Clause 4 arbitrarily fixes the purity of gold at 14 carats. What is the object, and does it achieve the object? It is not Government's case that this as to prevent smuggling, because once gold is surreptitiously smuggled into India, it takes the same time, in fact lesser time, to make it into 14 carats than 18 carats. Their real object is to discourage the use of ornaments. Let that be done in a way which is fair to the trader and the consumer. Eighteen months of trial and error has shown beyond doubt that 14 carats has not succeeded and impracticable and these are the reason. The first reason is it is said that if we convert all existing gold into 14 carats from 22 carats, the gold will be more and there will be more buyers.

This is inconsistent. On the one hand Government says that it wants to discourage people from buying gold. On the other hand, they say that more gold will be available to the public if 14 carat is used for making ornaments.

Besides, it is admitted on all hands that the cost of manufacturing 14 carat ornaments is very high due to its processing, manufacture and production.

Chairman: What is the proportion?

Shri J. R. Gagra: I am told it is almost double the cost of manufacturing 22 or 24 carat ornaments. Besides, there is no demand for the 14 carat gold ornaments from the consumer. If it was believed by the Government that people would change their mind and accept 14 carat ornaments, it has not been proved right by the experience of the past 18 months. There are reasons why people do not buy these ornaments. Firstly, they think that the price is disproportionate to the value which they get in return to the amount they pay. Secondly, there is definite loss on resale of these 14 carat ornaments. Thirdly, 14 carat ornaments require regular re-plating at regular intervals of 4—6 months.

Chairman: Shrimati Sathé says that she has been using them for the last 14 years; they were of course manufactured in India.

Shri J. R. Gagra: We would like to see it ourselves. But our experience in the last 18 months has been that it requires replating and every time it is done, the metal becomes weaker and on the 4th or 5th time, the article is likely to give way.

It is also very difficult to remodel or repair a 14 carat ornament. Lastly, people used to buy gold for religious offerings and after the introduction of the 14 carat, they have completely ceased to place any orders because there is, rightly or wrongly, a feeling that for certain religious purposes the purest form of gold should be offered to the deity.

So far as the trade is concerned, it has meant almost a stand-still after

the introduction of the 14 carat rule. We therefore suggest that the experts in the field should be consulted and the carat content should be raised to a reasonable level.

Chairman: What is your idea?

Shri J. R. Gagra: It has been estimated that it should be between 18 and 22 carats but 14 carat should not be there. It has been a complete failure. If it was imposed for experimental purposes, experiments have taken place and therefore we request that this matter should be considered by the Committee sympathetically.

With a view to rehabilitate the goldsmiths, the Government has permitted the certified goldsmiths to repair and remake ornaments of the fineness and quality of the original content. The Government have failed to rehabilitate the goldsmiths and so they have made this rule. Now it is impossible for any consumer to come to the traders as we are not allowed to do this. What is the justification for this?

An Hon. Member: You are middlemen.

Shri J. R. Gagra: We are not commission agents or managing agents and we are not middlemen. There is a wrong impression that the jewellers are middlemen. That is a misconception. Since this has been mentioned, permit me to explain the nature of the work which we do. It is not that we just supervise and the goldsmith does everything. There are many facets in jewellery making and sale and the goldsmith does one part of the job; all the other facets of running the jewellery trade are done by us. The jewellery trade requires finance; I am the person who brings my finance; it requires staff, not merely a goldsmith but salesman, accountants and purchasing officers. It is an organised business and it needs finance, entrepreneurship, know-how,

salesmanship, honesty and integrity. I procure the raw materials. People buy jewels from me because I give them the guarantee that on any day if they find anything wrong, it will be taken back and the money will be refunded; they believe in my honesty and integrity. I replace it; I return it; I re-assemble it. Therefore, it is no use saying that we are a people who can be brushed aside. To cover up Government's failure to rehabilitate these people by one sentence they are saying that we are middle-men.

The other important thing is this. While we can employ other agencies to do the work of goldsmiths, goldsmiths cannot employ any other agency to do our work. If you approach the problem in that angle, you will appreciate the role we play. Jewellery trader is the heart and soul of the business. He is not a person, as is said in papers and elsewhere, who is like a managing agent under the Companies Act. You have got a section in that Act by which managing agents can be wiped out. A company can exist without managing agency. The jewellery trader is not like that.

To treat goldsmiths differently from us is definitely a discrimination against us. What hurts us most is that you give them a preferential treatment in justification of Government's failure to rehabilitate them. If Government would have rehabilitated goldsmiths, this would not have happened. Government failed to rehabilitate them and therefore they amend the rules so as to give them preferential treatment. Since this amendment has been effected we have no business. Why should any consumers come to us for 14 carat jewellery when they can go to any goldsmith and have any quality of jewellery?

I am glad that an hon'ble Member has made the point of our being middlemen. That shows that there is a total mis-conception of our role.

Now that I have dealt with the fact of discrimination against us, I will indicate the sections which need some changes.

Clauses 3 and 13 are the clauses which give certain preferential treatment to certified goldsmiths. The effect of these clauses is that we are being wiped out. Therefore, in my submission, clauses 3 and 13 should be removed and wherever the word "dealer" is used, coupled with it, you should recommend the use of "certified goldsmith" so that the dealer is put on a par with certified goldsmith. There should be no attempt to differentiate between them. Whatever right you give to certified goldsmiths should be given to dealers too. We should not be deprived of any right enjoyed by certified goldsmiths. That is our submission so far as clauses 3 and 13 are concerned.

Then there are certain other suggestions. As far as sub-clause (4) of clause 4 is concerned, there is obviously a mistake which I wish to point out. Under this sub-clause, the obligation of putting a stamp on primary gold is cast on the dealer. It is an obligation which can be put only on a refiner. It is not the function of a dealer to stamp. This, I think, is a mistake.

Chairman: The sub-clause says that every person who makes, manufactures or sells any primary gold shall put a stamp..... There is no reference to any dealer.

Shri J. E. Gagrati: This sub-clause should be made applicable only to refiners.

My next suggestion is in regard to the proviso to clause 5(2) (b). The lacuna in this is this. Under the Defence of India Rules, upto a limit of 50 grammes per individual was exempted. In other words, there was no declaration to be made. This proviso only deals with persons who give declarations. It should also cover persons who are not to give declarations. Persons who are not to give declarations should also be covered by

this proviso. They should also be given the same rights to dispose of articles, etc. This proviso reads:

"Provided that any such dealer may buy or otherwise acquire or accept gold, not being ornament, from any person if such gold has been included in a declaration made by that person under Part XII A of the Defence of India Rules, 1962, or under section 16, or if in respect of such gold no such declaration is required and a permit has been obtained under sub-section (3)"

What we are submitting is this: There are two categories of persons—those who are to give declarations and those who are not to give declarations. This proviso should cover both the categories and not leave out one

The next clause is 5(3). Sub-clause (3) of clause 5 gives the right of dealing with certain types of gold which are not required to be declared. Our suggestion is this: Here it is said that such gold may be pledged, mortgaged etc. in accordance with a permit granted by the Administrator in this behalf. Our submission is that the party should be obliged to give intimation of such transaction instead of applying for a permit. Our experience has shown that permits are not obtained easily. Suppose a man is in urgent need of some money, he can get the money overnight. But if he is to apply for a permit, it may take months before he gets a permit. If you put on him the obligation to give intimation of any such transaction, it will be more practical and feasible from the point of view of owners and the trade.

The next point is about sub-clause (1) of clause 6. Here, I won't repeat the arguments which are the same as in the earlier case. This also covers only those who are to give declarations. Perhaps who are exempted from making declarations are not included. Our suggestion is that this provision should cover both categories.

Sub-clause (2) (a) of clause 6 overlooks the practical difficulties of the trade. This sub-clause says that no person who is a dealer, whether licensed or not, shall carry on business as a dealer in the premises in which he or any other person carries on business as a money-lender or banker involving the hypothecation, pledge, mortgage or charge of any gold. Most of you are aware that housing problem is a nightmare. It is impossible, genuinely, to get separate premises. Especially in Bombay it is practically impossible to expect a businessman, by a stroke of legislation, to acquire separate premises. If a man is a dealer as well as a money-lender, there are separate rules which prescribe maintenance separate books of accounts, etc. Compliance with the Act and Rules can be safeguarded by other methods. Even separate cupboards can be prescribed, but not certainly separate premises. It is certainly a great hardship for all the citizens. But the State can prescribe separate books, returns, etc.

As regards sub-clause (2) (b) of clause 6, this provision is said to be made applicable to even transactions entered into before the Defence of India Rules came into force. The Defence of India Rules came into force on 9th January, 1963. This provision is sought to be made applicable with retrospective effect, so as to cover even transactions which were effected between the pawnee and pawner prior to the notification of the Rules. The application of this provision should be done prospectively. The next clause to which I would like to draw your attention is Section 6(3) which says:

"No pawnee who is not a dealer shall sell any gold pledged with him on the failure of the pawnee to redeem such gold except in accordance with such conditions as may be prescribed."

The rights of the pawnee are governed by their own contract and the provisions of the Contract Act. He can

sell the pledged gold, if it is not redeemed according to the contract, to realise his dues. Under this Bill, the pawnee has to sell it only in accordance with the conditions to be prescribed. We do not know what the conditions are. What we want to impress upon you is that the pawnee may be given the right to sell the pledged gold by giving suitable notice to the authorities concerned.

Chairman: You want that rules and regulations should be framed under this Act.

Shri J. R. Gagrati: The pawnee can sell in exercise of his right. You may say that he should only sell to the dealer and then intimation should be given to the authorities concerned.

Next, we can take up clauses 7 and 8 together. Our submission is that requirements for obtaining a new licence under the new Act should not be imposed on all. As far as people who have already been licensed under Defence of India Rules are concerned, they should be allowed to continue. Why should they make a fresh application and face the risk of refusal? As stated in our memorandum, renewal should be granted as a matter of course. It should not be considered as a fresh application on each occasion.

Section 9 gives power to the Administrator to cancel a licence if he is satisfied that any statements made in the application for the issue of the licence or in relation to the licence are incorrect and false in material particulars or that the holder of the licence has contravened any of the provisions of this Act. Here our submission is that the section as drafted gives power to the Administrator to cancel a licence even in the case of inadvertent incorrect particulars. A guilty man should be given the pain of cancellation only if he has acted with *mala fide* intentions, if he has given deliberately and wilfully incorrect and false particulars. *Mens rea* should be

made the basis for cancellation of a licence. In the section before the word 'incorrect' you may add 'deliberately and wilfully'. While filling up the form, a man may commit some mistakes for which he should not be punished with cancellation of licence.

Chairman: As a business man you are to give the correct particulars.

Shri J. R. Gagrati: Among the four assistants in my office, one may commit some mistakes in his work. Am I to face a drastic action for that?

Shri B. R. Bhagat: How can it be proved that he has deliberately given incorrect and false particulars?

Shri J. R. Gagrati: Before cancelling the licence, reasonable opportunity must be given to the holder. He must be heard. This reminds me of what happened only last month. In the implementation of Gold Control Rules, the Collector of Central Excise, Poona,—he is the only person I know of—has taken the view that the parties, when they are asked to show cause, under Defence of India Rules, should appear before him personally and are not entitled to any legal assistance. He has persistently refused the aid of legal assistance. How do you expect individuals to face all the questions without legal assistance? In fact writ petitions have been filed which have been admitted and stays have been granted. This only shows that things are not done in the manner in which the section reads. It is done contrary in actual implementation.

As far as Section 11 is concerned, there is a lacuna. It does not provide at all the basis of ascertaining the price at which the gold is to be handed over. Provision is there to hand over, but what is the basis at which the gold will be taken over? It does not indicate the basis of calculating the price. It should be provided that the price of gold at the time of handing over should be at the then prevailing market price.

Section 13 I have already dealt with.

Section 15 in my submission is the section which makes a show of not attracting Articles 25 and 26 of the Constitution. I use the phrase 'it makes a show', because if you look at the very first line in that Section it says:

"Notwithstanding anything contained in chapter II and the foregoing provisions of this Chapter any public religious institution such as a temple, mutt, church, mosque, gurudwara or any other place of public religious worship not being a dealer or refiner licensed under this Act may receive gold in any form as offering."

The words used here are "may receive gold in any form". We want to know whether the form referred to here refers to the quality content, like 14 ct. or 22 ct., of the ornament. The word 'form' may denote that it may be in the shape of an ornament or any article in the shape of bangles etc.

Shri B. R. Bhagat: The intention is that it may be in any form.

Shri J. R. Gagrat: Section 4 deals with overall ceiling of 14 carats. If the intention is that it may be in any form, without reference to quality content, then it should be made clear. This section should be suitably amended.

The next is clause 16. This has created a practical hardship because a similar section exists in the Gold (Control) Rules. There is an exemption limit prescribed; an individual can have 50 grammes if he is an adult and a minor can have 20 grammes. Take the case of a husband, wife and two minor children. The exemption limit is 140 grammes. Cases have arisen in the last 18 months wherein the excise officers go to the residence of the people and seize the gold. Take the case of a husband, wife and two

minor children. If they are possessed of two gold pieces of 70 grammes each, the excise authorities say that they must have separate pieces since they would be seized otherwise. That is, the husband must have one piece, the wife must have one piece, say, of 20 grammes and so on. That is not the object of the Bill. The object was to restrict the total quantity. On this ground, actually, articles are being taken away and confiscated. Small holdings of families are being taken off and confiscated outright on the technical plea that there are only two pieces of 70 grammes each, totalling 140 grammes, and that is liable to confiscation. Since we are faced with this difficulty, a suitable provision should be made to make it clear that when you are dealing with families, the officers will look at the total limit and not at the pieces. If it is said that the husband can hold 50 grammes, the wife can hold 50 grammes and so on, the practical difficulties arise. So, this point should be considered by the Committee.

Clause 17 has been dealt with already. About clauses 19 and 20, I would not say anything. I will only refer you to page 14 of our memorandum. It deals with the submission of quarterly returns.

Then, clause 21 is one which is subject to two objections. The first objection is that it gives delegated authority vested in the administrator, and secondly, there is no guidance given by the legislature to the administrator as to the circumstances under which is known as arbitrary, unbridled delegated power. Therefore, the clause should be so worded that the administrator can exercise his powers in such a way that there will be some guidance or some guiding principles enunciated in the measure.

Then clause 23(b) may be taken. Here again, the provision for *mens rea* should be made. That is, people who

wilfully and deliberately flout the conditions should be punished and not the people who act inadvertently or may act unknowingly. There should be a safeguard in this direction. I am not saying that the Government's interests should not be safeguarded, but at the same time, some protection should be given for those who commit some inadvertent lapses.

The next group of clauses is 26 to 27. As far as clause 26 is concerned, we suggest that as has been done in the Customs Act there should be a time-limit fixed within which the authorities must proceed with the investigation, so that there will be no indefinite process of investigation. In the Customs Act, a limit of six months was put within which time the Department must commence adjudication proceedings. A provision of such a kind, so as to avoid administrative delay and also harassment to the trade, should be put. They may investigate, but they must commence proceedings within a fixed time, three months or six months, as is considered fit and proper.

Then, clause 27. I request that provision should be made by which copies of statements recorded from parties should be furnished to them when an application is made. What is happening over the last 18 months is that officers, whenever they record the statements, refuse to furnish a copy of them to the parties concerned. If statements are reported from parties the officer should be obliged within a reasonable time, on demand, to furnish a copy of the statements. That is not being done now. I may point out that the Supreme Court also has observed in one of its judgements reported in A.I.R. (1961), Supreme Court, page 264, that copies of statements recorded from parties ought to be furnished to them. So, there should be an obligation to furnish such copies of statements.

Then, the proviso under section 28 (2) goes beyond the purpose of the provision. The proviso gives power to

give or impose a fine. But the fine should have a relationship to the value of the seized conveyance or animal and not to the value of gold as redemption. It should relate to the value of the conveyance or the animal carrying the contraband article. Even in the corresponding customs law, Government only seizes the conveyance or the animal, which is confiscated. Then, the Government should realise only the market value of the conveyance or animal. Suppose, the gold carried is worth Rs. 1 lakh and conveyance is worth only Rs 2,000, the redemption should be in lieu of the confiscation of the conveyance. The fine levied should be related to the conveyance and not to the gold. Look at the proviso, which reads like this:

"Provided that where any such conveyance or animal is used for the carriage of goods or passengers for hire, the owner of the conveyance or animal shall be given an option to pay in lieu of confiscation of the conveyance or animal, a fine not exceeding the value of the gold which was sought to be so conveyed or carried".

Suppose, the owner may be owning a car which carries the contraband article; it may be seized and you call upon the owner to pay Rs. 3,000; the gold may be worth Rs. 3 lakhs. The Government cannot realise more than the market value of the conveyance. Even the Customs law has never had such a provision. This power is unheard of and is beyond rational reasoning, if I may say so.

Then I come to clause 30 which prescribes a limitation for an appeal. I may suggest that the date of commencement of limitation should be the date of receipt of the order and not the date of communication, because, experience shows that the date of the order may be "March" and the date of despatch may be "July" and we receive sometimes in September or October.

Chairman: Even under the Civil

Procedure Code, it is presumed that once the order is posted, it reaches the addressee.

Shri J. R. Gagrati: As far as appeals against judicial orders are concerned, it is always the date of receipt. You cannot say "I despatched this in March"; it may have been received by me in June. By that time, the limitation expires as it is. So, why create a situation like that? Let us have the date of receipt, on which I received the order, but not the date of communication.

Dr. L. M. Singhvi: It is the date of receipt under the customs law.

Shri J. R. Gagrati: Yes, the CBR has taken the date of receipt as the correct procedure. Therefore, why should you keep a controversy open for an officer to say that it is the date of communication that is to be taken into account and so it is time-barred?

Then under clause 30(2)(b) proviso, a deposit has been provided for. Pending appeal, you have to effect a deposit of a penalty that is imposed. My submission is, at least give us the right to appeal at the first stage, without insisting on the deposit of a penalty.

Then, under clause 30(6), it is said that "any order passed shall be final and shall not be called in question in any court of law". I doubt the constitutional propriety of it. If the Committee wants to keep it, it may, but it does not debar the constitutional rights which we are entitled to exercise.

Then I come to clause 30(7). This is another instance where there is no limit to the power to impose fine. It says:

"Whenever confiscation of any gold or conveyance or animal is authorised by this Act, the officer adjudging it may give to the owner thereof an option to pay in lieu of confiscation such fine as the said officer thinks fit".

An unlimited power is given. There is no such power even in the Customs Act, or in the original Sea Customs Act. Under the Customs Act it is said that the fine will not exceed the market value. Here the fine can be any amount. There is no limitation at all.

My objection to clause 31(2) is that after all the sub-sections (i) to (x) and sub-section (xi) the quantum of punishment laid down is:

"shall be punishable with imprisonment for a term of not less than six months and not more than two years and also with fine."

The judicial magistrate or the high court judges will be the persons who are to judge the quantum of sentence. Is it fair for the legislature to fetter the powers of the judiciary. Even if a high court in a given case finds that a particular man should not be given a sentence of imprisonment or that he need be given only one month's imprisonment they are helpless. The Indian Penal Code deals with offences of the most heinous type. Why should there be this fetter on the judiciary?

Chairman: In a number of enactments such fetters have been placed.

Shri J. R. Gagrati: They are of recent origin and, therefore, they are subject to objection and scrutiny. We are following the rule of law and our courts are responsible to know what sentences should be awarded. This would amount to disrespect of the judiciary. Without knowing the facts the Parliament cannot say that a man must be sentenced to six months. There are several extenuating facts that come to light in the course of the trial. This provision is perverse. Surely the judiciary is there to look after the interests of the individuals. I submit that the members of this Committee should once and for all put a healthy tradition and do away with such limitations on the judiciary. The Parliament cannot say, without know-

ing the facts, that a man should be sentenced to 12 years. There must be some rationale behind it.

My last objection is to clause 31(4) where with the powers which have been given, to which I made a reference, to put a man to a penalty of compulsory imprisonment of not less than six months, there is provision for summary trial by the magistrate. At least the man should have the chance of a fair trial where he can exercise full rights under the Indian Evidence Act and the Cr. P. Why is there this anxiety to deprive the man of a fair trial? Therefore, I submit to members of the Committee that these sections should be deleted. The Parliament cannot impose the quantum of punishment without knowing the facts.

This is, Sir, what I have to submit as far as the clauses of the Bill are concerned. I am obliged for the patient hearing which the Committee has given me. This is a matter which should require a very careful consideration and this Bill should not, because there is legislative competence, be passed in this way. It has caused serious hardship all over.

Shri M. G. Merchant: In addition to what Shri Gagrat has placed before the Committee, I would like to make one suggestion. I invite the attention of the Committee to clause 30 wherein provisions regarding appeals have been given. In view of the facts disclosed and the different interpretations given by the excise officers, it is most desirable that a tribunal should be constituted wherein the second appeal or revision should lie. Once the excise officer has given his decision, it has been our experience, the second appeal has always been, with due respect to superior officers, I would say, a sort of confirmation. In the same clause we have been told that we cannot chal-

lenge the legality of the order in the court of law. When we are going to make such a provision it is desirable, as it is done in the case of sales tax and income-tax, that a tribunal be constituted to which the citizen can go on second appeal or revision and place all the facts before it.

Shri B. K. Gaikwad: Shri Gagrat said that there are about one crore of people who are unemployed due to this gold control. I want to know how he has come to this conclusion. Could he tell us how many are swarnakars, goldsmiths, sarafs and all that?

Shri J. R. Gagrat: According to the Government the number of goldsmiths in the country is 4,51,000 whereas the trade believes that there are about 10,00,000 goldsmiths.

Chairman: Could you give the break-up as to how many are swarnakars, how many are sarafs and so on.

Shri J. R. Gagrat: I will get you those figures.

Shri B. K. Gaikwad: Do you say that all people have become unemployed or partly unemployed and sarafs and other people running this business have stopped their trade completely?

Shri B. S. Mahajan: I may put it this way. From the sample survey which our association conducted in the city of Bombay we found out that the turn over was reduced to 15 per cent after the introduction of gold control. There are so many operations in this trade. Apart from the jewellers and sarafs and their agents, there are a number of agencies allied to this trade like gem cutting industry, synthetic stone industry, pearl making etc. So many people are dependent on this.

Chairman: You say that you represent the All India Sarafs Association. What is its membership?

Shri B. S. Mahajan: It is a federation of three hundred different associations. The membership of each association varies from 100 to 500.

Chairman: How many people are employed under these 15,000 people?

Shri B. K. Gaikwad: We are really trying to find out whether in fact one crore of people are affected, as is mentioned by some people.

Shri B. S. Mahajan: Before the introduction of the Gold Control Order I employed 40 goldsmiths. Besides that, I had managerial staff of about 7 persons. Four of my family members were also working there, employed as partners. After the Gold Control Order came into operation, our business turnover went down so steeply that we had to retrench about 25 goldsmiths from our pay rolls.

Shri B. K. Gaikwad: Then, it was argued that gold is a sort of investment and since there is no provision made in the villages for investment like banking, people are purchasing gold. I want to know whether the sarafs have started their shops in villages where people can purchase gold?

Shri Rajendra Kumar Berry: Obviously, the reference is to the speech of the Chairman. He was just emulating the factors for the lure of gold and love of gold. He was referring to the habit of the village people to convert their investment into gold; not to the present day conditions after the enforcement of the Gold Control Order.

Shri B. K. Gaikwad: Then you have said that public opinion is against this measure. What do you mean by public opinion?

Chairman: They have already circulated their memorandum and some newspaper cuttings.

Shri V. C. Kesava Rao: What is the reduction in terms of percentage business after the introduction of the Control Order?

Shri P. Gopalakrishnaiah: We were having some business, but after the recent amendment of the Gold Control Order and the concession extended to self-employed goldsmiths, we have no business at all; we are practically without business.

Shri V. C. Kesava Rao: May I know whether the sarafs are taking gold ornaments and mortgaging them?

Shri P. Gopalakrishnaiah: Under the Gold Control Rules a dealer is expected to buy old ornaments and convert them into 14 carat ornaments. He cannot pledge or hypothecate them. He cannot advance money against it as a jeweller. That is the restriction under the Gold Control Rule.

Shri Prabhat Kar: Just now Shri Gagrat was talking about the Gold Control and the rural credit that earlier it was possible for the people in the rural areas to get money by pawning their gold and it was the usual habit. Now this gold must have been pawned to the moneylenders and I am quite sure that Shri Gagrat is aware of the Gorewala Committee on the Rural Credit about the appalling conditions prevailing due to the high rates of interests charged by the moneylenders and which go even

upto 70 per cent of their money which one gets from them. Today, there is a provision made by the Rural Credit Committee, by the Reserve Bank, the Cooperatives and others where the rate of interest is much less—not only much less but it is insignificant—compared to the previous rates which they used to earn in pawning from gold. By pawning of gold, the rural credit is being affected. Whether this Gold Control is helping the rural credit to the extent which the money-lenders have been extracting by way of higher interest charges? Or is the system of cooperative much more helpful? This is one of the most important points suggested by you apart from the traders who have been affected.

Shri P. Gopalakrishnaiah: It is not correct to say that the rate of interest charged by the pawn-brokers is high. In every State, there is a legislation for pawn-brokers and so, they cannot charge more than what is prescribed in the rules. Gold jewel or a piece of gold can be easily pawned and money obtained when there is necessity. Whereas in the cooperative society, the post office or a bank, if a villager or a peasant goes to get money for his necessity, he has to wait for hours together. Ornamentation is there. Our people used to wear ornaments since thousands of years. In addition to ornamentation, you have credit facilities. Easily gold can be sold wherever and whenever it is taken into the market whereas the villager does not understand what the scrips are because their habits in so many years are to have gold and to pledge it or sell it when there is necessity. Again they can buy it whenever they want. In addition to ornamentation, they have got this facility. This is most simple and convenient form a saving. The villager understands this better than a person in a city.

Shri Prabhat Kar: Regarding import of gold, I do not know whether there is any estimation about the actual requirement of gold, how much has

been purchased and used as ornaments so that we can consider the import of gold? To what extent has the import to be made to bring down the price or stabilise the price of gold at international price? Is there any estimate of requirement?

Shri P. Gopalakrishnaiah: In our country, for every year, for ornamentation and speculation it was estimated at Rs. 120 crores. Out of this, Government figures of smuggling come to Rs. 70 crores. The demand is also met from the stocks available in the country and the old ornaments coming to the market as also the distressed gold coming into the market. Government has been able to check smuggling of gold only to the extent of Rs. 50 crores or so. We see every year Rs. 70 crores worth of gold ornaments and distressed gold coming into the market for circulation. It will be there if there are no restrictions and to offset Rs. 650 crores of import by illegal means, we suggest at least that if some percentage of gold is imported legally. The psychological effect of the public will be there. The market price will naturally go down and the people will also go to the market to sell away their gold because they know that the Government is going to import regularly and the market will naturally be affected. The effect on the price will be there. So, you have to consider the demand to the extent of the smuggling only whereas the other demand is supplied from the gold that is lying amongst the members of this country in the form of primary gold, in the form of ornaments etc. That supply is always there. Our problem is only to check smuggling of the gold upto the extent of Rs. 50 crores. For that, we have to find a method to supplement at least that percentage of illegal imports. By this, we can completely stop the gold smuggling.

Shri Prabhat Kar: My last question is this. In clause 5 of sub-clause 3 it is envisaged that the gold in the shape

of ornaments is not required to be declared. But for the gold bar permission will have to be taken from the Administrator. So, really speaking, this does not affect the ordinary people who use gold only in the shape of ornaments.

Shri J. R. Gagrat: Which section do you refer?

Shri Prabhat Kar: It refers to gold other than ornaments.

Shri J. R. Gagrat: This section also covers quantities of gold upto 50 grammes which are not required to

be declared. Now on such gold, if a person wants to have a temporary loan, the gold itself under the rules is not required to be declared because it is a meagre quantity. Now on such gold, it should be made practicable for him to have a suitable loan raised instead of applying for a permit. Of course, obligation to intimate should be there.

Chairman: We shall continue tomorrow. You may come tomorrow at 9 hours.

(The witnesses then withdrew)

The Committee then adjourned.

**Minutes of Evidence given before the Joint Committee on the Gold
(Control) Bill, 1963**

Thursday, the 23rd July, 1964 at 09.03 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Homi F. Daji
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Era Sezhiyan
23. Shri Sheo Narain
24. Dr. L. M. Singhvi
25. Shri Balgovind Verma
26. Shri Bishma Prasad Yadava

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. G. Gaikwad

29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri Shiva Nand Ramaul
35. Shri V. C. Kesava Rao
36. Shri Sherkhan
37. Shri Mahabir Prasad Shukla
38. Shri Rajendra Pratap Sinha
39. Shrimati Tara R. Sathe

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidhambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES EXAMINED

- I. The Gujarat State Gold Licence Dealers Association, Ahmedabad.
 1. Shri Ramanlal P. Chokshi
 2. Shri Shantilal K. Chokshi
 3. Shri M. G. Merchant
 4. Shri Chitaranjan B. Dave
 5. Shri N. H. Chokshi.
- II. Shree Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments Merchants' Association, Ahmedabad.
 1. Shri S. L. Zaveri
 2. Shri N. A. Kansara
 3. Shri B. S. Kansara
 4. Shri M. G. Merchant.
- III. Suat Choksi, Mahajan, Surat.
 1. Shri Hemendra Dahyabhai Choksi
 2. Shri Navinchandra Virchandbhai Choksi
 3. Shri R. D. Choksi
 4. Shri S. G. Choksi.
- IV. Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad.
 - Shri M. G. Merchant.

V. All India Sarafa Association, Bombay.

1. Shri Vali Mohamed Sonawala
2. Shri P. Gopalkrishnaiah
3. Shri B. S. Mahajan
4. Dewan Daulat Ram
5. Shri Sheelchand Jain
6. Shri Rajendrakumar Berry
7. Shri M. G. Merchant
8. Shri J. R. Gagrat.

VI. Bombay Bullion Association Ltd., Bombay.

1. Shri Chandulal Kasturchand
2. Shri Mangulal Trikamlal
3. Shri Jayendra A. Mehta.

VII. Maharashtra Rajya Saraf Sangh, Sholapur.

1. Shri B. R. Kanegaonkar
2. Shri S. N. Gokhale
3. Shri Y. S. Gadgil.

VIII. Poona Saraf Association, Poona.

1. Shri K. P. Joshi
2. Shri D. N. Jorvekar.

IX. The Madras Jewellers' & Diamond Merchants' Association, Madras.

1. Shri V. Pandurangiah
2. Shri P. Gopalakrishnaiah
3. Shri Harendra M. Mehta

X. The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta.

1. Shri N. L. Mookerjee
2. Shri B. K. Chandra.

XI. Jewellers Association, Bangalore.

1. Shri R. Sethurajan
2. Shri J. Jeshtmal.

I. The Gujarat State Gold-Licence Dealers Association, Ahmedabad.

Spokesmen:

- | | |
|------------------------------|-----------------------------|
| 1. Shri Ramanlal P. Chokshi | 4. Shri Chitaranjan B. Dave |
| 2. Shri Shantilal K. Chokshi | 5. Shri N. H. Chokshi. |
| 3. Shri M. G. Merchant | |

II. Shree Ratanpole & Richey Road Gold, Silver & Jewellery Ornaments Merchants' Association, Ahmedabad.

Spokesmen:

- | | |
|-----------------------|-------------------------|
| 1. Shri S. L. Zaveri | 3. Shri B. S. Kansara |
| 2. Shri N. A. Kansara | 4. Shri M. G. Merchant. |

III. Surat Choksi Mahajan, Surat.

Spokesmen:

1. Shri Hemendra Dahyabhai Choksi
2. Shri Navinchandra Virchandbhai Choksi.

3. Shri R. D. Choksi

4. Shri S. G. Choksi.

IV. Gujarat Vepari Mahamandal (Gujarat Chamber of Commerce), Ahmedabad.

Spokesmen:

Shri M. G. Merchant.

V. All India Sarafa Association, Bombay.

Spokesmen:

1. Shri Vali Mohamed Sonawala
2. Shri P. Gopalkrishnaiah
3. Shri B. S. Mahajan
4. Dewan Daulat Ram
5. Shri Sheelchand Jain
6. Shri Rajendrakumar Berry
7. Shri M. G. Merchant
8. Shri J. R. Gagrath.

(Witnesses were called in and they took their seats)

Chairman: Have you more questions to ask, Mr. Prabhat Kar?

Shri Prabhat Kar: Yes.

Shri J. R. Gagrath: May I, Sir, at the outset submit the information that you required from us yesterday? Here it is.

(The witness handed over a statement to the Chairman)

Shri Prabhat Kar: Yesterday it was suggested that there should not be any discrimination between certified goldsmiths and dealers and that all should be taken together as a group of persons who are affected by this Gold Control Order, that is whether the person is working actually as a goldsmith or is in the trade. I would like to know whether even those persons who are dealing in the bullion exchange should also be taken into account as persons who have to be considered for rehabilitation.

Shri J. R. Gagrath: The discrimination which is felt is between goldsmiths and the dealers who also make, manufacture or repair ornaments. We are not talking of bullion dealers as such who are only people who buy and sell gold. The discrimination arises between a certified goldsmith and a dealer who is not a certified

goldsmith but who also does work of making, manufacturing, repairing etc. of ornaments.

Shri Prabhat Kar: Your point is that those who are jewellery firms, which naturally includes various other departments of jewellery, and the actual goldsmiths who work should be taken into account. But we want to know this, because there has been a representation from the bullion merchants. According to you, do you include them also, or do you just say that there should not be a discrimination between a certified goldsmith who actually works and the dealers who are really running the business and who are part and parcel of goldsmiths so to say?

Shri J. R. Gagrath: Yes, Sir, we are referring to the category who may be called jewellery traders.

Chairman: Yesterday somebody asked for certain statistics. You may read out those statistics. It will go into the proceedings.

Shri J. R. Gagrath: Yesterday we were asked two pieces of information. The first is a break-up of how we say that about a crore of people are affected by the Gold Control regulations. The break-up arises in this way. Under the Rules we have 27,166 licensed dealers. It is admitted that there are about a lakh of unlicensed dealers who have not chosen to take licences. Under the Rules there are

today 526 licensed refiners and melters. It is estimated that there are about a lakh of refiners and melters who have not chosen to take licences under the Rules. As regards the number of goldsmiths, there are about 5 lakh goldsmiths—it was said that there are 4,55,000 goldsmiths in the whole of India. As far as employees are concerned we explained that the jewellery trade is a shop which has so many employees and the estimate of the employees of such dealers, both licensed and unlicensed, along with the proprietors, partners, etc, is about 5 lakhs.

Shri Rajendra Pratap Sinha: Can you say how many proprietors and partners are there in sarafa and jewellery?

Shri J. R. Gagrati: It is difficult to give the break-up, because some are individuals and some partners, and some are limited companies.

The next group is persons who work as brokers or commission agents and persons who are connected with the gold trade, such as cutters die makers, pattern makers. Such category is about 7 lakhs. The total of these estimated figures comes to 20 lakhs. If 20 lakhs of people are directly affected, on the basis of an average of five per family, it would work out to one crore. So about a crore of people are estimated to be affected by this.

The second piece of information which I said I will furnish to you today is about the writs which have been filed and are pending in the High Court. The first is Miscellaneous Petition No. 135/1963 Amichand Valamji and other *versus* G. B. Kotak and others, which is pending in the Bombay High Court. The second petition is Special Civil Application No. 830 of 1963, Shelaji Vannaji *versus* G. B. Kotak and others which is also pending in the Bombay High Court. Both these petitions have by consent

order been referred to a Special Division Bench which is hearing it on the 6th of August. As far as the prayers are concerned, the first petition challenges the Defence of India Rules on the ground that it is not an emergency legislation, and it is a colourable exercise of power. In the alternative, it challenges the rules as also violating articles 14 and 19 of the Constitution and also the provisions of articles 25 and 26 affecting religious rights and instructions. The scheme of the new Bill is similar or *pari materia*, as the Statement of Objects and Reasons has itself fairly indicated.

The second petition is confined to the group of persons who are known as moneylenders and who do the business of moneylending on ornaments. The question there is this that the Defence of India Rules, in so far as they apply to ornaments are *ultra vires*, because the Defence of India Act only permits legislation in connection with bullion and not ornaments, and the terms 'bullion' and 'ornaments' are known to be separate and distinct.

Assuming that the rules apply *qua* moneylending operations, these are unreasonable restrictions, and, therefore, unconstitutional.

These are the issues involved in the two petitions which are pending in the Bombay High Court.

Shri Rajendra Pratap Sinha: Yesterday, the witness was referring to the definition of ornaments. He has stated a case where the cost of the stones may be very much bigger than the cost of the gold in the particular ornament.

We have come across cases,—and these have also been referred to in Parliament itself,—where gold bullion was converted into ornaments just to evade the law. There might be cases which are just the opposite of what the witness has stated, where the stone may be worth just two rupees

and the value of the gold may be very much higher. And the conversion itself might be colourable in order to defeat the very purpose of this law. That is what is in our minds. Unless a clarification is given, we shall find it very difficult to agree to this suggestion to amend the definition of the term 'ornament'. I would like to know how to meet this difficulty that is facing us.

Shri J. R. Gagrat: We have two suggestions to make. The first suggestion is that the proper adjudicating authority will have the power to decide in a given case whether the article is a gold ornament or is disguised to be a gold ornament, as is done always in matters of adjudication, for, as you are aware, evasion or attempts at evasion always take place in penal provisions where such penal provisions are there. So, if the adjudicating authority in a given case, on the facts before him, comes to the conclusion that it is a bogus one or there is a fraudulent attempt to pass off gold or jewellery or gold ornament as non-gold ornament, then it will be perfectly within his competence to give a finding of fact that the particular seized article is a gold ornament, and, therefore, within the scope and ambit of the Act.

The other method that can be adopted, if it is practical, would be to indicate some valuated differentiation. For example, one can look at the extent of the gold content, and say percentagewise, whether the gold content is 60 per cent or 70 per cent and so on; and if the gold content is about 60 per cent or 70 per cent of the total value of the article, whether it should be treated notionally as an ornament within the meaning of the Act or not. These are the two alternative methods which we would suggest.

Shri Rajendra Pratap Sinha: Thank you very much for this explanation. I would like to put another question to you. It has been urged by you that the definition of the term 'certified

goldsmiths' should be expanded to include the sarafs and the jewellery merchants.

The whole purpose of the relaxation was to enable the self-employed goldsmiths to re-make the old ornaments etc. As you will appreciate, the purpose of the Bill is to restrict the very use of gold by the people, you may or may not agree to this, but that is the whole purpose of the Bill.

We understand, and that is our information and knowledge, that in the garb of re-making of old gold ornaments, a lot of new gold is being consumed to make new ornaments. We know that the demand for gold ornaments is increasing, and it cannot be met merely from the existing gold in the country, and, therefore, it follows that smuggling is taking place. If we enlarge the scope of the certification, it will further enlarge the scope for the consumption of the smuggled gold.

The other day, in the course of evidence by another set of witnesses, it was stated before us that the class of people whom you have now the honour to represent, namely the sarafs and the jewellers were the actual abettors in the smuggling of gold.

These are the difficulties that we are facing. So, if we expand the scope of the licensing system, it will open the flood-gates of consumption of the contraband gold, to check which is the purpose of this Bill.

Shri J. R. Gagrat: In answer, first of all, I would like to clarify two things. Firstly, the purpose of the amendment effected to the Gold Control Rules in September, 1963, permitting certified goldsmiths to do these various things in connection with ornaments even in excess of 14 ct., and allowing them to repair or manufacture or re-make ornaments, was to cover up the failure of Government

to rehabilitate the goldsmiths. In fact, the Khera report at the first stage was against permitting this kind of repair, manufacture etc., but Government realised that they would not be able to cope up with the question of rehabilitation, and genuine hardship would occur. Therefore, this matter was again placed before the committee who recommended that certified goldsmiths should be given this limited right. Therefore, the purpose was not to permit the manufacture or repair of those ornaments, but to provide against the failure of Government to rehabilitate them.

On this main question, as far as the loophole for the evasion of the provisions in the Bill is concerned, it makes very little difference whether you permit five lakhs of people to do it or ten lakhs to do it. The only thing is that today these five lakhs—I am assuming that all these people are dishonest—would have more scope for dishonesty. So, if one assumes that dishonesty is going to be there, it makes no difference whether you permit five lakhs of people to do these dishonest things by evading the Bill or you allow ten lakhs of people to do it, because the same thing will continue, whether the number is five lakhs or ten lakhs.

Shri Rajendra Pratap Sinha: Do you not think that these people are better equipped financially for the purpose of flouting the purpose of the Bill?

Shri J. R. Gagrat: You should proceed on the assumption that both the groups of people, namely the jewellery traders and goldsmiths will act honestly and will not act dishonestly. If you look at the matter from that point of view, it is beyond dispute, in my submission, that at present you are giving the monopoly to the goldsmiths to make, manufacture, repair, re-model or re-make, and you are totally depriving a known category in the trade from doing so.

Shri Rajendra Pratap Sinha: Whereas the goldsmiths who have not got much of wherewithal and resources will find it difficult to switch over to some other trade, the sarafs and jewellery traders etc. who are better off in life financially will perhaps find it easier to take some other trade.

Shri J. R. Gagrat: This would mean asking them to be dishonest and putting forward a theory that they can carry on their activities provided the purity does not exceed 14 ct. which serves no purpose and is of no use at all. It is far better to provide in this Bill that the sarafs will be totally extinct from the trade. But to give a colour in the whole Bill that everybody can be licensed and everybody can carry on his trade, but then restrict the operations of a known category to 14 ct, which means no business at all, while at the same time you give to another category the express right to make, manufacture etc. right up to 24 ct. is not proper.

Shri Rajendra Pratap Sinha: Do you not think that 14 ct. will be better popularised if we stop the practice of permitting the self-employed goldsmiths to re-make pure gold ornaments?

Shri J. R. Gagrat: We do feel that ornaments of a higher carat should be allowed. Our case has been that the 14 ct. has over a period of some months, in fact, been found to be an unreasonable and unpractical limit.

In this connection, if it is not asking for too much, of the Members of the Committee, I would request the hon. Member of the Committee who showed a bangle yesterday to allow us to have a look at it again, because the members of the association whom I represent had a feeling that the bangle probably was not of 14 ct. and they would, therefore, like to have a look at it again.

Shrimati Tara R. Sathe: On what grounds is he saying that?

Shri J. R. Gagrat: If the bangle is shown to the members of my Committee, they can say.

Chairman: They were shown to you.

Shri J. R. Gagrat: It was shown without any notice. It is a very simple process of looking at the metal on a touchstone which immediately tells the gold content of it. I am not an expert but I am told by the members of my Committee that the weight is not the weight of 14 carat gold. It seems to be plated with pure gold. We do not want the Committee to go on a wrong assumption of facts. We would like to place the facts before you.

Shri Rajendra Pratap Sinha: Is it possible that the export business in pure gold can be expanded to such an extent as to absorb a good number of jewellers or sarafs so that they could manufacture the gold ornaments or studded ones under bond and export them?

Shri J. R. Gagrat: Your suggestion is that the sarafs should be permitted to become exporters of finished ornaments. That, I think, to a limited extent has been introduced, with what practical success I would not be able to say. I will ask a member of my committee to explain.

Shri P. Gopalakrishnaiah: There is an export promotion scheme under which dealers who export ornaments to other countries are permitted to import 50 per cent of the gold content exported and out of that, 40 per cent has to be transferred to the Handicrafts Board and the dealer concerned will have only 10 per cent of the gold which he has exported. So it is not a practical proposition.

Shri Rajendra Pratap Sinha: Will it be possible for you to give us a well-considered note as to how far this can be made more practicable and feasible, giving an estimate of

the value of the gold ornaments that would be exported?

Shri P. Gopalakrishnaiah: We will gladly do so after working it out.

Shri Tridib Kumar Chaudhuri: Have the restrictions on gold ornaments above 14 carat purity really controlled the demand for gold?

Shri J. R. Gagrat: No, for two reasons. We have to see whether the price of gold has gone down, and whether smuggling has gone down. In our memorandum at pages 3 and 4 we have given a three-year chart of comparative figures which indicates that smuggling activity has continued as before, which means that the demand has not abated, and further, the prices have, in fact, increased to the highest level in recent years. So, we say that the regulation has not achieved the object of reducing the demand.

Shri Tridib Kumar Chaudhuri: Has the making of gold ornaments gone down?

Shri J. R. Gagrat: Jewellery traders have had practically no business in ornaments. We have no idea what the certified goldsmiths have been doing.

Shri Tridib Kumar Chaudhuri: Supposing the restriction on purity of gold above 14 carats is abolished, would your committee be agreeable to other restrictive measures as per the proposed Bill or the Gold Control Rules, giving some kind of control to Government over the trade and over export-import transactions?

Shri J. R. Gagrat: Our committee would welcome it, because now, for the illegal activities of non-licensed persons, we have to pay the penalty of all these regulations. At least, if the regulations exist, let us exist with it in a proper fair manner. We have no objection to any provision to safeguard the interests of the nation against smuggling. If I may digress, it was suggested that our committee

members were abettors in smuggling. I may be allowed to say . . .

Chairman: Nobody made that allegation. Not necessary.

Shri Jashvant Mehta: The basic idea of the Bill is to stop the drain of foreign exchange. It is due to the disparity in prices that there is smuggling. What is the solution from your point of view?

Chairman: They suggested free import of gold.

Shri J. R. Gagrat: Not free import of gold, but import out of foreign exchange earnings under an export promotion scheme. Secondly, the difference in prices is due to inflation. Today the price of every known commodity has become uneconomical. So, let Government control inflation. If they cannot do that, why stick to the international price of gold? Increase it. If you cut off the difference, then the incentive to the smuggler is lost.

Shri Jashvant Mehta: After the introduction of the Gold Control Bill, smuggling has increased or decreased?

Shri J. R. Gagrat: It has increased.

Shri Jashvant Mehta: What is the source of the supply of gold?

Chairman: Government will be in a better position to tell you.

Shri Jashvant Mehta: What is your estimate of gold required to be imported to stop smuggling?

Shri J. R. Gagrat: The Forward Markets Commission made a report in which they suggested Rs. 36 crores. Out of that, Rs. 3 crores is manufactured in India. The gap is Rs. 33 crores.

Dr. L. M. Singhvi: They have suggested in their memorandum that the definition of gold should be changed, and the reason advanced is that Government proposes to impose restrictions only on gold in the bullion form

and not on ornaments. However, since the main objective of the Bill is to check smuggling and make it impossible for people to convert gold in to unidentifiable forms, the definition of gold has been made large enough. What is your answer to this particular policy objective which underlies the Bill.

Chairman: Yesterday in his evidence he has dealt with it in detail.

Dr. L. M. Singhvi: I do not think he dealt with this aspect of the matter, at least to my satisfaction. If you are satisfied, and our satisfaction is not necessary, you might over-rule the question.

Shri J. R. Gagrat: The hon. Member is right, this question was not posed yesterday. As far as the definition of gold is concerned, our suggestions are contained in the memorandum, but they were not pressed before the Committee yesterday. The suggestion in the memorandum is made in this form that basically smuggling is done in the shape of bullion gold, and articles of gold and ornaments of gold are comparatively innocuous and so freely available in our country, that to bring them within the ambit of this drastic Bill is, we feel, overstepping the limits of gold control. But if such a provision is not made, it is said, there will be a loophole to smuggling. There is some force in that. Therefore, we have made our suggestion, but we have not pressed the issue. We put it this way: if you want to completely stop smuggling of gold bullion, why bring within the ambit of the Bill articles and ornaments of gold?

Dr. L. M. Singhvi: Do the witnesses seriously suggest that to prevent smuggling the solution is the import of gold and its free availability at international prices or at a price fixed by the Government? How would they finance these huge purchases? What would be the magnitude of our requirements? Would it

not be a drain on the foreign exchange as it would not be utilisable for production purposes in the country?

Chairman: He has given the answer that out of the export earnings he wants the Government to import gold.

Dr. L. M. Singhvi: My question goes further. All this evidence before the Committee is based on the reasoning adduced by the witnesses. I want to know their reasoning.

Chairman: He admits that it would be spending the foreign exchange but he says that this could be done as a part of the export promotion scheme.

Dr. L. M. Singhvi: What would be imported in this manner would not be machinery or capital goods which could be utilised for further production and therefore I ask whether it would meet with the larger policy of the Government.

Chairman: It is for the Committee to consider and you need not argue with him.

Dr. L. M. Singhvi: Of course it is for you to consider whether it is proper or not. It is within my rights to put questions and I would not like to argue these rights with you at this stage. I certainly feel that these curbs are absolutely inconsistent with the rights of individual Members of Parliament. As a protest, I withdraw from further examination.

Shri J. R. Gagrat: The scheme which we suggest does not involve any loss of foreign exchange to the Government it is the foreign exchange will be earned by the importer which will be utilised so that the Government can make no complaint of drain of their foreign exchange.

Shri Rajendra Pratap Sinha: Will it be out of the export of gold ornaments?

Shri J. R. Gagrat: The item can be introduced in the export promotion scheme of various commodities.

Shri Rajendra Pratap Sinha: Is it essential for the life of the community?

Shri J. R. Gagrat: We can have no better support than the statement of the hon. Finance Minister in Parliament on 5th June wherein he says: "We have often consider if we can allow the import of gold so that this question of high pricing of gold and smuggling will stop. There is no denying the fact that international prices are lower than the prices in the country and if we allow import of gold smuggling will stop. That is a theoretical proposition. We have not got the resources to import gold". It has been asked whether it is essential. If not why have the Government said that the socio-economic need of the country is so great that the situation is so grave that they will do anything to kill the gold problem. If you can do anything to kill that problem, why not allow its import. Leaving aside industrial plants and machinery, I can find no other item in the list of imported commodities which is of such an urgent necessity as gold. It will break the back of the smuggler, bring down prices, and arrest inflation. In my submission, gold today is the most vital problem.

Dr. L. M. Singhvi: Is it not a fact that the various categories of people overlap and therefore, the numerical aggregate is not correct?

Shri J. R. Gagrat: We have given today in the morning a break up that we have arrived; in that figure that we have given there is no overlapping; there is a three-fold division or category; firstly, the dealer, who is in the trade. Then there are the refiners. The next category is certified goldsmiths. There is a three-fold classification done by the Act itself. There is no overlapping.

Dr. L. M. Singhvi: Is the rehabilitation of dealers as acute and difficult as that of goldsmiths or other workers?

Shri J. R. Gagrati: It is not correct to assume that all dealers do business in lakhs of rupees. There are people with a capital of Rs. 5,000 or Rs. 10,000 and they were making just enough to maintain them and their families.

Shri B. R. Bhagat: But you must have noticed a recent Press note of the Government by which dealers with a turn over of less than Rs. 50,000 a year are also entitled to assistance.

Shri J. R. Gagrati: I stand corrected; I am not aware of that.

Dr. L. M. Singhvi: What is the percentage of various income groups or brackets in the classification of dealers? What would you consider the highest bracket, the lowest bracket and the intermediate bracket?

Shri P. Gopalakrishnaiah: The income of a dealer will range from 3,000 to 5,000 per year—low income dealer, middle income group dealers 10,000—15,000; above 15,000 are the others.

Dr. L. M. Singhvi: In respect of 14 ct. gold, I would like to know what is the approximate estimate of the cost of maintaining a given ornament. You can give any example you like. You have mentioned in your memorandum that the cost of maintenance is very great and therefore it is uneconomical. Would you substantiate this statement?

Shri M. G. Merchant: For instance, there are jewels made for Diwali. Suppose they remain in the shop unsold after Diwali, naturally they lose all their polishing and all their good appearance. We have to spend on them if they are to be sold as new articles.

Dr. L. M. Singhvi: Without giving a definite estimate per tola basis or value at *ad valorem* basis, it is difficult to understand. You can say what would be the cost of production, what would be the material used in it, what would be the resale value and what would be the cost of maintenance.

Shri P. Gopalakrishnaiah: To manufacture out of 14 ct. gold you require base metals of which copper forms a greater portion. And some silver has to be added to this 14 ct. gold alloy. That as one aspect. The next aspect is cost of manufacture because wastage in manufacture is greater than when you manufacture out of higher purity gold. Naturally the cost will go up. Then, if the metal is hard, the workers will find it difficult . . .

Dr. L. M. Singhvi: Can you give us the specific break-down in a finished item valued at Rs. 100/-?

Shri P. Gopalakrishnaiah: The making charges will be about Rs. 20/-. The value of base metals which we add to it will cost something like Rs. 3/- in a given article. Then, for polishing we have to use pure gold. Otherwise, the colour will be pale and yellowish, which people do not like. So, we have to do plating work. About 40 to 60 per cent will be the difference.

Dr. L. M. Singhvi: Still he has not given us the complete break-up. Can any other witness give it because that is the specific thing what we want to know. What is the final cost of 14 ct. gold article of a given value and to what extent the various components are economical?

Shri J. R. Gagrati: As I understood him, he was probably saying that it is difficult to give the exact figures.

Chairman: Suppose you manufacture a pair of bangles of 14 ct. gold. What will be the content of pure gold in it? What will be the cost of base metal used in them? What will be the manufacturing charges and what are the repair charges?

Shri J. R. Gagrati: 60 per cent would be the cost of material in any given article valued at Rs. 100/-. 40 per cent will be the cost of labour for manufacture, production and margin of profit.

Shri Rajendrakumar Berry: I should be permitted to answer this question. I am the President of the Jewellers Association at Dehra Dun and a member of the Executive here in the All India Sarafa Association. In reply to the question put by the hon'ble Chairman, I would like to draw the attention of the members that there are different types of ornaments. You have asked about bangles. In the case of bangles, the gold content is quite all right and the solder work is negligible with the result wastage in the case of bangles will be very negligible and we charge only Rs. 5/- for one bangle. When it is for a pair of bangles it comes only to Rs. 10/-. As regards wastage it will come to about Rs. 10/- for a pair of bangles. Together they account for Rs. 20/-. The cost of a pair of bangles will be Rs. 120/- at the rate of about 7 grammes per bangle. Out of that Rs. 120/-, we have to reduce Rs. 20/-.

Now let us take the case of an ornament like the necklace in which solder content is too much. Our difficulty arises only in that type of ornament the manufacture of which involves solder work. There, the wastage element, the manufacture element and the making charges element are too much. Let us say that the cost of a small piece of necklace is Rs. 150/-. The manufacturing charges will come to Rs. 35/-. The wastage will be about 2 grammes which means that about 14 or 15 will form the wastage side of it. Both together thus account for Rs. 50/-. Our profit will be 20 per cent in that transaction. Let us say that about Rs. 25/- form the profit. That is to say, about Rs. 75/- out of Rs. 150/-. So, it is about 50 to 60 per cent normally in those ornaments involving solder work. I wanted to clarify both aspects. You cannot go on the basis of bangles alone.

Chairman: It depends on the type of jewellery.

Shri Rajendrakumar Berry: Yes.

Shrimati Tara R. Sathé: Are the manufacturing charges the same for pure gold? He has not given that break-up.

Shri Rajendrakumar Berry: I would like to reply to that query.

Chairman: Yes when her turn comes.

Dr. L. M. Singhvi: I would like to know as to what is the rationale or reason behind the suggestion contained in the memorandum that this legislation should be postponed till after the emergency.

Shri J. R. Gagrat: The reason is two-fold. The first reason is that the Defence of India Rules have exhaustively dealt with the whole problem. The new Bill is *pari materia* the same except that there is an additional provision regarding ornaments. Even this new Bill which is not an emergency legislation is brought into force today while the emergency exists. All executive actions get an immunity under Article 358 of our Constitution....

Dr. L. M. Singhvi: You can challenge it as soon as the emergency is over.

Shri J. R. Gagrat: I cannot challenge whatever has been done because we do not know when the emergency will be lifted. Secondly, all things done during the period of emergency are immune. Therefore, why should an ordinary civil legislation be passed at a time . . .

Dr. L. M. Singhvi: How are they immune?

Shri J. R. Gagrat: Article 358 of the Constitution says:

"While a Proclamation of Emergency is in operation, nothing in article 19 shall restrict the power

of the State as defined in Part III to make any law or to take any executive action which the State would but for the provisions contained in that Part be competent to make or to take, but any law so made shall, to the extent of the incompetency, cease to have effect as soon as the Proclamation ceases to operate . . .

This is the objection.

“ . . . except as respects things done or omitted to be done before the law so ceases to have effect.”

What is the conceivable objection in postponing this ordinary Bill till after the emergency? I have not had any reason for that. As against this, there is a possible reason put before you of prejudicing the fundamental rights of citizens. Why should Parliament give sanctity to an ordinary law . . .

Chairman: You are repeating the same arguments.

Dr. L. M. Singhvi: You would concede that Article 358 also says that any law so made during the period of operation of Emergency shall, to the extent of incompetency, cease to have effect as soon as the Proclamation of Emergency ceases to operate.

Chairman: Why should we argue with him? The Committee will consider all these things. He has given his opinion.

Dr. L. M. Singhvi: I would like to know whether this would be satisfactorily meeting the objections of various classes of people connected with gold and goldsmithy if the duration of this Act is confined only to a specified period either up to the Emergency or until after a few months of lifting of Emergency. What is the reaction of your Association to this suggestion?

Shri J. R. Gagrat: If it is up to the state of Emergency, we can have no objection because already the Defence of India Rules are in force. If it is to be extended beyond the period of state of Emergency, especially when this law *ab initio* violates the fundamental rights of citizens, then they will have no opportunity to approach a Court of Law. Why should we deprive them of their precious rights?

Dr. L. M. Singhvi: Do you think that rehabilitation of goldsmiths and dealers under some scheme is possible or it is inherently impossible because of their lack of business experience and lack of capacity to take to alternative professions?

Shri J. R. Gagrat: The question assumes that the Gold Control Rules should exist. Our submission is that it has completely failed. It has instilled corruption and disloyalty to law. It is continuing just like the Prohibition laws in the State. You can get gold today; you can buy and sell gold. The question is how to stop this disobedience of law. Even after 18 months we are not able to grapple with the situation.

Shri Dahyabhai V. Patel: I believe your organisation is an old organisation and Government is aware of its existence or is it a new one?

Shri J. R. Gagrat: As we have stated in paragraph 1 of our memorandum, it is an organisation which had been formed to represent in one concerted effort the views of several Associations.

Chairman: Formed in 1963 after the promulgation of Gold Control Rules.

Shri Dahyabhai V. Patel: It is a federation of several associations.

Shri J. R. Gagrat: Yes.

Shri Dahyabhai V. Patel: Since the Government's anxiety is to stop smuggling of gold, did the Government con-

sult your Association as to whether you would co-operate with them in stopping this smuggling of gold? Did they seek your co-operation?

Shri J. R. Gagrati: No approach has been made to us. On the contrary we feel that any suggestion which comes from us is looked at with some suspicion.

Shri Dahyabhai V. Patel: Has the Government ever asked you whether you could frame any incentive scheme just like the Government's incentive scheme for production and export of cloth by importing Egyptian cotton? By allowing you to import a small amount of gold the Government can give you some incentive.

Shri J. R. Gagrati: The answer is no.

Shri Dahyabhai V. Patel: Since the price of gold is linked to the price of other commodities and since the Government and the people are very much worried about the spiralling of inflation that is going on every day, do you think that by importing of gold and giving you the gold that you want—that is about Rs. 33 crores worth of gold—would the effect of that have an impact on the price structure of other commodities and the general level of prices would start falling which would give relief to the people?

Shri J. R. Gagrati: The question posed is a very good one. In fact after January 1963 there has been tremendous inflation and increase in prices of commodities. The reason is that people are now hoarding other articles and other things. I think that the Gold policy is fairly responsible for this situation which is brought about.

Shri Dahyabhai V. Patel: Is it not a fact that due to stricter enforcement of Gold control rules, the prices of diamonds and precious stones have more than doubled?

Shri J. R. Gagrati: I am told that since January 1963 when the rules came into force, the prices of diamonds have gone up by 50 per cent.

Shri Dahyabhai V. Patel: What is the relation of price to silver?

Shri J. R. Gagrati: I understand the price level of silver has maintained. It has not appreciated very much.

Shri Era Sezhiyan: In the memorandum it has been requested that import of gold should be allowed. I think it will be to the tune of Rs. 40 or 50 crores.

Shri J. R. Gagrati: As I pointed out earlier, Rs. 33 crores seems to be a more accurate figure.

Shri Era Sezhiyan: Will it not be a drain on the country's foreign exchange position as a whole?

Shri J. R. Gagrati: It will bring down the spiralling of prices to a normal level. It will bring about lesser amount of inflation. It will bring about stability in the rural areas.

Shri Era Sezhiyan: Today the international price is Rs. 53.8 for 10 grams. It is sold at Rs. 120 here. If the import is allowed, do you mean to say that the private trader will not take advantage of this wide difference and sell it at the market rate?

Shri J. R. Gagrati: Then the price will not be so high. The price today is so high because first of all the smuggler has to purchase gold at international price. He buys at black-market rate which is practically 35 per cent more. He has to provide against the hazards of smuggling he has to provide for appeasement of persons who abide in the act of smuggling right upto the stage of delivery of gold to the consumer. If all these factors are eliminated and if one can buy gold straightway, then the price will come down.

Shri Era Sezhiyan: If you are selling gold at Rs. 120, then the smuggler will sell it at 115 or 110. This will continue as long as the international

price is so low. In such a case, what will happen to the gold imported by you?

Shri J. R. Gagrati: As soon as the smuggler realises that there is a competitor, he has to under-cut which means he cannot increase the price. Then, naturally smuggling will come down.

Shri Era Sezhiyan: When the official price is Rs. 120, the smuggler will sell at Rs. 115 or Rs. 110. If the price is reduced to Rs. 110, then he will sell at 100 or 105. The people will buy where it is sold at a lesser price. Instead of eliminating smuggling by importing gold, the smuggling will go on and the imported gold will remain unsold.

Shri J. R. Gagrati: Two things will happen. Smuggling is bound to be reduced. Secondly, depending upon the price, at a given time, the smuggler has to think whether he should take the risk. After all, smuggling is not an easy operation. It is going on and it has been admitted. Till the demand of gold in India is met, one has to take the overall picture into consideration and fix the price.

Shri Era Sezhiyan: Still the smuggling will be there—of course at a reduced level.

Shri J. R. Gagrati: It may be there. Smuggling cannot be eliminated. To put a disincentive to the smuggler, one way is to make gold available at a lower price.

Shri M. G. Merchant: The demand of the public should be met by starting import of gold. Naturally, if the demand made by the public is met, the activity of the smuggler in gold is bound to be curbed. There will be less incentive to the smuggler. Naturally the smugglers' gold will not go to the market or will not find any channels. Naturally, in course of time, he will have to take to some other activities.

Shri Era Sezhiyan: If you supply gold at Rs. 150 or 120, the smuggler may offer it at a lesser price, say by Rs. 10 less. Then, the smuggler's gold will find more in the market than your official gold.

Shri J. R. Gagrati: Your question itself admits that the price of smuggler's gold will be reduced.

Shri Era Sezhiyan: My point is that the official gold will be lying in the market while smuggler's gold will find its way.

Shri M. G. Merchant: It should be stopped immediately after the Government starts importing the required quantity. The required quantity of gold is worth Rs. 30 crores.

Shri Era Sezhiyan: I want to put one question regarding the selling price of gold ornaments. Take the ornaments worth Rs. 600. Making charges for the same come to Rs. 100. I want to know the break-up of Rs. 100/- between the goldsmiths and the expenses incurred on the employees entrusted with that work. Out of these Rs. 100/- how much goes to the goldsmiths and how much to the investor?

Shri P. Gopalakrishnaiah: You have given a case of a gold ornament worth Rs. 600/-. Making charges for the same come to Rs. 100/-. Out of this, 35 to 40 per cent would go to the artisans who are working on the gold for polishing and various other things. We have to divide this. There will be a margin of 5 to 10 per cent as far as I understand. The estimates of the Income-tax Department also show this at 12 per cent.

Shri Era Sezhiyan: According to the memorandum submitted by the Gujarat State Gold Licensed Dealers' Association, on page 3, it has been stated that 'the creation of a class of persons namely Certified Goldsmith under Sec. of the proposed Gold Control Bill is a great set back to the whole policy of the Government'

The new rules, if passed, will seek the goldsmith to make or manufacture ornaments from out of old ornaments. By this a new channel has been created. Don't you think that this will lead to smuggled gold being used for manufacturing ornaments?

Shri J. R. Gagrati: Answer has been given already. In short, our complaint is about the discrimination. You cannot allow one trader to do a thing which you prevent others from doing. If the Government wants to make a law much wider in scope, then the Government should not give exemption to a particular trader and not allow that to others. We are not against allowing the goldsmiths to do a thing but we are against not allowing us or preventing us from doing the same thing.

Shri Era Sezhiyan: In the memorandum, they have stated that when a concession is shown in granting gold to a particular trade, why should it not be extended to others as well?

Shri P. Gopalakrishnaiah: We requested to extend the concession to the employees. That is true. The dealer is licensed. Under the Act, he is supposed to maintain proper accounts. You can check at any time. An ordinary goldsmith is not supposed to keep so much of accounts as we are required to do.

Shri Era Sezhiyan: We should ask the certified goldsmiths also to keep proper accounts. That is the procedure.

Shri P. Gopalakrishnaiah: It is like this. An ordinary goldsmith is not in a position to keep accounts. It has been admitted by the Department. Hence, they have simplified. That is the procedure now. When a dealer is licensed under certain conditions, he has to maintain proper accounts; and so, the check is there. Whenever the officers come and go through all these procedures of taking out a licence, they can as well trace out the quantity of gold going into the market through these dealers.

Shri Homi F. Daji: I would like to put a question. The first point is that the legal implications, I am afraid, are not quite clear to me. My first question is: what is the name of the association you are representing; whether the present rules—Gold Control Rules—are more onerous or the rules under D.I.R. are more onerous. Or both are more onerous?

Shri J. R. Gagrati: Both are onerous excepting that there is a reference to ornaments in the new Bill.

Shri Homi F. Daji: Therefore, during the emergency operation of certain fundamental rights of the citizens is suspended. Probably that is covered under Article 358. Deprivation of the citizens rights would be limited to the period of emergency only. After that, even if the Bill, as enacted, ceases to operate, the people can challenge the provisions of this Bill. As far as the emergency continues, it cannot be challenged. Is that the legal position?

Shri J. R. Gagrati: That is right.

Shri Homi F. Daji: How is it that the fundamental rights of the citizens are deprived of by this new Bill? What is the difference compared to D.I.R. rules?

Shri J. R. Gagrati: The difference is this. Under the new Bill, there is a new provision for ornaments. If the provisions of the bill violate the fundamental rights of citizens, I am not bound to comply with any of the provisions of this Bill till the court decides its validity or otherwise. What is sought to be done is this. It is now apparent that the Gold Control Rules are not an emergency measure. Only an opportune time was availed of to introduce it. The citizens were perforce to comply with them. The Bill seeks to make the citizens to declare ornaments in possession and force them to comply with the provisions. After six months or one year or so, the citizens will be able to challenge the provisions. There is no remedy.

There is another apprehension which I may mention. There is no guarantee given that at the end of the emergency this immunity will be lifted. It is possible that Government may come in with an amendment to the Constitution saying that with regard to this particular law, it will have permanent immunity. That is also becoming a feature. This might happen as far as we understand.

Shri Homi F. Daji: This is an amendment whether the Bill is before emergency or after emergency. What I was trying to put is this. If the intention of Government is to get the gold ornament in possession of the people, whether they enact a bill or not, the D.I.R. can be amended by them because the immunity from the court is not there.

Shri J. R. Gagrati: Anyhow, I do not agree with this view. The Defence of India Rules are made under section 3(2), sub-clause 24, if I remember aright, of the Defence of India Act. That Act has permitted the Government only to make the rules referable to bullion and not ornaments. Any provision in the rules with reference to ornaments is *ultra vires*. Petitions have been filed which are pending in the courts. Let the Government amend the Defence of India Rules and make them apply to ornaments.

Shri Homi F. Daji: My second question is this. If you do not agree with the purport of the Bill, that is one thing. I can appreciate that argument. But I could not appreciate your yesterday's objection regarding the definition of ornaments under section 2(f). Once you want to have a machinery to have control on the maximum amount of ornaments to be owned, you will agree that the definition has got to be foolproof, and so, any broken pieces of ornaments have got to be included. These are only included in the word "gold". That will mean that ornaments completely made of gold will alone be included but not ornaments set on gold. You will agree

that the definition has got to be amended. I could not appreciate your argument.

Shri J. R. Gagrati: The argument was based on this. First of all, the Government apprehends that people will either start smuggling ornaments or will import gold and convert it into ornaments. If the objective is to plug all loopholes, why is it necessary to have such a wide ranging definition of ornaments which will cover, without any dispute, items which were mentioned yesterday? If a man has a ring the gold content of which is Rs. 35 and the diamond stone in it costs Rs. 2 lakhs, is it suggested that the whole thing should come under the definition? There should be a *via media*. The definition of the word ornament must be first of all confined to gold ornaments. You may then go further and say that if anybody is in possession of ornaments which the administrators, under the Act, with their wide range of powers, come to the conclusion that it is a bogus show, of non-gold ornaments, such ornaments will be confiscated by the Government. What happens is in no law can you have a definition which can cover a wide range of human evasions. The authorities entrusted with the enforcement, will have certainly aright. There may be a bangle with a stone of Rs. 2 tied on it. The administrator will be justified that it is a piece within the word ornament. It will depend on the facts of each case. There is the adjudication machinery; the power to seize, power to adjudicate, and to confiscate. There is an appeal to the administrator. The entire gamut of enforcement machinery is there.

Chairman: The answers should also be short.

Shri J. R. Gagrati: I am trying to answer the question as briefly as I can.

Shri Homi F. Daji: My next question is this. Apart from your general opposition to the entire scheme, what

would be the effect of this Bill on gold trade and gold artisans if a maximum limit for making of new ornaments is placed up to 50 tolas or 25 tolas and not, more? If some such reasonable limit is placed and also on the conversion of old ornaments into new ones, what would be the effect on trade?

Shri J. R. Gagrati: If the citizen is allowed to make new ornaments up to a limit, it will certainly afford a much-needed relief to the trade, because the trade is practically paralysed now with no work at all.

Shri Homi F. Daji: At present, the difficulty of the tradesmen, as you represented, is that they cannot carry on the transactions on pledge at the same place and shop. The tradesmen cannot possibly own different shops, one for pledging and the other for selling and so on. At the same time, the apprehension is also there that if it is all mixed up, there is or there will be some sort of evasion. Can you suggest some measures by which the difficulties of the trade can be met?

Shri J. R. Gagrati: That can be met in two ways: one is by prescribing forms of accounts to be separately maintained; secondly by insisting upon the submission of returns, in the case of pledged operations, in the presence of Government officers. The apprehension is that the pledged transactions may be used as a method for avoiding the regulations and the rules. A reasonable facility should be afforded to the trade just as you have got various other Acts, wherein separate provisions have been made for the keeping of accounts and returns; the inspectors come sometimes twice a day and make surprise checks. These are the methods by which some control is exercised. The inspectors in this case can go on alternative days and keep a check.

Shri Homi F. Daji: Now, please do not get annoyed over the question which I am going to put just now.

On the one hand, a hue and cry is raised in every quarter that because of the Gold Control Order the trade has been adversely affected or is almost ruined; that 20 lakh artisans have been thrown out of employment. On the other hand, criticism is also offered that despite this, transactions are going on and ornaments can be had at Rs. 135 per tola and that just like the policy of prohibition, there are loopholes in the law and that traders and the citizens evade the law and indulge in under-hand dealings. I want a straight appreciation of the position by you. What would be the extent of black-market transactions in gold ornaments today? Has it been reduced by 50 per cent at least or at least by 10 per cent? I suppose you do not deal in gold yourself and that you are not incriminated by this.

Shri J. R. Gagrati: The question is a good one for the reason that the people appearing before you today are licensed dealers, licensed refiners. If you refer to the facts which we gave earlier this morning, you will find that after the rules came into force 27,166 people have taken licences as dealers whilst about a lakh have not. What is happening is that the lakh who have not taken licences are existing by flouting the law and the 27,166 people who want to be honest and comply with the provisions of the Act are people who want to pursue the profession. The other people refuse to take licences, and they are people who can exist still and the honest citizens who have fear of the law have to take the pain of filing returns and keeping accounts.

Shri Homi F. Daji: According to you, despite the law, in the main the business has not been affected. It has been driven from the white market to the black market!

Shri J. R. Gagrati: It is just like, as you said, the policy of prohibition and the prohibition law. It is just like the existence of bootleggers

thriving. So, the unlicensed people are thriving at the expense of the licensed people.

Shri Homi F. Daji: They are greater in number than the licensed people. Therefore, the trade as such has not been affected.

Shri J. R. Gagrati: We who are licensed are affected.

Shri Laxmi Narayan Bhanja Deo: Assuming that the Government allows the traders also to manufacture jewellery of a purity that is allowed to the self-employed goldsmiths, is there any guarantee that smuggling will be stopped?

Shri J. R. Gagrati: As we have maintained always, the only guarantee to stop smuggling is to permit, by proper regulation, the import of gold and making it available in such quantities as for which there is going to be a demand as ever. These provisions are not provisions which will stop smuggling over a range of years. That fact has got to be realised.

Shrimati Renuka Devi Barkataki: It is said here that the All India Sarafa Association is a federation of associations comprising of leading bullion dealers, jewellers, sarafs and pawn brokers trading throughout the country. May I know whether this is the class which is vitally affected?

Shri J. R. Gagrati: They are the people who are licensed under the rules and who have chosen to take licences either as dealers or refiners under the rules.

Shrimati Renuka Devi Barkataki: This association does not include refiners and others?

Shri J. R. Gagrati: This includes all categories of people who have chosen to take licences under the rules.

Shrimati Renuka Devi Barkataki: Even goldsmiths?

Shri J. R. Gagrati: No, not goldsmiths.

Shrimati Renuka Devi Barkataki: May I know the number of persons or families in this group?

Shri J. R. Gagrati: We will calculate and give you.

Shrimati Renuka Devi Barkataki: What is the number of goldsmiths?

Shri J. R. Gagrati: In the morning we have given a statement giving the break-up of different categories of people.

Shrimati Renuka Devi Barkataki: Is the number of people included in this group more than the number of goldsmiths?

Shri J. R. Gagrati: The number of people covered by the memorandum is larger than the number of goldsmiths.

Shrimati Renuka Devi Barkataki: In other words, you mean to say that this memorandum is submitted on behalf of the majority of the people who are vitally affected?

Shri J. R. Gagrati: That is so.

Shrimati Renuka Devi Barkataki: Is not the interest of these people and the interest of the goldsmiths the same for opposing or supporting the Bill?

Shri J. R. Gagrati: It is the same, except that the Government has now created a difference by giving a preferential treatment to the goldsmiths and discriminating against us.

Shrimati Renuka Devi Barkataki: Against the emergency legislation and ordinary legislation I have nothing to say. But the witness referred to article 35 of the constitution. Does it mean that during the emergency period no ordinary Bill can be passed by the Parliament?

Shri J. R. Gagrati: I have never suggested that. What I have pointed out is that a law passed during an emergency gets a certain immunity. Here there is no necessity for it. The emergency legislation exists.

Shrimati Renuka Devi Barkataki: The argument you have put forward is irrelevant. The Defence of India Rules are there. The same thing is written in this Bill also. You should not have any grudge against this so

long as the emergency lasts. When the emergency is lifted you may go to the court and file a suit.

Shri J. R. Gagrat: During the period of emergency why should a civil law be given this immunity. You are introducing a provision for ornaments which is not in the rules. Why not introduce the provision in the Defence of India Rules?

Shrimati Renuka Devi Barkataki: You have said that the provisions of the gold control rules have been challenged before the courts of law and the validity of the said provisions are *subjudice*. Are all the cases engaging the attention of the court of the same type?

Shri J. R. Gagrat: As I have said earlier, the first petition, No. 135, covers the entire gamut of the rules. The second petition is confined to the category of moneylenders.

Shrimati Renuka Devi Barkataki: Is there no distinction between a case where a particular person is tried for a particular offence and a case in which the constitutional validity is impugned?

Shri J. R. Gagrat: Both these petitions challenge the constitutional validity and they apply equally to any law passed on a similar basis.

Shrimati Renuka Devi Barkataki: Such petitions do not preclude the Parliament from enacting or legislating any Bill on this subject or related to this subject?

Shri J. R. Gagrat: I have not suggested that Parliament is incompetent. My suggestion is one of propriety and one of expediency.

Shrimati Renuka Devi Barkataki: May I know whether the witness agrees to the objectives of this Bill?

Shri J. R. Gagrat: The two objections are to prevent smuggling and reduce prices. We have no objection to the objectives, but what we object

to is that this method cannot achieve the objective and it has failed to achieve them. We, therefore, suggest that you employ better methods.

Shrimati Renuka Devi Barkataki: Under paragraph 4 of your memorandum you have given a list showing the seizure of smuggled goods. Do you believe that seizure of gold does not indicate the extent or amount of smuggled gold?

Shri J. R. Gagrat: I completely agree with you. That is the way which has been adopted by the Khera Committee report and other reports on the subject.

Shrimati Renuka Devi Barkataki: Do you agree that the detection of so much of smuggled gold in 1964 is due to the administrative efficiency and the disincentive that the Government has given for the smugglers? Can you disprove it?

Shri J. R. Gagrat: The answer is two-fold. First of all, it is correct to say that the figures of seizures cannot indicate the figures of smuggling. We have taken this as the basis. Secondly, the Government has already assumed and proceeded on the assumption that the Vigilance Department has continued as before. It may well be suggested the other way. It can well be said that this does not represent the correct figure because the efficiency has gone down. We are not on a hypothetical question, we are talking of the accepted method of calculating smuggling. It may well be said that there could have been larger seizures whereas due to the inefficiency of Government it has not been so. We are now talking of certain known procedures of calculating the figures.

Shrimati Renuka Devi Barkataki: Could you tell me the total amount of gold, approximately, with people who have less than 20 gms or 50 gms of gold?

Shri J. R. Gagrat: Since there is no requirement of filing returns, it is not possible to say what is the extent of exempted gold. In the absence of any material it would be impossible to speculate.

Shrimati Renuka Devi Barkataki: What is the total amount of gold in the country?

Shri J. R. Gagrat: According to official figures available the total gold in India is to the tune of Rs. 4,000 crores out of which gold worth Rs. 42 crores has been declared.

Shrimati Renuka Devi Barkataki: Can you not tell me the amount of gold lying with the ordinary people who have less than 50 gms?

Shri J. R. Gagrat: It would not be correct for me to speculate.

Shrimati Renuka Devi Barkataki: Can you tell me the amount of gold with temples and other religious institutions?

Shri J. R. Gagrat: I think the Government would be a better agency to reply to these questions because they have received returns from these institutions.

Shrimati Renuka Devi Barkataki: When you do not know these figures, I want to tell you that the figures you have given in this memorandum are wrong.

Shri J. R. Gagrat: These are the figures that we got from the Government.

Shrimati Renuka Devi Barkataki: What is the amount of gold that the Government is holding?

Shri J. R. Gagrat: You are cross-examining me on points which are within the knowledge of the government officials sitting there.

Shrimati Renuka Devi Barkataki: How could you give these figures that out of Rs. 4000 crores worth of gold

only Rs. 43 crores or Rs. 57 crores worth of gold has been declared?

Shri J. R. Gagrat: It is recorded in the report of the Khera Committee.

Shrimati Renuka Devi Barkataki: Out of Rs. 4000 crores, if I am not wrong, more than Rs. 3000 crores have been declared.

Shri J. R. Gagrat: It is entirely incorrect.

Shrimati Renuka Devi Barkataki: You have said here that the total gold declared is about 57 crores only against the total available gold of Rs. 4000 crores. This figure, certainly is wrong, incorrect, dishonest and misleading.

Shri J. R. Gagrat: I object to the statement of the Member. It appears the Member is not aware of the facts. The Khera Committee, as well as the reply to the questionnaire issued, as well as the reply in Parliament to the question of a Member of Parliament says that the declaration of gold is one per cent of the available gold. The gold so far declared is only Rs. 42 crores and no more. I want to make it clear that there is no dishonesty attached to us because we have taken figures from Government records.

Shri C. D. Pande: When a question was put to the Finance Minister in Parliament he said that there was no statistics of the available gold in the country but the estimate is Rs. 4,000 crores.

Shri B. R. Bhagat: I may say for the benefit of the hon. Members—the Finance Minister has also stated it the other day—this estimate is not a Government estimate or even the estimate of the Reserve Bank. This estimate was made by a team of people in the Reserve Bank informally. It is a very rough and broad estimate.

Shrimati Renuka Devi Barkataki: Then I come to ornaments, with which ladies are vitally concerned. Does the witness agree that there are two aspects, so far as gold is concerned, the ornamental aspect and the selling aspect? Do you also say that people buy gold as a form of investment?

Shri J. R. Gagrati: It is bought as an investment also. Unlike other investments, which are in the shape of national savings certificates and postal saving certificates which cannot be used as an article of ornament. There is a definite capital appreciation in investing in gold, as compared to Government paper. Thirdly, in a country like ours, where we have not been able to reach banking to every nook and corner of villages, gold is the simple and known form of liquidation of assets and repaying loans. I would like hon. Members to consider whether there is any alternative to gold for this purpose at present. In a small village in the nook of India with some gold a villager can in an hour's notice repay a loan or liquidate some liability. In the case of post office certificates and national savings certificates could you repay a loan or redeem a pledge by the Government paper? After all, the Government paper is for a fixed time and there are so many procedural wrangles. So, gold is the only known method of saving for a poor villager.

Shrimati Renuka Devi Barkataki: But there is no return on that saving unlike the Government securities.

Shri J. R. Gagrati: People who owned gold in 1939 have got six times their value in capital appreciation, as against the Government paper which gave a small fixed return. So, it is a matter of how one looks at it—whether as investment or as hoarding.

Shrimati Renuka Devi Barkataki: Do you not think that the community

has progressed and the society has advanced since those old days?

Chairman: It is a matter of opinion.

Shri J. R. Gagrati: It depends upon what one considers progress or advancement in society, whether one considers all age old practices are bad. It is a matter of opinion.

Shrimati Renuka Devi Barkataki: Do you mean to say that the Government should not interfere with the savings habit of the people?

Shri J. R. Gagrati: When the conditions change, people will of their own free will transfer their investments to better methods. If you look at the position in the advanced countries, like the States, because of available facilities, people have gone to other forms of investment. Where is such facility available here today?

Shrimati Renuka Devi Barkataki: Coming to fashion in ornaments, is there any sense in having different types of ornaments?

Shri J. R. Gagrati: Even though I am a male, there is a lot of sense in having different types of ornaments. It is pleasing to the eyes as a work of art to have an ornament rather than a national saving certificate in your pocket.

Shrimati Renuka Devi Barkataki: May I know whether the ornaments used by your wife and daughters are the same that were used by your mother and grandmother?

Shri J. R. Gagrati: Speaking for myself, since I am answering the question, I think members of today's generation definitely appreciate and preserve the old ornaments because of their designs and good workmanship.

Shrimati Renuka Devi Barkataki: Is it not a fact that the present generation is wearing less of ornaments and that also simple ones?

Shri J. R. Gagrat: If you are referring to the position after the enforcement of the Gold Control Rules, I do not know what varieties of ornaments are now available. In any case, people are not going in for 14 carat ornaments.

Shrimati Renuka Devi Barkataki: In other words, the purchase of ornaments has come down.

Shri J. R. Gagrat: You are compelling people to buy less; yet, they buy unofficially through various sources.

Shrimati Renuka Devi Barkataki: Should we encourage unofficial purchases?

Shri J. R. Gagrat: Looking at the inflation in the country, the instability of the value of rupee, the non-availability of banking and other facilities is there any commodity more stable than gold for the villager to buy for a rainy day and as a form of investment?

Shrimati Renuka Devi Barkataki: Is it not a fact that you are opposing this Bill only because you will no longer have a monopoly to take advantage of the sufferings of the poor villagers?

Shri J. R. Gagrat: That is entirely incorrect.

Shrimati Renuka Devi Barkataki: Is it not a fact that the people in the villages are not so illiterate at all and their craze for gold is declining? You are opposing it because it will loosen your hold on the villagers?

Shri J. R. Gagrat: I would request the hon. Member to read a brochure called *Gold Control*, an appraisal made by the Bureau of Business Research as well as the publication called *Gold Problem in India*, written by independent economists. They will give a complete answer. This is not

the view of people who are interested in the trade but the view of independent intelligentsia in India.

Shrimati Renuka Devi Barkataki: How many goldsmiths have died after the enforcement of Gold Control Rules?

Shri J. R. Gagrat: In Parliament the figure of 200 was mentioned by a Member of Parliament and I think the Government corrected it to 75.

Shrimati Renuka Devi Barkataki: How many sarafs and jewellers have died on account of starvation after this measure came into force?

Shri J. R. Gagrat: I am afraid, I was not present when these deaths occurred.

Shrimati Renuka Devi Barkataki: Have you got any idea as to how many poor villagers were put to untold sufferings because of the activities of pawn-brokers and jewellers?

Shri J. R. Gagrat: I have no figures. But I may mention it as a matter of fact that pawning operations in villages is done under a legislation known as Moneylenders Act under which there is a restriction on charging interest beyond a particular percentage. I do not dispute that corrupt practices may be prevailing in the sense that people are charged usurious rates. But, then, that is happening even in co-operatives. Under the Co-operative Societies Act, the procedural wrangle takes four days for the receipt of money after the application is made. Suppose a person requires money urgently, he gives some inducement to the officials and he is able to expedite it. So, corruption is bound to be there even if this measure is enacted.

Shri B. R. Bhagat: Regarding the statement of the witness about sui-

cides, I said in a statement in Rajya Sabha on the 28th August, 1963 that between 10th January and 19th August, 1963, the number of suicides which were confirmed by the State Governments was 17 and not 75.

Dr. L. M. Singhvi: In that case, Mr. Chairman, would you request the witness to give us the source of his information?

Chairman: He wants the source of the information.

Shri J. R. Gagrati: The Debate in the Lok Sabha on the 4th June, 1964. The hon. Member was Shri S. M. Banerjee and this is what appears at page 1124 of the proceedings:

"The net result was that 5—7 lakhs of goldsmiths became unemployed and according to the resolution adopted at the Akhil, Bharatiya Swarnakar Sangh, about 200 goldsmiths have committed suicide. I know three cases of suicide in Kanpur. When we raised this point, it was argued by Government that it was not 200 but merely 75, as if 75 suicides were justified under this Government."

Shri B. R. Bhagat: That is the statement of the hon. Member.

Shri J. R. Gagrati: But I find that it has not been controverted in the course of the debate and so I assume that the statement of the hon. Member must be correct.

Shrimati Tara R. Sathe: You said that under the Export Promotion scheme Government should import some gold. Do you mean to say that we should export some other material, or you think you will be able to export some gold ornaments?

Shri J. R. Gagrati: The Export Promotion schemes have been in vogue since 1957.....

Shrimati Tara R. Sathe: I know that. You can give the reply.

Shri J. R. Gagrati: The reply is very simple that in the incentive list against exports introduce the item of gold.

Shrimati Tara R. Sathe: If gold is imported, do you mean that you will export gold ornaments?

Shri J. R. Gagrati: Gold is not imported for export but for consumption. Otherwise the whole purpose is lost.

Shrimati Tara R. Sathe: Yesterday while this ornament was shown round, somebody had said that this *meena kundani* work will be exported.

Shri J. R. Gagrati: I think you are referring to some other persons.

Shrimati Tara R. Sathe: That means you don't want to export any gold ornaments?

Shri J. R. Gagrati: Certainly not.

Shrimati Tara R. Sathe: And you want to export some other material?

Shri J. R. Gagrati: Quite right.

Shrimati Tara R. Sathe: The ornament that was shown round yesterday, was it 14 ct. gold?

Shri J. R. Gagrati: I understand it is.

Shrimati Tara R. Sathe: Why 'understand'?

Shri J. R. Gagrati: I will put it to the people who do the manufacture.

Shrimati Tara R. Sathe: For how long has it been used, or is it a new one?

Shri J. R. Gagrat: I understand that that ornament was manufactured in Delhi and is only six months old.

Shrimati Tara R. Sathe: And that lady is wearing that ornament?

Shri J. R. Gagrat: She has returned it in disgust saying "you better replace it".

Shrimati Tara R. Sathe: That was taken from a saraf?

Shri J. R. Gagrat: From a dealer dealing in ornaments in Delhi. He is a licensed person.

Shrimati Tara R. Sathe: About the bangle which we have shown you, you said that it is not 14 ct.

Shri J. R. Gagrat: I will put it to the person who has tested it to make his comments.

Shrimati Tara R. Sathe: Could you say whether it contains more, or less gold?

Shri Rajendrakumar Berry: That is 14 ct. please. If you would permit me, I would like to say a few words regarding that.

Shrimati Tara R. Sathe: But your leader said it is not 14 ct. Is that withdrawn now?

Shri Rajendrakumar Berry: The bangle has been found to be highly pure-gold plated. If you will see it in clear light you will find so many discolourisations at so many points here. This has been very highly pure-gold plated.

Shrimati Tara R. Sathe: That means it is not 14 ct.?

Shri Rajendrakumar Berry: That material is 14 ct.

Shrimati Tara R. Sathe: Plus it is gold-plated?

Shri Rajendrakumar Berry: After the manufacturing process it was sent for polishing purposes and it was highly pure-gold plated, and that could be ascertained by seeing it in broad daylight when you can see so many discolourisations.

Shrimati Tara R. Sathe: How long will that plating remain if it is used every day?

Shri Rajendrakumar Berry: That depends upon the layers of plating given to it.

Shrimati Tara R. Sathe: Didn't you find how many layers there are in it?

Shri Rajendrakumar Berry: It depends upon the time-factor as to how long you have used it.

Shrimati Tara R. Sathe: You tell me how long it can be used with that polish if it is used every day. What I have done I will say afterwards.

Shri Rajendrakumar Berry: Even brass things Lilly jewellery have high gold-plating.

Shrimati Tara R. Sathe: You tell me about this bangle.

Shri Rajendrakumar Berry: Even when the Lilly jewellery is highly chemically gold-plated, the life is guaranteed for five years in gold colour. So it depends upon the expectation of the customer to which the man caters. If the customer wants high pure-gold plating, we have to do it. Otherwise some customers get reconciled with red polish. I have submitted it is highly pure-gold plated.

Chairman: How long can it last?

Shri Rajendrakumar Berry: It all depends upon the usage. If she does not use it daily.....

Shrimati Tara R. Sathe: I am a responsible person here. I will say whether I have used it or not. First you say.

Shri Rajendrakumar Berry: It depends upon the coating. If the plating is very thin the manufacture can hardly last for 15 days; otherwise it may last for five years.

Shrimati Tara R. Sathe: You have tested it.

Shri Rajendrakumar Berry: We cannot testify. We tested only as regards the contents.

Chairman: It depends upon how you use it. That is what they say.

Shrimati Tara R. Sathe: Yesterday it was said that the sarafs are people of integrity and that goldsmiths are not. If we go to some saraf and buy something and go to another he says "Oh, this is not 14 ct., this is 22 ct. or 18 ct." We find that that is the usual practice. So I would like the witness to say definitely. And he has tested it. Or if he wants a chance he can keep the bangle with him, with your permission, Sir, and let us know how long it can be used. How many layers are there?

Shri Rajendrakumar Berry: It is very difficult to say.

Shrimati Tara R. Sathe: From a responsible saraf I have bought this after the Gold Control Order came.

Chairman: He says it is very difficult for him to say. You should leave it there.

Shrimati Tara R. Sathe: About the other ornament which was shown, may I ask whether it is 14 ct., because he had done that exhibition here, and he tried indirectly to show that 14 ct. looks just like brass or yellow or something like a cheap metal. So I want to know whether he has tested that ornament, because that is the propaganda being done against 14 ct.

Shri P. Gopalakrishniah: It is a wrong notion that we came here for propaganda. With due respect to the Chair and the Members I would like

to say this. You can as well send to the Government of India Mint at Bombay and get it assayed. We want to hand it over to you, if you don't mind, and you can get it assayed in the Bombay Government Mint. You may not have confidence in other mints.

Shrimati Tara R. Sathe: I am not a saraf or goldsmith, and so, I believe in what the saraf or the goldsmith says. It is a responsible saraf who has given me this.

Chairman: We have our own experiences. So, let us leave it at that.

Shrimati Tara R. Sathe: It has been stated that people go to the sarafs because they have got some prestige and the people have confidence in them. Could you tell us what the situation was about 25 years ago, and to whom were the people going to get their ornaments made? There were not so many sarafs in the market of Bombay and Poona at that time; only a very few were there. We used to go directly to the goldsmiths and get our ornaments made.

Chairman: Why ask this question of the witnesses?

Dr. L. M. Singhvi: A goldsmith of 25 years ago might have become a saraf today.

Shrimati Tara R. Sathe: It has been stated that the customers do not believe in the goldsmiths. I would like to point out that it entirely depends upon the person concerned, whether he be a goldsmith or a saraf. For instance, I have got this bangle from a saraf in whom I have confidence.

Shri J. R. Gagrat: It is not correct to say that 25 years ago, there was no saraf in the market.

Shrimati Tara R. Sathe: I said that there were not so many of them.

Shri J. R. Gagrat: The leading jewellery traders in Bombay, for instance, have been having shops for four decades now.

Shrimati Tara R. Sathe: I was not referring to jewellery but only to gold

Shri J. R. Gagrat: The gentleman to my right, Shri Mahajan has had his shop for nearly 85 years now.

Shrimati Tara R. Sathe: He is misinterpreting it. I was not referring to jewellery but only to gold.

Shri J. R. Gagrat: I do not understand why the answers which we give to questions are deemed to be misinterpretations or misstatements. Surely, we have also some sense of responsibility.

Chairman: Order, order. Please do not make any imputations.

Shri J. R. Gagrat: It is suggested that any answer which we give is a misinterpretation or any suggestion which we make is a misstatement.

Shri Balgovind Verma: You had stated yesterday that Government had failed to check the smuggling of gold. May I know the extent to which the smuggling of gold has increased after the promulgation of the Gold Control Order

Shri J. R. Gagrat: As I had mentioned earlier, more people have become unlicensed, that is, dealers as well as refiners, than before. Only 27,000 have taken licences, and over a lakh of them exist without licences.

Shri Balgovind Verma: To what extent has this practice increased?

Shri J. R. Gagrat: The figures given at page 4 of our memorandum indicate that smuggling has not been reduced, but in fact, it has increased over the alarming figures of 1962.

Shri Balgovind Verma: You cannot give a definite figure?

Shri J. R. Gagrat: I would refer you to page 4 of our memorandum.

Shri Balgovind Verma: Could you throw some light on how these smugglers find a market for their smuggled gold? Unless the gold can be well sold they will not be tempted to bring in more gold.

Shri J. R. Gagrat: As far as we are aware, it is due to the unlicensed persons who are now clandestinely dealing in these things. The unlicensed persons are flouting the law and taking full advantage at the cost of the people who have chosen to take the licences and are remaining without business.

Shri Balgovind Verma: Do you mean to say that these jewellers and sarafs are not in this business?

Shri J. R. Gagrat: If I may say so, their part will be negligible. In fact, after September, when the goldsmiths were given the privilege, I am told that the dealers have had no business, so far as ornaments are concerned.

Shri Balgovind Verma: The general apprehension is that it is the class of jewellers which has been responsible for encouraging these anti-social and illegal activities?

Shri J. R. Gagrat: I have to say something about it. It is a wrong notion for this reason that a person who chooses to obtain a licence chooses to focus the Government's attention on his business premises and on himself he has to comply with various rules and procedures. The excise officers have a right to inspect at any time. So, such a person is the most unlikely person to indulge in illegal activities. The persons who deal in illegal activities are those persons who keep outside the law. It is not, therefore, correct to say that the licensed dealers are responsible for this. There is a category of undesirable elements, who are profiting

from these regulations, because they have eliminated the bulk of honest traders as competitors.

Shri Balgovind Verma: It is a general opinion that these people who have got money monopolise the entire gold which they bring and sell it according to their convenience.

Shri J. R. Gagrati: That is not correct, because the unlicensed people have also money. What has happened today is that it is the unlicensed elements who have monopolised this activity and the licensed dealers are nowhere, and they have nothing to do with this.

Shri Balgovind Verma: In your opinion, the licensed dealers do not undertake any black business?

Shri J. R. Gagrati: We say that the licensed dealers do not undertake any black activity because the rules are so stringent. They have to give the minutest particulars in the return, in the accounts and so on. The officers come daily or on alternate days or weekly and make surprise checks. So, such a person, having focussed the attention of Government on himself, is most unlikely to indulge in illegal activities. It would be safer for a person not to be under the Act if he wants to indulge in illegal activities.

Shri Balgovind Verma: The general belief is that at the shop the sarafs do legal business, but at their houses they get this illegal business done.

Shri J. R. Gagrati: Today, the authorities are making searches at the shops and at the residences of these people simultaneously. Therefore, it will be most foolish for any licensed dealer to think that because he keeps the thing at his house, he is safe or secure in any way.

The obvious answer is this. Please look at what has happened, namely the undesirable elements have not chosen to come under the Act at all.

Shri Balgovind Verma: Do you mean that these people fully co-operate with Government?

Shri J. R. Gagrati: Yes, I do say so. The fact that they make a declaration and the fact that they take a licence speaks for themselves.

Shrimati Nandini Satpathy: Some goldsmiths feel that due to the quality control of gold, the entire ornament-making business will be in the hands of a few dealers who can afford to have machines and other expensive material required for this purpose. What is your opinion on this?

Shri J. R. Gagrati: The answer is just the reverse namely that the quality control is in favour of the goldsmiths. They are able to make, manufacture and re-model ornaments up to 24 ct. and the effect has been that the dealers have no business at all. The people are not interested in going in for 14 ct. when they can go to a goldsmith and have their ornaments re-modelled and re-made to the original purity. In fact, the effect has been just the reverse of what the hon. Member has mentioned.

Shrimati Nandini Satpathy: For making 14 ct. ornaments, some machines are required, but the poor goldsmiths cannot afford to have all those machines.

Shri J. R. Gagrati: If there is available a section of the trade which can manufacture, repair etc. ornaments of a higher fineness, the people will not, and in fact, do not, go to the people who can manufacture ornaments only up to 14 ct.

Shri Homi F. Daji: About the capacity to make 14 ct. ornaments, what is your opinion?

Shri J. R. Gagrat: In regard to that, I think the hon. Member may be right that dealers will be better off to deal with 14 ct. ornaments, if there is a demand. But the point is that there is no demand. If there had been a demand, we would have had no grievance at all.

Shri Dahyabhai V. Patel: The point is that only those people who have got the machines are able to deal with 14 ct. ornaments.

Shri J. R. Gagrat: The fact emphasised is that the 14 ct. rule is such a prohibitive thing that one has to have special machinery, special dies, special equipment etc.

Shrimati Nandini Satpathy: On account of that, will not this quality control lead to the concentration of wealth in a few hands?

Shri J. R. Gagrat: Provided there is income. Without income, there can be no wealth.

Shrimati Nandini Satpathi: In answer to a question, you said that orders for making ornaments have decreased after the promulgation of Gold Control Order. By what percentage have they decreased?

Shri B. S. Mahajan: As I said yesterday, the business has decreased by 85 per cent.

Shri Mathew Maniyangadan: Witness said that there is an instinct among Indians to keep gold in the form of investment. He also said that in order to bring down the price, gold may be imported. But the imported gold may go into the hands of hoarders who may like to keep them as a form of investment. What is the remedy?

Shri J. R. Gagrat: The remedy is two-fold. In the first place, the habit of Indians to purchase or invest in gold is peculiar to the local conditions which have been discussed, namely, lack of other facilities.

Secondly, if you import gold, you combat the increase in prices and thereby strike at smuggling which is the problem before the Committee.

Shri Mathew Maniyangadan: If by importing gold, prices will increase by people going in for it and storing how will it result in cheaper prices?

Shri J. R. Gagrat: First is the evil of smuggling. By importing gold, you effect a reduction in price . . .

Shri Mathew Maniyangadan: I do not accept your premise that the price will go down. People may not be willing to part with the gold at lesser price. The demand may increase and then it may lead to higher prices.

Shri J. R. Gagrat: The moment gold is available from import, the price will fall down. As regards the likelihood of people going in for gold, the solution is not by making a law banning the import of gold, but in making other alternative facilities of investment available to the people, by way of savings, liquid loans etc. to which they will gradually take.

In America, gold is selling at par. There everything is highly organised. One could buy a house on hire purchase; one need not borrow or pledge one's property. So in that way, they will turn away from this sort of thing. It is a question of making available facilities.

I am not saying that the present instinct in our country will continue for generations. When we have a higher standard of living, where alternative facilities are available people will turn away from gold. But as at present, the question is peculiar to India.

श्री महावीर दास : यहां कहा गया कि १४ कैरट सोने के जेवर बनाने की मजदूरी ज्यादा हो गई है। लेकिन गोल्ड कंट्रोल

आर्डर जारी होने के पहले भी तो १४ कैरट के गहने बनते थे। क्या उस मजदूरी से भी आजकल मजूरी ज्यादा है ?

श्री गोपालकृष्णय्या : गोल्ड कंट्रोल आर्डर के पहले भी १४ कैरट की मजदूरी ज्यादा होती थी। लेकिन ज्यादातर लोग अच्छे मोने का ही गहना बनवाते थे, और कारीगर भी उसी को बनाना पसन्द करते थे क्योंकि उसका ज्यादा काम बना सकने थे।

श्री महावीर दास : इससे यह सिद्ध होता है कि जो पहले १४ कैरट के जेवर की मजदूरी होती थी और जो मजदूरी आज है, उसमें कोई फर्क नहीं पड़ा है।

श्री ग.पालकृष्णय्या : वह चाहे कुछ भी हो। लेकिन इतनी ऊंची मजदूरी होने से हमारा माल नहीं विकता है और हमको दिक्कत है।

श्री महावीर दास : आप कहते हैं कि अगर सरकार सोना इम्पोर्ट करे तो सोने के दाम गिर जायेंगे और गहनों के दाम गिर जायेंगे। यह क्यों नहीं मान लिया जाता कि यदि सोना इम्पोर्ट किया गया तो लोगों की चाह सोने की चाह और बढ़ जायेगी, और चाह बढ़ जायेगी तो फिर सोने की कमी इसी तरह रहेगी।

Shri J. R. Gagrati: The suggestion we made is that if you permit import of gold at the international price, prices will go down and smuggling will stop.

श्री महावीर दास : जब ज्यादा सोना मिलेगा तो खपत ज्यादा हो जाएगी और मोने की कमी फिर भरे रहेगी, और उस अवस्था में स्मगलिंग भी ज्यादा होगा।

Shri J. R. Gagrati: Allowing import at international price will make it unprofitable for smugglers to take

that risk; secondly, we should develop side activities of making facilities available. That will gradually turn people from gold.

श्री महावीर दास : जब लोगों की सोना खरीदने की चाह बढ़ जाएगी तो सोना कम हो जाएगा और फिर स्मगलिंग होगा क्योंकि सोना कम होगा और चाह ज्यादा होगी। मेरा प्रश्न यह है कि चाहे सरकार सोने का इम्पोर्ट भी करे, लेकिन अगर लोगों की सोने की चाह और बढ़ जाएगी तो फिर सोने की कमी रहेगी, और क्या उस हालत में स्मगलिंग नहीं होगा ?

Chairman: What he is saying that if gold is imported at the international price, there will be no incentive for smuggling.

श्री महावीर दास : आप कहते हैं कि १४ कैरट का १०० रुपये का गहना बेचा जाए तो ६० रुपया मिलता है। लेकिन हमें मालूम है कि १४ कैरट के ठोस जेवर को बहुत थोड़ा मारजिन पर खरीद लिया जाता है।

Shri R. K. Berry: I have already replied to it. I classified it. One is solid type of ornaments; the other solder type. There the wastage element is less.

Shri C. D. Pande: It has been started by you that 2 million people are engaged in the trade of goldsmiths, jewellers etc. If that is so, there must be at least 20 million people going for ornaments. Of these, may I know what percentage are there in the last 16 months who have willingly reconciled themselves to 14 carat?

Shri J. R. Gagrati: Till Sept. 1963, there was some sale of 14 carat because till then nobody could deal with gold of higher purity. The moment that has been amended and certified goldsmiths given the right to make ornaments of higher purity, as

far as the jewellers and traders are concerned, we have no business in 14 carat.

Shri C. D. Pande: Even after the refinement and certification, there is no lady coming forward to buy the 14 carat ornaments?

Chairman: He has said that the demand is very little.

Shri I. K. Gujral: We understand that you are equally keen as Government that smuggling should stop. At what point does the smuggler come in contact with the market, and how does he market smuggled gold?

Shri J. R. Gagrati: Unfortunately, since none of our members are in touch with smugglers, it is difficult for me to say, but I am sure Government which is enforcing the law will be in a much better position to know it. I can only speculate, we have no first-hand information.

Shri I. K. Gujral: If the law is enforced as it was before the amendment, that only 14 carat gold ornaments can be made and sold, that even the existing ornaments can be remodelled only as 14 carat, do you think the trade will stabilise?

Shri J. R. Gagrati: I think the trade will come to a total standstill, and only unlicensed elements will profit and flourish.

Shri I. K. Gujral: If this law is passed and 14 carat gold is made current, do you apprehend the possibility that smuggling will start in 14 carat gold?

Shri J. R. Gagrati: I do not think the unlicensed elements are interested in 14 carat. Their activities will continue as before.

Shri I. K. Gujral: Since there is considerable capital available with the people in the jewellery trade, and since the business has considerably diminished in the last year or two, what percentage of the capital, if you can guess, has been diverted to other productive fields like industry?

Shri J. R. Gagrati: My instructions are that all these people are waiting patiently. Nobody has so far switched over radically. As this is an emergency legislation, the moment the emergency is lifted, they hope Government will look at it in the proper perspective and may not go to the extent of killing the trade as a whole. In Bombay you will find that the shops are empty, and the people just sit and chitchat.

Shri I. K. Gujral: Do you visualise this capital being diverted to productive channels?

Shri J. R. Gagrati: It will be too much for me to make a statement on that.

श्री शिव नारायण : क्या यह अनुमान करना सच होगा जैसा कि एक मन्त्रालय के जवाब में यह बताया गया था कि सोने के इम्पोर्ट से ब्लैक मनी को प्रोत्साहन मिलेगा क्योंकि वे लोग जिनके पास कितान के बाहर रकम है वे उस छिपी हुई रकम को सोने के जमा करने में लगा सकने हैं, इसमें आपकी क्या राय है ?

श्री पी० गोपालकृष्णय्या : आपका मतलब यही है कि स्मगलिंग ज्यादा होने से यह जो ब्लैक मनी लोगों के पास पड़ा है उस मन से यह सोना खरीदा जाता है ?

श्री शिव नारायण : आपने कहा कि सोना बाहर से इम्पोर्ट किया जाय तो जो रुपया फाजिल पड़ा है उससे सोना खरीदा लेंगे

Shri Mahabir Prasad Shukla: If import of gold is allowed as you suggest, will that stop utilisation of black money in hoarding gold?

Shri J. R. Gagrati: Gold is not the only commodity in which it is done. In cities like Bombay, Government suspects that people utilise black money in buying land, but that does not mean that transactions in land must be brought to an end. That will not be a correct approach.

Shri Mahabir Prasad Shukla: Do you agree that this undeclared money

should be utilised for the vast expansion programmes of our country, and not misused for unproductive purposes like purchase of ornaments?

Shri J. R. Gagrati: I do not agree with the assumptions in the question. The reason why it is undeclared is that it is these rules that have made people flout them. Secondly, I do not agree that it is unproductive. It caters to a basic and essential need of rural India. Productivity does not mean that you get a dividend or interest. It means what it means to an average citizen, namely security, safety, liquidity in case of need. It depends on how you look at it. The absence of banking and loan facilities in the villages, lack of faith in the rupee, inflation etc., make people go in for gold.

Shri Mahabir Prasad Shukla: Do you agree that a considerable amount of foreign exchange is drained by smuggling of gold?

Shri J. R. Gagrati: That is admitted, but we are suggesting that this is not the method to stop it.

Shri Mahabir Prasad Shukla: Do you agree that any responsible Government intent on the progress of the country cannot sit silent over such a state of affairs?

Shri J. R. Gagrati: The dispute is about the means, not the ends.

Shri Dahyabhai Patel: How much of this increased demand for gold is reflected by the lack of confidence in the currency of the country, particularly as we have experienced demonetisation and there is talk of further demonetisation of hundred rupee notes?

Chairman: It is a matter of opinion, not a question.

Shri V. T. Dehejia: About the dealers and sarafs switching over to other trade, while you may say that you do not know about the whole of India, is it correct to say that quite a few well-known shops in Bombay have taken to non-gold type of trade?

Shri J. R. Gagrati: If it is a statement of fact, I would not be able to deny it. My instructions are to say that it has not been so. I will ask the witnesses to tell you the factual position.

Shri F. Gopalkrishnaiah: In Bombay perhaps they may have seen a few members taking to some other trade. Whether they are successful or not is a different matter. That apart when we take the whole country, how many have taken to other professions? We should bear that in mind.

Shri Rajendra Kumar Berry: Those who have changed would not be even one per cent of the total number.

Shri V. T. Dehejia: You said a little while ago that none of the members of his association could say anything about smuggling business because none of them has ever been associated with smuggling and when applying for licence they do not have to say that they have never been convicted of customs offences so that what you are saying is the general feeling.

Shri J. R. Gagrati: That is so.

Shri V. T. Dehejia: A little while ago, you have said that out of Rs. 4,000 crores worth of gold said to be in the country, about Rs. 42 crores worth was declared. Gold which was to be declared did not include ornaments. That was the law. It was to be declared only if it was above 50 grammes. There is no estimate of declarable gold. How much gold is declarable is anybody's guess.

Shri J. R. Gagrati: Yes.

Shri V. T. Dehejia: In the morning you gave some figures of persons who have been directly or indirectly in the gold trade. Some figures given are from published statistics. The others are guesses. Would it be correct to say that the estimates are guesses.

Shri J. R. Gagrati: It is not possible to arithmetically arrive at an accurate figure. There were about a lakh and 27,000 dealers at the time the

gold control rules came into force. A jeweller or a trader employs various staff. Mr. Mahajan was saying that he had 57 persons 40 goldsmiths and 17 other types of employees and they took an average of 10 per establishment.

Shri V. T. Dehejia: More than 20,000 were not paying sales tax—of these 1,27,000 dealers because their turn over was not more than 10,000. That means that a majority of them would not be able to employ others. The number of large dealers is extremely small.

Shri J. R. Gagratt: Yes, Sir.

Shri R. K. Berry: In this connection, I would draw your attention to the fact that joint family system prevails in our country and we have multiplied it by five, per establishment—not ten. The number five we have taken on the basis of the firms held by their family members. There are one or two munims and also some other working staff. So that, we have to multiply it by five.

Shri V. T. Dehejia: Would it be right to say that given an import of Rs. 500 crores worth of gold, it will bring down the prices of gold to the international level?

Shri J. R. Gagratt: It may not bring it down to the international level but it will bring it down sufficiently to be a dis-inducement to smugglers.

Shri V. T. Dehejia: At what point inducement to smuggle would cease?

Shri J. R. Gagratt: Today, as figures show, there is a 100 per cent profit on smuggled gold.

Shri V. T. Dehejia: My point is this. Do you think that the import of Rs. 500 crores worth of gold would bring down the price to 70 or Rs. 60 from Rs. 130?

Shri J. R. Gagratt: If it comes down to that level, any person would definitely go on for legitimate gold sold in the market.

Shri V. T. Dehejia: If gold is sold at Rs. 70, the demand and supply must balance itself.

Shri J. R. Gagratt: The annual smuggled gold according to the Forward Market Commission is Rs. 32 crores, if you bring in Rs. 500 crores worth of gold it will surpass the demand.

Shri V. T. Dehejia: That is the point I wanted to come to. With the import of Rs. 32 crores worth of gold, the price remains at Rs. 120. You mentioned in the course of the discussion today that the price of gold at present is very high. Would that be an indication of success of the enforcement?

Shri J. R. Gagratt: I cannot say: no. To a certain extent, it may be so. But coupled with the fact that smuggling has also not abated, it negates the inference. Theoretically you may be right.

Shri V. T. Dehejia: There have been definite statement about the seizures and smuggling. Smuggling is one thing and the rate of smuggling is another thing. Year after year, it goes like this. Though the total quantity seized may give an indication of the total quantity smuggled, the seizure will not give an indication of the rate of smuggling.

Shri J. R. Gagratt: If you proceed on the assumption that the enforcement and vigilance departments have been doing their duties as before, then I submit it would give us an inference.

Shri V. T. Dehejia: Is there any indication that they are doing less?

Shri J. R. Gagratt: I am not suggesting that.

Shri V. T. Dehejia: You made a point in the morning that India being a member of the International Monetary Fund, it should make an attempt to raise the international price of gold. This is for transfer of gold between different countries. Would you be able to say whether India transfers gold to other countries?

Shri J. R. Gagrat: The international price of gold actually, before 1939, was Rs. 32/- odd. As a result of that convention, it was raised to Rs. 52/-. Why not make an effort?

Shri V. T. Dehejia: India is just a member and its transactions are only microscopic compared to the total.

Shri J. R. Gagrat: Even this 52 was fixed sometime in the forties. It can be an occasion when member countries may now consider the same problem again.

Shri V. T. Dehejia: You made another point about the Defence of India Rules and that this Bill should not be enacted during the period of emergency. You also said that the only new addition in the new amending Bill is about ornaments. From the point of view of enforcement, does it not have a greater psychological value or not?

Shri J. R. Gagrat: Unfortunately, I do not think, our people are at all bothered about any psychological approach. From the way in which this law and other unacceptable social laws are being flouted, I do not think any psychological approach would be any valid reason.

Shri V. T. Dehejia: Do you mean to say that because some people flout some laws, no law should be passed?

Shri J. R. Gagrat: It is one of the accepted principles of law making that the law which is made must be such that the people do not consciously violate it. In other words, the law

must have a moral sanctity attached to it. You cannot coerce people into complying with law which is against their habits and conviction. It is one of the accepted principles of law-making in a democratic country that the law must have some general consensus behind it.

Shri V. T. Dehejia: You also said that over a period of years public opinion has to be built up on this point. Will not law be helpful in that direction?

Shri J. R. Gagrat: It has to be done by means of concerted socio-economic measures, not by the penal provisions of law. First of all you create the acceptable condition.

Shri V. T. Dehejia: You have made a suggestion and that is based on 100 per cent enforcement. Do you think that your suggestion is better than this law?

Shri J. R. Gagrat: My suggestion is to make gold available at legitimate and international price which the people will accept.

Shri V. T. Dehejia: You have also suggested that this enactment should not be passed until the writ petitions are disposed of and you have also made reference to Article 358, and fundamental rights. Is it your contention that wherever there is likely to be any point raised on account of fundamental rights, no law should be undertaken?

Shri J. R. Gagrat: I am not suggesting that. If there was no enforcement of Defence of India Rules, this argument of mine would not have been justified because depending on the situation you may have to undertake law. But here the case is different. There is already a law available and why have a fresh law which jeopardises the rights of citizens?

Shri V. T. Dehejia: There are actually two points of view. One is that such restrictions should not be placed. And secondly, they should not have

been placed by the Defence of India Rules so that the present position is being challenged by you on the ground that no such rules should have been made by the Defence of India Rules. Does that mean that there is advantage in having the permanent law?

Shri J. R. Gagrut: You can keep the permanent law depending upon the

decision of the Court. Government is not going to scrap the Defence of India Rules. The matter will go further after the Supreme Court ultimately decides.

(The witnesses then withdraw)

VI. Bombay Bullion Association Ltd., Bombay

Spokesmen:

- | | |
|-------------------------------|---------------------------|
| 1. Shri Chandulal Kasturchand | 3. Shri Jayendra A. Mehta |
| 2. Shri Mangulal Trikamlal | |

VII. Maharashtra Rajya Saraf Sangh, Sholapur

Spokesmen:

- | | |
|---------------------------|----------------------|
| 1. Shri B. R. Kanegaonkar | 3. Shri Y. S. Gadgil |
| 2. Shri S. N. Gokhale | |

VIII. Poona Saraf Association, Poona

Spokesmen:

- | | |
|---------------------|------------------------|
| 1. Shri K. P. Joshi | 2. Shri D. N. Jorvekar |
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IX. The Madras Jewellers' and Diamond Merchants' Association, Madras

Spokesmen:

- | | |
|-----------------------------|---------------------------|
| 1. Shri V. Pandurangiah | 3. Shri Harendra M. Mehta |
| 2. Shri P. Gopalakrishnaiah | |

X. The Calcutta Jewellers Gold and Silversmiths' Association, Calcutta

Spokesmen:

- | | |
|-------------------------|-----------------------|
| 1. Shri N. L. Mookerjee | 2. Shri B. K. Chandra |
|-------------------------|-----------------------|

XI. Jewellers' Association, Bangalore

- | | |
|-----------------------|---------------------|
| 1. Shri R. Sethurajan | 2. Shri J. Jeshtmal |
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(The witnesses were called in and they took their seats).

Chairman: The memoranda sent to the Committee have been circulated to all the Members of the Committee. The evidence given here is considered as public and it will be printed and distributed to all our Members and also laid on the Table of both the Houses of Parliament. Even if you want some evidence to be recorded in confidence, it will be printed and circulated to the Members of two Houses of Parliament.

The problems for you are all common. You are all bullion merchants. Anyone of you can be a spokesman. If anyone of you wants to add something, afterwards I will allow one member of each Association to do so. You need not repeat the arguments advanced in your memorandum. You may give new points, if any. Please be as brief as possible so that our time and your time may be saved.

Shri V. Pandurangiah: I will lead the discussion.

I represent The Madras Jewellers' and Diamond Merchants' Association, Madras. As I happen to be the Vice-President of Tamilnadu Thangam, Velli, Vyram, Nagai Vyaparigal Sammelanam, Coimbatore, I can represent both the institutions and give you some idea of our reactions to the Gold Control. I represent about 5,000 jewellers in the southern part of the country and having been intimately connected with the trade for a long time, I feel I can give you some idea of what we are going through.

I am sure you would have heard representations from Bombay and other places and you would have had discussions on the details, both legal and factual. I feel, however, that the actual realities and the effect of gold control may or may not have been brought in by the other representatives. In any case we cannot avoid repeating and I hope you will bear with us.

When the gold control came up for discussion under the Customs Bill, we had the privilege of tendering some evidence. At that time, we were confining our attention to that aspect of gold control which dealt with smuggling and anti-smuggling. Here we are concerned with the gold control which is coming up as a Bill. Though it is on the same lines, it is on the basis of rules declared earlier. It has been our desire for a long time that if the officials and Government are alive to what is actually happening in the country, there would be greater understanding of the problem. Similar to the Board of Trade in England which has among its officers people who have been intimately connected with the trade, we felt at one time or other that people who have spent a long time in the trade should be with you as your colleagues to be consulted and to check any measures that are put forth to the country, in which case many heart-breaks and many objections would be avoided. Unfortunately, it has not been so.

We have administered this gold control for the last 18 months. As soon as it was started, we followed the Government's directive, and principles and said, we would introduce certain measures and see that the consumption of gold in the country is lessened. We propagated 14 carat and we spent a lot of money in big advertisements in consonance with the spirit of the gold control legislation. We feel that we have convinced the public that 14 carat is not something to be fought against. We found suddenly that some discrimination was made and in the great hope that a large number of people should be given some relief or other, permission was granted for making higher purity ornaments. Actually, this provision has been in the old rules, rule No. 126 (h) (o) which empowered any dealer to take from the customers higher purity ornaments and melt them and re-make them.

This is the most sensible rule and sensible suggestion. I do not know how it came about. It was said that you cannot make higher purity of ornaments. I cannot see any reason why higher purity ornaments should not be made excepting the overall reason that generally we must discourage the use of gold or allow the gold that is available in the country to go a long way. But, unfortunately, it has not been so in practice. In England, for example, 9 carat gold rings for wedding was advocated and was followed because it was all under control. Gold was available through the trade channels and 9 carat ring instead of 13 carat ring for marriages could be imported and people will not be disturbed. The country took to it and later on when it was not necessary to observe that rigid economy, it was withdrawn. Here 14 carat was brought in and if it had been continued and if it was in a closed economy, it would have worked all right because we managed to get 14 carat. Nearly about one-third of the wholesales or perhaps by this time we could have got 75 per cent of the free controlled sales. But, unfortunately, this control on quality instead of quantity has not received

the attention of Government to such an extent as such a measure should have. As a result, we find that people have not accepted it and thrown it overboard. It is not one person or persons. There were people in the trade and the most learned people who are the citizens—very law abiding, when it came to their personal problems, they said we do not want 14 carat. We still want 22 carat. We told them that 14 carat is very good. Please accept it as a measure of austerity and we shall see to it that we make it as acceptable as possible. But, suddenly, when this measure of democratisation of higher purity ornaments was introduced, it was very good because large number of workmen were given immediate help and assistance. We welcomed it. But when it came to a discrimination, it was found that the discrimination was against only a very very few people. The result was that the entire business was at a standstill and everybody came to say 'All right. I have got one daughter. I want to get her married and my wife says 22 carat ornament only is required. Please do it.' When we cannot do it, "all right, you may pay the goldsmith." Ten days later, we asked the friends. They said "Oh; we got it all right. We never had any trouble." Now, I wish that this Committee finds every possible cause in going into the bazaars and trying to purchase higher purity ornaments to find out as to how they are valuing that. It is very easy to get it. Now this Bill is on the public it is not an ornaments, it is not on goldsmiths but it is only on a small section in this country who are doing a business. When you go out, all the people will come to you and say do you want foreign exchange; do you want dollars or have you got dollars? This sort of thing happens in our own country. Regarding the sale of higher purity ornaments, the Administrator can have the maximum supervision and can check. There is nothing to check. The dealers keep a certain quota. If any public wants only higher purity ornaments which they accept as the only thing, they can supply them. They can get it from

outside too. I am not going into the ethics of the question or the practicability of the question. I only say that it is available; it is being hoarded by the men in the street. It is, true. There is no control on him because he has got ornaments and he can sell them. Control today is not on the hoarded because he was asked to declare and he declared. If the persons do not declare, they are fined. The penalty is not levied on the smuggler because he gets gold and if he does not get it, he being a free-bird can bring gold and sell it to the public because the public want gold of higher purity. They get it. It is only in respect of 20 or 30,000 people who have got gold. Therefore, the restriction is only on the name board and not on the person or on anybody else. Some people who are citizens of this country and who have got every right to live privately and do their duty by no restrictions and no control. Government may fix that. But I submit that it is extremely unfair to fix that to the organized industry. In doing this, the Government are losing also financially. The Government may not worry about it, though they are losing yet they have got to control the entire Gold Control Administration. The legislation keeps a control over the public in emergency through a radio or by having a talk over the broadcasting, you can have a control over the whole trade. If the registered dealers violate the rules, then take them to task for their having infringed the rules. They are your weapon and they are your free tools in case of emergency. Unfortunately, the control on the entire gold trade is done in the country through the registered dealers. I am not even worrying about the loss of income-tax, sales tax, a few crores of rupees this way or that way. It is not much to the nation's economy. I suppose this is an opportunity to control. Here is a person who is registered and who can be taken to task. Why have control over the entire nation's production or whatever it may be. The gold comes into India and is distributed. Now regarding these ornaments, there

should be a certain quantity of gold to be used. This is what we have been always urging. I do not see that Government have ever done anything by propaganda about the use of gold. Let there be no restriction on the use of gold. If a person does not like to have 10 carat gold let him at least take 22 carat gold ornaments or even 24 carat ornaments as the case may be. In India he is denied whereas in foreign countries one does not care for it. Here a man wants to have 22 carat gold only and he does not get what he wants. Here you decrease the quantity. I do not think this helps at all. It does not affect the merchandise in the country. Here, unfortunately, we have been debasing and doing all sorts of things. If the public want 22 or 20 carats let them have it. By persuasion you can make the public to accept 14 carat gold. So long as there is an urge in the country among the people, they do not listen to Government's admonitions not to buy gold. It is very unfortunate that a small section of the people are faced with this problem similar to that prevailed in England in 1961. They found that gambling or gaming was their habit. Without the greater control, they brought in the Act saying that they would have to check it up. They found a lot of corruption, a lot of bribery etc. in the implementation agencies. They took great advice and counsel, deliberated and then said 'All right. What we cannot suppress we will do it by law.' Gambling Act was then passed. The entire corruption among the enforcing agencies was stopped and it was legalised and it was possible for them to control it, Small things still happened. I therefore submit that the example of Great Britain may be considered in your deliberations.

Another aspect which strikes me—perhaps it might have been repeated by other people—is this. I shall make a very brief mention of it. The Customs Department gives ample powers to Government regarding smuggling. If the smuggled gold is kept in the

market, the persons have to answer how they have come by it. The Finance Bill gives ample powers for dealing with tax evasion, hoarding or with cases where the persons concerned have to give an account for the money, or the jewels or the diamond, as the case may be, which they possess. When these two Bills cover a wide field which is sought to be covered by the Government, I do not see any justification for imposing upon the nation a control like the Gold Bill which is only duplicating in a large measure what other Bills have already done for the same objective.

As I said in the beginning, I do not want to commit the mistake of repeating the same things. I have covered the salient features the effect that the provision regarding to 14 carat and the restriction have upon the trade and how useful it would be if the Government consider relaxation of this in regard to the trade. The only result, if this is persisted, is that everybody will take up the case, and being a free man, sit at home and sell without bills. I submit that that aspect should not be lost sight of.

If there are any specific questions which this august body would like to put to us, we shall be glad to reply. I have not covered the points which we have covered in our printed memorandum. We have carefully avoided it, and we submit that the printed memorandum should receive your kind attention.

Shri N. L. Mookerjee: Mr. Chairman, and Members of the Joint Committee, we are very grateful to you for inviting us to give our evidence before you on a very controversial and vital measure of the Parliament, threatening the very existence of a traditional, artistic and indigenous industry which we have the privilege to represent. We belong to a trade. Please excuse us because we cannot put up our case before you in a proper

legal way. We shall try to put our difficulties before you in a simple language and express our reactions to the proposed measure. I shall try to be short, but I fear I may repeat some of the submissions made by previous witnesses.

We think gold control has been conceived on the basic idea of advanced western countries to keep the gold in Government hands. People of those countries do not have to keep gold in their possession, as security is provided by the State. Of course, the gold is much helpful to the Governments, but they have full support of the people in taking the gold in their own hands. In a democratic country like England, they have measures like State Insurance which provide free education and free medical treatment to citizens, free doles to the unemployed and pension for all invalid and aged people. In our country, what happens? If the earning member of the family dies or becomes invalid, our State does not provide any relief to the family. If there is no family provision, the whole family starves, education of the children stops, medical treatment of the sick cannot be provided. So, in this measure of gold control, our Government, it seems, has not the backing of the people. The people have to make their own provisions for the future time of distress and the easiest and the safest thing for them is to have some gold in possession out of their earning, by saving some money by suffering privation and hardship. It may be said that our Government will extend to the people the facilities given by the other advanced democratic countries if the people give the gold to the Government. But one cannot put the cart before the horse. Idealism is good but to get good results, it must be practical. The Government should first come forward with promise of security to the people, and say, "here we are to stand by you in your distress," and the people will then spontaneously hand over their preserved gold to the Government ex-

chequer, and cease to make further acquisition of the metal. The Government will not be required to do the unpleasant duty of probing into the personal savings of the people.

It has been seen during the last 18 months of gold control that public have not discarded their liking for higher purity gold ornaments and on occasions like marriage, etc, even in the highest category of society, gold ornaments of higher than 14 carat purity are being resented. In spite of the best efforts of the registered dealers to popularise 14 carat gold ornaments, there is no such response as could justify the goings-on of this industry.

Smuggling of gold into the country does not seem to have diminished, as our hon. Finance Minister has said: "It was difficult to say whether smuggling of gold into India had of late gone down because of the Gold Control Order." The price of gold has gone up tremendously for want of the metal in the market as public are not parting with their gold possession for the fear that they might not get gold in future. As for the question of unearthing of gold, not even one per cent of Rs. 4,000 crores worth of gold in the country, as admitted by the Government, had been unearthed or declared, as said by Shri Punjab Rao Deshmukh, M.P., a former Central Minister.

The Government's gold control policy has failed in as much as instead of bringing out hidden gold, the Gold Control Order had helped gold to go underground. There is no bar for the public to get higher than 14 carat gold ornaments prepared through the certified goldsmiths; there is no bar for an individual to sell a new ornaments of higher than 14 carat purity to another individual; there is no bar in possessing unlimited quantity of gold ornaments by any citizen. And, from the foregoing, it is evident that the control applies only to the registered dealers.

Our humble submission is, that it appears that the whole cat of gold control has gone out of control and only the tail remains in the hand of the Government, which represents the registered dealers who, it seems, for the only sin of paying taxes to the Government and, on that account, being registered, are penalised. If gold control does not suffer by way of permitting about 20 lakhs of certified goldsmiths to remake customers' old ornaments to new ones of more than 14 carat purity, it is beyond our comprehension how mere 22,000 of registered goldsmiths, if permitted to do the same, will put gold control out of gear.

It must be mentioned that while the certified goldsmiths, scattered in the cities, towns and in the six lakhs of villages throughout the country, to whom the State Governments are issuing one rupee certificates are not, in most cases, capable of maintaining proper accounts and are almost beyond proper checking of the authorities, the registered dealers who are mostly in big cities and towns always keep proper books of accounts and are within constant touch and easy reach of the Government checking machinery. This policy, we must say, of whimsically and arbitrarily putting the goldsmiths in two separate categories as registered dealers and certified goldsmiths, and putting their respective patrons into two separate compartments—one section being denied the facilities of converting their old ornaments to new ones of higher than 14 carat purity and the other being given the special privilege to do it—is not, we fear, based on justice, equity and fairplay. As a result, the customers of the registered dealers who were in most cases their patrons for generations are going away to the certified goldsmiths for the conversion.

It was, and it is, also now, our custom to stand guarantee for the quality of the gold ornaments and to buy back old ornaments of our make at full current gold value without

deducting anything for soldering depreciation. Our customers naturally get full security for the quality of the gold when they purchase ornaments from us. So, in the process of manufacture, we have first to purify all returned gold ornaments and then to put the requisite proportion of alloy with the pure gold to maintain the standard.

Now, as per Gold Control Rules, in converting old ornaments into new ones through certified goldsmiths by simply melting the old ornaments without purifying them the soldering portions of the ornaments mix up with the gold thus deteriorating the quality. The theory of gold control by converting the old ornaments into new ones of the same carat thus becomes infructuous.

Gold control was first introduced due to emergency in the country. It is beyond our comprehension how and why this measure is being taken out of the Defence of India Rules and going to be put in the Parliament statute-books.

This Association, therefore, prays that this Committee, formed out of the most eminent and judicious minded Members of the Parliament will, after consideration of all facts, reject the Bill *in toto* or, if that is not possible, in the best interests of the country, suitably amend it so that equal facilities are extended to all sections of people engaged in the trade and to all sections of the public without any discrimination.

With all humility and due respect to the Chairman and the members of the Committee, we may suggest to you, if we are permitted to do it, to call a spade a spade and rightly to substitute the title of this measure as "carat control" in place of "gold control", because for all considerations it does not, in effect, substantially mean anything more.

Shri K. P. Joshi: Sir, I agree with all the suggestions made by the previous speakers and I will not repeat them. I directly come to the procedural aspects and the powers that have been given to the executive officers. The powers given under this Bill are unchecked and uncontrolled, and I submit to the hon. Members of the Committee that in the interests of the larger section of the society and the principles of natural justice, these uncontrolled and unchecked powers should be minimised and there should be some regular procedure for the same.

I will come to my first point. Because of these uncontrolled and unchecked powers there is a lot of harassment to the trade. There is no specific procedure for conducting the investigation laid down either in the old Act or in the Bill that is under consideration. It should not be left like that. In my memorandum I have specifically stated these things. In these cases the statements of the alleged defaulters are taken by the officers who have detected the cases. This statement is in the form of a confession. There is no opportunity for him to make any defence. No legal assistance nor any time to think over the whole thing is given to him. In this connection I suggest that some section from the Criminal Procedure Code should be made applicable so that there could be some protection to these people. I suggest that section 164 of the Criminal Procedure Code should be made applicable or similar provisions should be there in the new enactment, so that these confessions will not be taken by the executive officer or the officer detecting the cases but by judicial officers of a higher rank.

Secondly, in Poona we have experienced that because of these powers given to these executive officers they are not allowing the trade people or the business people to engage their own counsels or lawyers. There are several cases in Poona where permission for legal assistance has not been given saying that no important

question of law is involved. This principle of adjudication before giving an opportunity to the party should be stopped. I suggest that section 340 of the Criminal Procedure Code should be considered and such a provision should be made here so that the party can be heard through his counsel if he desires as a matter of right and not at the sweet will of the officer concerned.

Thirdly, regarding search and seizures the provision in the Criminal Procedure Code are made applicable. That is not sufficient. Sections 161, 162 and 163 of the Criminal Procedure Code concern investigation by police officers. Because the powers given to the executive officers under this Bill are more than the powers of the police officers, there will be lot of trouble and harassment to the people at large.

Then I come to another aspect. The executive and the judicial officers are the same, so far as the present Bill is concerned. That is against the accepted principle in this country and the principle followed in many of our Acts that, executive and judiciary should be separate. As per the provisions of this Bill the executive and the judicial officers are from the same department. Therefore there is not adequate justice to the people at large.

I would invite the attention of the Committee to the fact that similar difficulties were seen by the businessmen in the Central Excise Department. In that connection there was a Commission appointed by the Government of India called the Chanda Commission. The Chanda Commission examined these aspects in detail. Because most of the provisions here are copied from the Central Excise Act, the difficulties seen in the Central Excise Act are likely to come up here also. The Chanda Commission said that the departmental officers at the revision stage should be abolished and in their place a judicial

tribunal should be appointed. I submit that the recommendations of the Chanda Commission should also be taken into account in the present Bill so that there can be a check on the executive and departmental orders and there will be some protection to the affected people. In this connection, I will refer to the report of the Chanda Commission, particularly page 88, paras 9 and 12, wherein it is stated:

"Another general complaint is that the appellate authority in departmental offices do not always dispense natural justice. The concensus of opinion, however, is that while the first appeal may continue to be heard by departmental officers, the final appeal should be heard by an appellate tribunal. In support of this demand it has been urged that the Collectors and Deputy Collectors, being subordinate to the Central Board of Revenue are bound by the Board's Standing Orders.... and cannot, therefore, exercise independent judgement.... We consider that the Tribunal should consist of one member of status and judicial experience comparable to that of a serving or retired Judge of a High Court and one or two members who have had working experience of technical excise work. It should not be subordinate to the chief of Central Excise although we see no objection to its being within the Ministry of Finance."

Keeping in mind these observations, I am of the view that these tribunals should also be set up under the new Act when it comes into force.

Then, section 30 of the Bill says that the payment should be made, as a prerequisite condition before the appeal could be heard by the appellate authority. That restriction will make the provision academic. In many cases, the gold is already seized and the party is in a difficult position to pay the penalty. So, it will be difficult for poor people to get justice under the present Bill if the payment

is insisted as a precondition. Most of the affected people will be poor businessmen to whom injustice has been done and they will not be in a position to go to the High Court or Supreme Court to get justice because they have no adequate funds. So, there should be some relaxation of this condition.

Then, section 30 of the Bill says that the orders of the executive officers should not be challenged in a court of law. I submit that this is a controversial provision and it is even unconstitutional. Even the provisions of the Constitution can be challenged in a court of law and every legislative enactment should be in consonance with the provisions of the Constitution; they cannot go counter to the provisions of the Constitution. Now the effect of this provision is to place Gold Control Act above the Constitution and other enactments. Also, it gives arbitrary and unjustified powers to the executive. So, if this Bill is to be enacted, the people should be given an assurance that all these changes will be carried out and that they will get justice in a court of law and not according to the caprices of the executive officers in the country.

श्री चन्दूलाल कस्तूरचन्द : मैं इंगलिश में नहीं बोल सकता हूँ। मेरी मातृभाषा गुजराती है। मैं हिन्दी में बोलने की कोशिश करूंगा।

हमने कमेटी के सामने एक मेमोरेण्डम पेश किया है। जो बातें हम मेमोरेण्डम में नहीं कह सकते हैं, मैं उनको कहने के लिये आया हूँ। जब हम कस्टमज़ एक्ट के बारे में गवाही देने के लिए आये थे, उस समय हमने वित्त मंत्री को स्पष्ट कह दिया था कि थोड़े नै स्मगलर्ज़ गवर्नमेंट से पकड़े नहीं जाते हैं, इस लिए गवर्नमेंट सारे देश की जनता को सजा नहीं दे सकती है। स्मगलर्ज़ के पास जो फ़ारेन एक्सचेंज आता है, वह कहां से

आता है, इस बात का पता लगाने की जिम्मेदारी पार्लियामेंट और सरकार की है। जनता के पास यह पता लगाने के साधन नहीं हैं।

जिन हेतुओं से यह बिल लाया जा रहा है, क्या गोल्ड कंट्रोल रूज के द्वारा उनमें कुछ सफलता मिली है? ये रूज इस लिए लागू किये गए थे कि स्मॉलिंग न हो, सोने के दाम नीचे चले जायें और लोग सोने का संग्रह न करें। आप सारे देश के प्रतिनिधि हैं और आप देश की नाड़ी को जानते हैं। आप देखें कि क्या पिछले अठारह महीनों में इन उद्देश्यों को प्राप्त करने में कोई सफलता मिली है।

हमारे देश में हजारों लाखों बरसों से सोनेका क्या इतिहास है? यहां पर सोना किस लिए रखा जाता है? विदेशों में तो सोना लजर्री के लिए रखा जाता है, लेकिन हमारे देश में वह सेप्टी के लिए रखा जाता है। एक अस्सी बरस की बुढ़िया मरते समय तक अपने पास पांच तोले सोना रखती है। आप देश के सारे हालात को जानते हैं। आपसे कोई बात छिपी नहीं है। आप जानते हैं कि गोल्ड कंट्रोल से सोने के भाव नहीं गिरे हैं।

यहां पर सब डीलर्य और सुनारों के दृष्टिकोण से आर्गुमेंट करते हैं, लेकिन देश की गरीब जनता की तरफ से कोई आर्गुमेंट नहीं करता है। हमारे देश में गरीब आदमी शादी आदि के मौके पर दो चार तोले सोना लेते हैं। सुनार डबल मजदूरी लेता है। लोगों को सोना सौ के स्थान पर साठ मिलता है, क्योंकि उस की शुद्धता को टेस्ट करने के लिए डीलर्य के अलावा और किसी के पास साधन नहीं हैं। आज जनता को सोने को टेस्ट कराने के लिए कोई अधिकार नहीं है। यह जुल्म है। इन रूज से देश की ४४ करोड़ जनता का नुकसान हो रहा है।

सभापति महोदय : ये सब बातें यहां पर कही जा चुकी हैं। यू० पी०, गुजरात और दूसरी जगहों पर के लोगों ने ये सब बातें यहां पर कही हैं।

श्री चन्दूलाल कस्तूरचन्द : उन्होंने ये सब बातें कहीं होंगी, लेकिन मैं तो अपने दिल का दर्द कह रहा हूँ।

मैं स्पष्ट भाषा में कहना चाहता हूँ कि हिन्दुस्तान में सोने का कंट्रोल कभी सफल नहीं हो सकता है। इससे हमारे देश की इकानोमी, अर्थ व्यवस्था, को बड़ा नुकसान होगा। आज जितना भय हमको चाइना और पाकिस्तान का नहीं है उतना भय मंहंगई का है। चाइना और पाकिस्तान का तो हम ४४ करोड़ मिल कर मुकाबला कर लेंगे, लेकिन मंहंगई हम नहीं रोक पा रहे हैं।

आज देश में ८० प्रतिशत जनता जो कि किसान हैं, अनपढ़े लिखे हैं। वह अपना रुपया इनवेस्ट करना नहीं जानते। इसलिए वे अपने पास सोना रख लेते हैं। आज सोने का दाम जितना चढ़ता जाता है हमारी इकानोमी में उतनी ही मुश्किल हो रही है। यह बात आप सब महानुभाव सोचो। जिस कानून को ६५ प्रतिशत जनता पालने के लिए तैयार नहीं उस कानून से क्या फायदा हो सकता है। आप इसको चलाना चाहते हैं तो अच्छा है, लेकिन जो देश की परम्परा है उसका भी आपको ध्यान रखना चाहिए।

अगर ६५ प्रतिशत लोग इस कानून का पालन करेंगे तो इसका नतीजा यह होगा कि जो ५ परसेंट बचेंगे जो कि ईमानदार हैं और कानून का पालन करते हैं, उनको मुश्किल होगी। आज देश में ईमानदार आदमी का जीना मुश्किल हो रहा है। जो ईमानदारी से काम करना चाहता है उसका जीना कठिन है। तो मेरी प्रार्थना है कि आप इस बिल को इस दृष्टि से देखो। आप इसको जनता की दृष्टि से देखो। आज अगर कोई १०० का १४ करंट का जेवर लेगा और बाद में उसको बेचेगा तो उसका ६० रुपया भी नहीं आवेगा। जनता को रिफाइनरी जाने का भी अधिकार नहीं दिया गया है, वह अपने जेवर को टेस्ट नहीं करवा सकती।

अर्थ शास्त्र की दृष्टि से सोने का कंट्रोल सफल नहीं होगा, ऐसा मेरा हृदय पुकार कर कह रहा है। आज अपनी इकानमी को इस गोल्ड कंट्रोल के आर्डर से जो नुकसान हो रहा है, उस दृष्टि से आप इसको देखो, आप तो समझदार लोग हो, आप देश की नवज जानते हो। देश का पुराना इतिहास भी जानते हो। आप विचार करोगे तो आपको हमारी मुश्किल मालूम हो जाएगी। आज देश में ८० प्रतिशत लोग पढ़े लिखे नहीं हैं। आज लोगों के खाने तक का ठिकाना नहीं है। इसलिए मैं आप लोगों से हाथ जोड़ कर प्रार्थना करता हूँ कि इस बिल को लाने से पहले आप इस पर विचार कर लो। सारे देश की दृष्टि से इसको देखो, किसान की दृष्टि से देखो और फिर इसको लाओ। जल्दी करना उचित नहीं है। आप इसको लाना चाहो तो ला सकते हैं। आप को अधिकार है। लेकिन यह पहले देख लीजिए कि पिछले १८ महीने में इसका क्या परिणाम निकला है। जब यह गोल्ड कंट्रोल आर्डर जारी किया गया तो जो सोने का दाम १०३ था वह आज १३० है, और यद्यपि चांदी पर कंट्रोल नहीं है लेकिन उसका भी दाम बढ़ गया है। जनता को कितना नुकसान हो रहा है इस दृष्टि से कोई नहीं देखना। गोल्ड स्मिथ लोगों को कुछ सुविधाएँ दी गयी लेकिन डीलर्स को नहीं दी जाती। क्या वह समाज के अंग नहीं हैं। मुनार छोटा मोटा काम कर सकते हैं, लेकिन अगर किमी को दस हजार का हीरे का जड़ाऊ गहना बनवाना हो तो वह इतनी रकम मुनार को नहीं दे सकता। इस प्रकार का काम सराफ हीं करवा सकते हैं। तो मेरी प्रार्थना है कि आप इस को इस दृष्टि से देखो।

आज कहा जाता है कि स्मगलिंग बहुत हो रहा है। मेरा ख्याल है कि स्मगलिंग का ८० प्रतिशत लाभ तो विदेशी लोग ले जाते हैं। आज सारी दुनिया के लोग स्मगलिंग में लगे हुए हैं। और वे स्मगलिंग का ८०

प्रतिशत लाभ ले जाते हैं। अगर सरकार कुछ करोड़ का सोना बाहर से मंगाना शुरू कर दे तो देश में सोने का यह भाव नहीं रहेगा और उसके व्यापार से सरकार को भी फायदा होगा, जनता को सहूलियत होगी और स्मगलिंग भी अटक जाएगा।

१४ कैरट का सोना गहने के लिए बेकार है। कुछ समय बाद यह पीतल सा दिखने लगता है। और रंग भी बदल जाए तो कोई बात नहीं, लेकिन अगर उसे किसी को बेचा जाए तो सौ रुपए की चीज के आधे दाम भी नहीं मिलेंगे। सोना देश में लाना चाहिए, वह तो दौलत है। जो दूसरे लोग स्मगलिंग से लाभ उठा रहे हैं उसको हमें रोकना चाहिए।

जो मेरा दुःख था वह मैंने आपके सामने रख दिया। अगर कोई गलती हुई हो क्षमा करें, लेकिन मेरी प्रार्थना है कि मेरे एक एक शब्द पर शान्ति से विचार किया जाए।

Shri B. R. Kanegaonkar: I will take only two or three minutes. The demands of the middle class and lower class are not inordinate and they may be easily met by allowing free inland trade of gold ornaments as before and importing of gold worth Rs. 20 crores or so—not much—and distributing it to them, that is to the middle class and lower class families, through an organisation like gold dealers association which will work under the guidance of the Government. And with the experience of even hundreds of years, let honest dealers have a chance of serving the nation in the days of economic difficulties.

If there be at all any control on gold trade, let there be control on the distribution of gold and not on the fineness of gold ornaments, which has failed to satisfy the Governmental objectives and not made popular the 14 ct. gold ornaments.

That is all I have to say, Sir.

Shri J. Jeshtmal: Mr. Chairman, my colleagues have spoken at length on all the aspects and there is nothing much that remains for me to say.

So far as smuggling of gold is concerned, it is our earnest desire that it must be prevented. The Customs Act has made ample provision to restrict the gold-smuggling trade. But in spite of that, because the Government feels that it is not an adequate measure to stop smuggling and with a view to save foreign exchange, the Gold Control Bill was brought in.

We know after experience of nearly eighteen to twenty months how much it has resulted in a miserable failure. But, of course, the craze for gold is there, and the people want gold. If Government do not allow the people to buy gold in the straight manner and in a direct manner, then they adopt all sorts of means and methods, right or wrong, to get the gold and satisfy their wants.

Some hon. Members have suggested that gold should be imported. That is a very good suggestion, and if that is accepted, Government can import gold and distribute it amongst the dealers in such a manner that it will reach the common man who has need for the gold.

If that is not possible, the gold mines in India can be exploited to a better extent. For instance, there are the KGF mines and the Hatti mines. The gold from the Hatti mines is distributed to the industrialists for industrial consumption. Government could take out the gold from there, mint it and put their own mark or the mark of the Reserve Bank of India, make it into coins etc. and then sell it to the dealers. That would be a very practical thing and more convenient also. If Government take such a step, certainly there would be an improvement in the situation, and the prices also would fall, which is one of the objectives of the Government. If Government show some inclination to bring the gold from the Hatti mines to the market, the prices also would come down.

I know that the quantity of gold from the KGF mines has gone down, but whatever quantity is available could be distributed easily, and that would solve much of the problem. The dealers would then be able to manufacture ornaments from native gold and sell them to the public who need them.

Apart from this, there is a large quantity of gold lying in our country, which we have not succeeded so far in bringing out, by means of this gold control. From experience, it has been found that it is very difficult to coerce a person to give out something or to bring out something. It is only through his own free will that he will bring it out or sell it. If there is a free market, then certainly, the gold which is there, and which is estimated at about Rs. 4000 crores, could easily come out and that would satisfy the wants of so many people. Therefore, it is very necessary that the control should be removed so far as gold is concerned.

So far as smuggling is concerned, the Customs Act is there, and it can be made more stringent so that no gold smuggling could take place. In Bangalore itself, there were two cases of smuggling where gold was brought by the carriers, and they were detected, and the persons got imprisonment for one year. After that, smuggling has been completely stopped there, and there have not been any more cases for the past two months or so. It will be seen that if the provisions of the Customs Act are made more stringent, then there will be no smuggling of gold. Some more border check-posts should be established, and the Government machinery also should take special measures to exercise vigilance on the borders through which the gold can be brought into India.

As I have submitted already, our own native gold should be made available so that we could manufacture ornaments out of them. Apart from this, in this connection, I would like to submit that we dealers have

been denied of the opportunity to manufacture ornaments of a higher purity.

It is a good thing that Government have thought fit to allow goldsmiths to manufacture ornaments out of 22 ct. gold. But that relaxation could have been extended to the dealers also. The dealers have been asked to take out licences under the Gold Control Rules, and in fact, a dealer has been defined as a person who makes, manufactures etc. gold ornaments, and he has been asked to take out licences, pay the fee for licences and so on; he has also to submit returns everynow and then. But in the same breath, he has been denied of the right to manufacture gold ornaments of a higher purity than 14 ct. That is very unjust. It is no use saying that they have been enabled to take out licences, and, therefore, they can carry on their business etc., because they have been denied of the right to manufacture higher purity ornaments. Therefore, my submission is that the dealers must be allowed to manufacture higher purity ornaments, because they maintain proper accounts, they are subject to regular checks etc., and therefore they cannot make any abuse of the provisions of the Gold Control Rules. So, I would submit that the dealers should be allowed to manufacture ornaments of 22 ct. purity.

Further, I would submit that at present the dealers are not allowed to carry on their pawn-broking business in the same premises. As you are well aware, in these days of shortage of accommodation, it is very difficult to segregate the premises. So, I have to carry on not only one or two businesses, but I may have to carry on ten businesses in the same premises. Moreover, so far as pawn-broking or moneylending business is concerned, we are governed by the State laws. The State has made ample provisions to properly regulate our business, so far as moneylending is concerned. We have to keep accounts, we issue vouchers and so on.

These could be verified even by the Central excise officers or anybody who has been empowered under the Gold Control Rules to examine such things. And those officers can go into the *bona fides* of our business.

There may be some instances where two different people, a dealer and a pawn-broker, may be carrying on their business in the same premises under two different names. When that can be allowed, why should not the same dealer be allowed to carry on pawn-broking business and dealer's business also in the same premises? My respectful submission is that there need be no suspicion of any misuse or abuse of the Gold Control Rules, because the accounts etc. are subject to check by the officers. If a dealer is unable to earn his livelihood from the dealer's business or from manufacturing ornaments etc., he should at least be allowed to have pawn-broking or moneylending business along with the dealer's business, in the same premises.

In clause 6 (1) it has been provided that no person can make, advance or grant any loan to any other person on the hypothecation, or mortgage etc. of ornaments. So far as gold is concerned, it has to be declared, if it is above the quantity prescribed under the rules. But in sub-clause (2) of the same clause, only the word 'gold' is mentioned. It is not clear whether the reference is only to gold or also to gold ornaments, because under rule 126 (b) (2) of the Gold Control Rules, the previous Gold Control Board had defined gold to mean only primary gold and not ornaments.

Subsequently, the clarification was given that gold includes ornaments. So there are varying clarifications which we are unable to understand.

*One officer comes and says 'You must segregate the thing'. Another comes and goes away after having been satisfied. Therefore, much harassment and difficulties are caused. Hence my submission is that the definition of 'gold' should exclude gold ornaments and wherever necessary, changes have to be made accordingly.

Chairman: We will adjourn now. Please be present here at 9 A. M. tomorrow. Members have to ask some questions from you.

(The witnesses then withdrew)

The Committee then adjourned.

**Minutes of Evidence given before the Joint Committee on the Gold (Conti
Bill, 1963**

Friday, the 24th July, 1964 at 09.05 hours

PRESENT

Shri S. V. Krishnamoorthy Rao—Chairman

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhary
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri Jashvant Mehta
16. Sardar Gurmukh Singh Musafir
17. Shri Chhotubhai M. Patel
18. Shri T. Ram
19. Shri Shivram Rango Rane
20. Shri S. C. Samanta
21. Shri Era Sezhiyan
22. Shri Sheo Narain
23. Shri Balgovind Verma
24. Shri Bhishma Prasad Yadava
25. Shri T. T. Krishnamachari.

Rajya Sabha

26. Shri Mahabir Dass
27. Shri B. K. Gaikwad
28. Shri I. K. Gujral
29. Shrimati Nandini Satpathy
30. Shri Dahyabhai V. Patel
31. Shri P. Ramamurti
32. Shri V. C. Kesava Rao
33. Shri Sherkhan
34. Shri Mahabir Prasad Shukla
35. Shri Rajendra Pratap Sinha
36. Shrimati Tara R. Sathe.

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
2. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES EXAMINED

I. Bombay Bullion Association Ltd., Bombay

1. Shri Chandulal Kasturchand
2. Shri Mangulal Trikamlal
3. Shri Jayendra A. Mehta.

II. Maharashtra Rajya Saraf Sangh, Sholapur

1. Shri B. R. Kanegaonkar
2. Shri S. N. Gokhale
3. Shri Y. S. Gadgil.

- III. Poona Saraf Association, Poona
1. Shri K. P. Joshi
 2. Shri D. N. Jorvekar.
- IV. The Madras Jewellers' & Diamond Merchants' Association, Madras
1. Shri V. Pandurangiah
 2. Shri P. Gopalakrishniah
 3. Shri Harendra M. Mehta.
- V. The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta
1. Shri N. L. Mookerjee
 2. Shri B. K. Chandra.
- VI. Jewellers Association, Bangalore
1. Shri R. Sethurajan
 2. Shri J. Jeshtmal.
- VII. Shri V. B. Gandhi, M.P.
- VIII. Akhil Bhartiya Deshi Aushadh Nirmata Sangh, Delhi
1. Shri Jyotish Chandra Bhattacharya
 2. Shri Gyanveer Suchdeva.
- IX. Federation of Manufacturers of Ayurvedic & Siddha Medicines, Delhi
1. Shri G. V. Puranik
 2. Shri G. M. Parikh.
- X. Mumbai Swarna Karagir Mandal, Bombay.
1. Shri Ramjibhai Sagal Minawala
 2. Shri Dattamaya Shreedhar Devakhakar.
- XI. Bangiya Swarna-silpi Samity, Calcutta
1. Shri Anil Basu
 2. Shri Sunil Chatterjee
 3. Shri Parbati Charan Roy.
- XII. Akhil Bharatiya Swarnakar Sangh, Delhi
1. Shri Bhavani Sankar A. Soni
 2. Shri Anil Basu

3. Shri Krishan Lal
4. Shri Chiranjit Lal
5. Shri Suryakanth
6. Shri N. Veerachary
7. Sardar Jaswant Singh
8. Shri Ramchandr Sahay
9. Shri Basant Kumar Janwra.

XIII. Rajasthan Sona Chandi Shrimik Sangh, Jaipur

1. Shri Shyamlal Varma
2. Shri Ramnath Kalia
3. Shri Sohan Lal Varma
4. Shri Ram Dharose Lal.

XIV. Goldsmith Workers' Union, Delhi

1. Shri Shankar Prashad Das
2. Sardar Jaswant Singh.

I. Bombay Bullion Association Ltd., Bombay

Spokesmen:

1. Shri Chandulal Kasturchand
2. Shri Mangulaj Trikamal
3. Shri Jayendra A. Mehta.

II. Maharashtra Rajya Saraf Sangh, Sholapur

Spokesmen:

1. Shri B. R. Kanegaonkar
2. Shri S. N. Gokhale
3. Shri Y. S. Gadgil.

III. Poona Saraf Association, Poona

Spokesmen:

1. Shri K. P. Joshi
2. Shri D. N. Jorvekar.

IV. The Madras Jewellers' & Diamond Merchants' Association, Madras.

Spokesmen:

1. Shri V. Pandurangiah
2. Shri P. Gopalakrishniah
3. Shri Harendra M. Mehta.

v. The Calcutta Jewellers' Gold & Silver Smiths' Association, Calcutta

Spokesmen:

1. Shri N. L. Mookerjee
2. Shri B. K. Chandra

VI. Jewellers Association, Bangalore

Spokesmen:

1. Shri R. Sethurajan
2. Shri J. Jeshtmal.

(Witnesses were called in and they took their seats)

Shri S. N. Gokhale: Mr. Chairman, I am thankful to you for giving me time to speak on the gold control problem. Many of my predecessors have spoken on almost all aspects of this problem. As a representative of the Maharashtra Rajya Saraf Sangh I will place a few points before you for your kind consideration. The honest dealers in the trade have been harassed by this control and the effect of these rules is bringing in all the vicious mal-practices inherent in control as we have observed in the case of many other commodities.

Chairman: All these points have already been stated. If you have any new points to make, you may do so.

Shri S. N. Gokhale: This was the only business which was not affected

by control. If the smuggling of gold is to be stopped, the misuse of foreign exchange should be stopped as proper control of foreign exchange will solve the gold problem.

The gold control has been in force for the last eighteen months and since then the gold trade has been dislocated. I suspect that many foreign nations have joined hands in this smuggling. Is it not possible for Government to find out which countries are doing or helping this smuggling. Those countries are trying to paralyse the economy and finance of our nation.

Under-invoicing and over-invoicing can be stopped if there is a vigilance squad. Under the guise of a helping hand and the pressure of aid, many concessions might be taken up by other nations of the world which might also help this smuggling.

Then, what has the Government achieved during the last eighteen months since the gold control came into operation? I make bold to say that none of the objectives of Government have been achieved. The price of gold in the internal market has not at all gone down; on the contrary, it is more than what it was on 9th January, 1963 (Rs. 105 per 10 grammes). Then, it is admitted that smuggling has not abated; quite likely, it has increased. So, there could be no saving of foreign exchange. The craze for gold also appears to have increased. Therefore, gold control has miserably failed, the causes for which, in my humble opinion, are the following.

Public support is entirely lacking. That is proved by the fact that the response to gold bonds was very poor. The declaration of gold amounted to only Rs. 43 crores as against the estimate of Rs. 4,000 crores. The party in power is not very enthusiastic about this gold policy. There is complete absence of any educative programme on behalf of the Government and the ruling party about the objectives of this policy. Another root cause is the abnormal inflationary condition prevailing in the country which is yet to be tackled. Then, there is complete absence of any well-thought out programme for the artisans. Government's inability to check under-invoicing of exports and over-invoicing of imports is another reason. Unemployment has increased. About one crore of people have no means of livelihood on account of this policy.

Then, the announcement of the present gold policy was a great shock to the public faith. People are afraid of the seizure of their private holdings of gold by Government. So, whatever may be the nature of the policy undertaken by Government about gold, they will not get the support or co-operation of the masses. They would

rather prefer to keep their gold underground. Therefore, the first step that Government will have to take is to create confidence in the minds of the people about the good intentions of Government by the present gold policy. So, I submit that both Government and Parliament should consider this Bill afresh, in the light of the suggestions and improvements referred to by people interested in the welfare of this country, instead of taking a decision in a hasty manner.

In India, as elsewhere, the price of gold is the barometer and an index of price of all commodities, like foodgrains and agricultural products. The present rise in prices of foodgrains and other commodities is a sure sign of upheaval caused by the attempt to change the price of gold artificially through the gold control rules. As with families, so with a nation, want of necessary economic strength in the form of gold weakens the efforts made in all other directions. So, it would be better if Government allows people to save gold to a desirable extent.

Under this Bill there is a restriction on doing business in gold and money-lending under the same roof. When we consider the congestion in cities as well as in villages, it would be expensive, impractical and troublesome to both customers and traders if it is insisted that both operations cannot be done under the same roof. Vast powers that have been vested in the executive authorities are basically wrong in our democratic set up. Our fundamental rights have to be safeguarded by a proper judicial approach. Thank you.

Chairman: I thought you had something new to say. All these points have been made out yesterday.

Shri H. M. Mehta: Gold is an economic problem and the supply depends upon demand. Government is

now permitting gold to be sold at Rs. 115 per 10 grammes. In view of this there is very little chance for the internal price of gold to reduce. The ceiling should also be removed because there is no reason why there should be such a restricted quota. Human nature being what it is such a restriction only drives honest people to be dishonest making room for corruption. The result is that the efforts of one Ministry for eradicating corruption are not achieved. When higher purity ornaments are available elsewhere, it is difficult to accept 14 carat. If people have taken to 14 carat jewellery, there is no necessity for us to be before this august body. The provision for making ornaments out of old gold ornaments was not in the original rule as declared on 9th January but by oral instructions of the Gold Board, dealers were prohibited from undertaking such jobs. Why should it apply for only a section of the community? Trade is being penalised because trade is paying all taxes. Under the export promotion scheme and various incentives, Government may allow the import of gold under this scheme. This will not involve any additional foreign exchange as the gold is to be imported against exports only. Out of local production, about 10-15 per cent may also be given to the trade on some quota. All this would go a long way to reduce internal prices and make smuggling unremunerative. If this view does not find favour, we would suggest that a committee of Members of Parliament be appointed to tour important centres. The prerequisite of any control is that when there is control on an article, it must be supplied by the State. Then again permission is not given to dealers for polishing; 95 per cent of that work is not done by goldsmiths but for generations, by the Muslim community and they are not goldsmiths. If this could be done by people other than goldsmiths, why should the dealers alone be prevented from doing this? A diamond dealer or a precious stones dealer worth Rs. 15,000 or Rs. 20,000 can guarantee and do it

while it is difficult for an ordinary man to go and employ a goldsmith and not leave him for a few hours till the work is finished. Repairs and polishing should be given to registered dealers. Finally, if a legislative measure is found to be unacceptable to the country at large, and if it is found that it has to have such a framework, it is the duty of the Government to withdraw such a measure. A large number of staff, besides the dealers, is also affected.

Chairman: That has been dealt with: statistics have been given.

Shri P. Gopalakrishniah: Only one point has been left out. We dealt with discrimination between dealer and a goldsmith but there is a category of goldsmiths who had been left out of the purview of clause 13. That is to be taken into consideration.

Shri B. K. Gaikwad: For 4-5 days, they have said that gold policy of Government is a failure. They said about smuggling. Is it that smuggling has come into effect after gold control has been applied? Have they figures about smuggling before and after the gold control rules?

Shri P. Gopalakrishniah: Smuggling began when Government banned the free import of gold. The rules came into force some 18 months back. Since prices have gone up, smugglers found it profitable to smuggle gold.

Shri B. K. Gaikwad: Can they give us figures about smuggling before and after the gold control rules?

Shri P. Gopalakrishniah: These figures can only be guesses and perhaps Government may be having statistics with regard to smuggling.

Shri B. K. Gaikwad: You say that prices have increased whereas our information is that they have reduced.

Shri P. Gopalakrishniah: Prices have not come down even now, it rules about Rs. 140 per tola.

Shri B. K. Gaikwad: For our information, whether this Association can give an assurance to the effect that if the Gold Control is withdrawn, the smuggling will stop and the price will go down? Can they give an assurance?

Shri P. Gopalakrishniah: We had been giving suggestions with regard to the stoppage of gold smuggling when the Customs Bill was taken up and now also we have some suggestions. It is left to the Government to carry them out provided they feel that the smuggling will stop. We shall give our suggestions if the Committee likes us to do so.

Shri B. K. Gaikwad: Whether they accept the principle that one man's profit is another man's loss and if that is so, whether in this gold business many of the persons have made huge properties. If that is so, is it not that they are exploiting the other classes of people?

Chairman: It is for you to decide. I don't allow this question. It is a matter for argument. Anything else?

श्री महाबीर दास : आपके द्वारा कहा गया है कि यह ४० करोड़ जनता को इस गोल्ड कंट्रोल आर्डर से पिनेलाइज किया जाता है, मैं नहीं समझ सका कि यह ४० करोड़ जनता पिनेलाइज करने की बात आप ने कैसे कही है ?

श्री चन्दूलाल कस्तूरचन्द : ४० करोड़ जनता के पिनेलाइज होने की बात मैंने इस नाते कही है कि जैसे दारूबंदी का सवाल आता है तो उसके लिए दस परसेंट जनता इंटेरेस्टेड रहती है लेकिन गोल्ड एक ऐसा मामला है जिसमें हिन्दुस्तान की तमाम जनता, हर गरीब अमीर सारे भारत के परिवार वाले सोने से सम्बंधित हैं और सोने से उनका सम्बंध बहुत प्राचीन काल से चला आ रहा है, हजारों साल से भारत-

वासियों का सोने के साथ सम्बंध रहा है । माननीय सदस्य ने जो यह पूछा है कि ४० करोड़ जनता सोने से कैसे सम्बंधित है तो मैं तो उनकी बात को सुन कर विस्मय हो जाता हूँ । क्या उन्हें यह नहीं मानुम है कि जब घर में शादी आती है, भले ही वह परिवार गरीब हो या अमीर हो तो सब छोटे और बड़े को सोने की जरूरत पड़ती है क्योंकि उसे अपनी ब्रेटी के लिए या तो जेवर बनवाने पड़ते हैं या बहू को चढ़ाने पड़ते हैं ।

श्री महाबीर दास : आप ने यह कहा कि हजारों वर्षों से इस देश की ४० करोड़ जनता सोने से सम्बंधित है तो मैं आप को यह बतलाऊँ कि स्वतंत्रता के कुछ दिनों पहले तक हरिजनों और आदिवासियों को सोना छना तक मना था तो ऐसी हालत में उन गरीब लोगों के पास सोना कहां से आ सकता था और वह उमसे कैसे सम्बंधित हो सकते हैं ?

Chairman: Why do you ask him this question. This is a patent fact. We should not ask him.

श्री महाबीर दास : कमोडिटीज के ऐक्सपोर्ट के वास्ते आप कहते हैं कि गोल्ड चाहिए तो मैं यह जानना चाहता हूँ कि मनुष्य के दैनिक जीवन की जो आवश्यकताएं हैं उनको गोल्ड कहां तक पूरा करेगा जिसके लिए कि आप कहते हैं कि ऐक्सपोर्ट के बदले में दूसरा सोना यहां लाया जाय ?

श्री चन्दूलाल कस्तूरचन्द : मनुष्य को अपने दैनिक जीवन में चार वस्तुओं की आवश्यकता पड़ती है । एक है रहने के वास्ते मकान, दूसरी खाने के वास्ते अनाज, तीसरी है पहनने के वास्ते कपड़ा और चौथी है अपनी सुरक्षा के वास्ते सोना । सेपटी के लिए आज तक भारतवासियों ने सोने की महत्ता को माना है । जब भी मनुष्य के ऊपर वक्त बेवक्त अचानक कोई आफत आ खड़ी होती है, आधी रात को उस पर मुसीबत आती है तो उस वक्त उसके पास यदि कुछ सोना होता है तो वह

ही उस आड़े वक्त में उसके काम आता है और सुरक्षा प्रदान करता है।

Chairman: Anybody else?

Shri V. C. Kesava Rao: We would like to know the amount of gold stocks held by them.

Shri P. Gopalakrishniah: The answer to this question is that every dealer has gold. A licensed dealer has got to declare his gold stocks with him.

Chairman: It is all right. They have declared the gold stocks.

Shri I. K. Gujral: One of the witnesses has agreed that there is smuggling. I want to know whether the smuggling is on the increase due to the inducement given by the dealers in gold?

Shri V. Pandurangaiah: Dealers are not interested in gold smuggling.

Chairman: Any other question?

Shri I. K. Gujral: I would like to ask one question from the witnesses as to whether his recommendation is only this. That is, the entire Bill should be dropped or is it possible that certain amendments could be made in the Bill which could meet most of the purposes that he is pleading for?

Shri V. Pandurangaiah: It is neither our intention nor our desire to teach the Government their own job. If the objective is to stop smuggling, Government are at liberty to take whatever measures they want under the Gold Control or any other Bill. I only submitted that when the other Bills like the Customs Bill and the Finance Bill are there which give Government ample powers to check smuggling, there is no need for this Bill.

Shri I. K. Gujral: My point is different. You have come here to give evidence for this proposed Bill. You have studied the Bill. You have seen the Bill. You have also seen the position obtaining for the last 18 months. Have you come to the conclusion that the Bill as such should be completely

dropped or have you come to the conclusion that there is a possibility of meeting the ends if Government, for stopping the gold smuggling, would come forward with an amendment in such a way that you would be satisfied?

Shri V. Pandurangaiah: It should be dropped.

Chairman: He has stated that in the Customs Bill and the Finance Bill ample powers are given to the Government.

Shri I. K. Gujral: I am trying to elicit from the witnesses information on the fact whether the Government has sufficient powers or not. I am trying to ask him that in view of the implications of this Bill, does he feel that the Bill should be completely dropped or does he feel that an amendment should be made in the Bill in such a way that his association or the people whom he represents would be satisfied?

Shri V. Pandurangaiah: I shall answer that question. Our suggestion is that the whole Bill should be dropped. If, for any reason, it is not possible, the quality control may go and I think safeguards may be provided.

Shri I. K. Gujral: Now, I want to ask another question. You recommend that the quality control should go. Supposing the Government were to agree with you that the quality control should go, can you suggest any ways and means by which our lure for gold can be substantially reduced?

Shri V. Pandurangaiah: Yes. Government promised to do a lot by propaganda etc. to reduce the attraction which the people have got for gold. I do not know as to how they are going to do that. If they succeed in doing it by their own methods, it will automatically disappear.

Shri I. K. Gujral: You, gentlemen, have been in this trade for a long time and you have come in contact with the people who have lure for gold. You

know their taste and their requirements and the reasons why they buy gold etc. I ask you that in view of the past experience you have and in view of the fact that socially this measure is necessary for us to reduce the lure for gold in the national interest, can you suggest some methods by which the lure for gold can be reduced?

Shri V. Pandurangaiah: I will be quite prepared to advise the Government. It is not a question of yes or no. I know this is a very big problem. If the Government so desire I am prepared to place my services at the disposal of the Government in an honorary capacity to find out ways of reducing the people's attraction for gold.

Shri Rejendra Pratap Sinha: Why don't you give your advice to this Committee?

Shri V. Pandurangaiah: It is not so easy. I am prepared to do that. But many things have to be considered.

Shri I. K. Gujral: Will you agree to send us your suggestions?

Shri V. Pandurangaiah: Yes.

Shri I. K. Gujral: Out of the various steps that you are thinking of can the reduction of the carat content of gold be one of them to reduce the lure for gold?

Shri V. Pandurangaiah: That is not the only way to achieve this objective.

Shri I. K. Gujral: Can it be one of the methods?

Shri V. Pandurangaiah: Yes, but there are complications. If you can get rid of the complications, that can be one of the methods.

Shri I. K. Gujral: You think that if this principle is effectively introduced and effectively executed, it can be one of the methods?

Shri V. Pandurangaiah: Yes, but not by reducing the content to 14 ct.

Shri I. K. Gujral: What, according to you, should be the carat content?

Shri V. Pandurangaiah: Again it is not so easy. Some industries or some

units require 18 ct, some 22, others 24 and possibly some may require only 9 or 14. It cannot be a sweeping thing for the whole country, for all purposes and for all industries. This is an arbitrary decision taken by the Government with which I beg to differ.

Shri I. K. Gujral: Do you think that if this 14 ct. idea is furthered and introduced in the form of a law, there will be the possibility of people buying 14 ct. gold ornaments and again re-melting and converting them into higher purity gold?

Shri V. Pandurangaiah: It is quite possible.

Shri I. K. Gujral: In that process how much loss will they suffer?

Shri V. Pandurangaiah: They will not suffer any loss physically or metallurgically.

Shri I. K. Gujral: Supposing I were to go or my wife were to go and buy an ornament of 14 ct. gold. You say that people do not like this 14 ct. ornaments. Supposing my wife goes to a goldsmith and asks him to melt that ornament and convert it into 22 ct. ornament. What will be the loss?

Shri V. Pandurangaiah: Theoretically there will be no loss because if it is refined you can get back the 14 ct. gold. Only half or one per cent is likely to be lost in that process.

Shri I. K. Gujral: Do you think in that case that Government's purpose will not be fulfilled because people might buy 14 ct. ornaments and convert them into higher purity gold?

Shri V. Pandurangaiah: That is right. There are some ornaments which have some solder work. That solder content will be a waste.

श्री शेरखान : श्री चन्दुलाल, कल आप क्रमा रहे थे कि स्मगलिंग के लिए फारेन एक्सचेंज आता है। क्या आप बता सकते हैं कि यह फारेन एक्सचेंज किस की तरफ से मिलता है, कौन है, जो फारेन एक्सचेंज दिया करते हैं ?

श्री चन्दूलाल कस्तूरचन्द : यह बनाना मेरा काम नहीं है, गवर्नमेंट का काम है। एक्सचेंज का सब कंट्रोल गवर्नमेंट के हाथ में है। जो स्मगलर्स आते हैं, वे नहीं पकड़े जाते हैं। उनका फ़ारेन एक्सचेंज कहां में मिलता है, यह सोचना गवर्नमेंट का काम है। पच्चीस, पचास करोड़ का फ़ारेन एक्सचेंज कहां से आता है, किस रास्ते से आता है, कौन लाता है, यह हम नहीं बना सकते हैं।

श्री शेरखान : स्मगलिंग करने वालों को पकड़ने के लिए सेंट्रल एक्साइज वाले कोशिश करते हैं, भागदौड़ करते हैं। क्या फ़ारेन एक्सचेंज के बारे में पता लगाने के लिए भी उन्होंने कोशिश की है ?

श्री चन्दूलाल कस्तूरचन्द : हमें पता नहीं है कि गवर्नमेंट ने कोशिश की है या नहीं। वे लोग इनवायस कम करते हैं या नहीं और फ़ारेन कंट्रीज का पैसा हिन्दुस्तान में कैसे लाते हैं, गवर्नमेंट ही इस को चेक कर सकती है।

श्री शिव नारायण : क्या आप इस बिल के सिद्धांतों से सहमत हैं ? इस में जो कुछ कमियाँ हैं, क्या उनको दूर करने के सम्बन्ध में आप सहमत हैं ?

श्री चन्दूलाल कस्तूरचन्द : केवल सिद्धांत से सहमत होने का प्रश्न ही नहीं है, क्योंकि सिद्धांत को अमल में लाना बड़ा कठिन है। जब हमारे देश में आनाज बगैरह की समस्या हल हो जाये, हमारी पंच-वर्षीय योजनाएँ सफल हो जायें, देश एड्युकेटिड हो जाये और यह समझने लग जाये कि पैसा दूसरी चीजों में इन्वेस्ट किया जाना चाहिए, तब इस प्रकार का बिल सफल होगा। सिद्धांत चाहे कितना ही ऊँचा हो, प्रैक्टिकल कठिनाइयों के रहते हुए उस को काम में नहीं लाया जा सकता है।

श्री शिव नारायण : इस बिल से विजिनैसमेंट को क्या रक़ावट है ? गवर्नमेंट आप को क्या सुविधायें दे ?

श्री चन्दूलाल कस्तूरचन्द : हम तो कह रहे हैं कि यह बिल वापस ले लिया जाये। जिस कानून या कायदे को केवल दस परसेंट मानें और नब्बे परसेंट न मानें उस का क्या फ़ायदा है ?

Shri Prabhat Kar: This smuggled gold which comes in the market must pass through one of the agents because smuggled gold gets transferred into ornaments. May I know exactly at which particular point if we try to control it we can make an effective check on this smuggled gold coming to the market? You are persons who are very intimately connected with the trade. I am not suggesting that any one of you indulges in encouraging smuggling. But it cannot be denied that during the process of the trade this smuggled gold must come into the market for transformation. I would like to know at which particular point we can have some effective check on this.

श्री चन्दूलाल कस्तूरचन्द : पहली बात तो स्मगलर को पकड़ना है और इस बात का प्रयत्न करना है कि फ़ारेन एक्सचेंज पर कंट्रोल हो, ताकि उस को फ़ारेन एक्सचेंज न मिले। दूसरा उपाय भाव को नीचा करना है, क्योंकि यह तो ह्युमन नेचर है कि कोई भी व्यापारी, डीलर, गोल्ड-स्मिथ या पब्लिक का ही कोई आदमी वही काम करता है, जिस में प्राफिट होता है।

Shri V. Pandurangaiah: I appreciate the question put. If you can prevent the man who smuggles into the country or the agent who is responsible to have liaison with that man from getting into the trade or bazaar, you can check it. There are unofficial agents and liaisons in the market for these people. If you prevent them from handling it direct from the smugglers, you will achieve it. I do not know how you can do it.

Shri Prabhat Kar: So far as the question of arresting the smugglers is concerned, Government have that in

mind. So far as foreign exchange is concerned, they are further tightening the regulations. These are only part of the work. You have been in the trade for all these years and you know that the gold which has been smuggled is being transferred into ornaments and then goes back. You must know the vulnerable point where the smuggled gold comes so that some effective check can be put at that point.

Shri V. Pandurangaiah: In the old days the smuggled gold was defaced, melted or converted into ordinary refined gold bars. The offence is the same whether it is kept in the original form or in the melted form. It is now so widespread that the agent who help in smuggling does not come to the dealer because dealers are under observation. It straightway goes to and sell it. The problem has become very wide. If gold worth Rs. 100 is offered at Rs. 80 anybody will buy it and sell it. The problem has become so widespread that I do not think that anybody can point out the vulnerable point.

Shri Prabhat Kar: You have suggested that quality control should be removed. You accept certain controls at certain stages. If the quality control is removed, what are the controls that you want to be brought in? The quality control, we agree, has not achieved the desired result.

Shri V. Pandurangaiah: It has created a lot of complications.

Shri Prabhat Kar: If the quality control is removed, which particular control you think will give an effective result?

Shri V. Pandurangaiah: All the other controls are there. The trouble comes only when they are not effectively implemented from the beginning to the end. Things come through the customs. They are not caught. That is why they come in. They come through a dealer. It is easy for the smuggler to melt it and make it into a bar. Then he can say that he bought it 25 years back and there is no means for the dealer to find

out whether it is smuggled gold, refined gold or kutchha gold. This quality control has got a different repercussion altogether. You have all the controls. The trouble is that they are not effective. If you make them effective at each point you will have achieved your objective. The other thing is, if you import gold worth about Rs. 5 crores or Rs. 10 crores and make it available through normal trade channels for genuine industrial or commercial purposes based upon previous usage—if there is any difficulty in getting it under IMF you have to do it through the export promotion schemes—and publish the news, immediately the prices will go down and there will be no incentive for smuggling.

Shri Prabhat Kar: It was suggested by a witness that because of the amendments which have been made there is now discrimination between the self-employed goldsmiths and jewellers. It was said that if they are allowed to make ornaments of 22 ct. gold the jewellers also should be allowed to do that. But supposing this concession is withdrawn and they are allowed to make ornaments only of 14 ct. gold, will that be all right?

Shri V. Pandurangaiah: Our recommendation has never been that it should be withdrawn. Our mind has always been positive and not negative. The Government was perfectly justified in saying that if a man wants to melt his old ornaments and remake them the Government or the State control should not stand in his way. As a matter of fact, the drafters of the Bill have provided for it in the original Bill. Our only point is that provision which is a healthy provision should be extended to all people. Now, because a goldsmith works in his house he is allowed this concession whereas goldsmiths employed by an organisation are not allowed the same. If they are also not allowed to do it, we will have no self-employed goldsmiths should be sacked. Therefore, they should also be given the same facility. If it is withdrawn there will be wholesale

unemployment, mass demonstrations, suicides and all that and you will be faced with a greater problem.

Shri Prabhat Kar: Therefore, the suggestion that you make is that the facility which is being granted to the self-employed goldsmiths should be further extended to the jewellers?

Shri V. Pandurangiah: Yes.

Shri Rajendra Pratap Sinha: Were there not gold ornaments made in pre-gold-control days in carats below 22?

Shri V. Pandurangiah: There were some articles like cigarette cases, bowls, cheap rings and others which were made even in 9 ct, but the percentages was one per cent or even half per cent. The main reason for having gold ornaments is as a form of saving or as an asset. There were some national-minded people who were not even having the Durban Bars but were having Indian-made bars. Therefore, 22 ct. or 24 ct. was the normal standard recognised for gold ornaments. As I said, there were some cigarette cases, some cheap rings and other things which were made in a very small proportion to cater to a particular class of customers.

Shri Rajendra Pratap Sinha: The ornaments used were of 22 ct. or 24 ct.?

Shri V. Pandurangiah: Yes.

Shri Rajendra Pratap Sinha: You said yesterday that after the introduction of gold control and the coming in of 14 ct. gold ornaments nobody practically wants such ornaments. You also said that people are getting gold ornaments of 22 ct. and 24 ct.

Shri V. Pandurangiah: That is the real truth and one day the Government will recognise that truth.

Shri Rajendra Pratap Sinha: Supposing that facility is withdrawn from the self-employed goldsmiths instead of extending it to the jewellers, will it encourage the use of 14 ct. gold ornaments?

Shri V. Pandurangiah: I do not think so, the Government has lost the

chance. You have given sugar to the baby and now if you withdraw it it will cry more and you will have more problems on your lap.

Shri B. R. Bhagat: Were there not jewellery studded with gems and diamonds in gold below 22 ct.?

Shri V. Pandurangiah: Not in South India. The gold used in such ornaments is only one per cent and by reducing the quality you will not gain much.

Shri B. R. Bhagat: The gold used may be very small, but was it not of less than 22 ct.?

Shri V. Pandurangiah: It was less than 22 ct. But never look at it from that point of view. In practice we were using 22 ct. gold. Almost 100 per cent of our production was with 22 ct. gold.

Shri Tridib Kumar Chaudhuri: The witness from Madras just now stated that the Government has lost the chance. Forgetting for the moment what the Government has done or has not done and taking the matter as a purely theoretical issue, will it be possible to reduce the demand for pure gold in this country by restricting the making and re-making of all ornaments in 14 ct. gold only?

Shri V. Pandurangiah: May I answer this question in another way? If you want to achieve the lessening of consumption of gold for ornaments purposes, which in itself is much smaller in proportion, as compared to the gold used for hoarding, the only method by which you can do it is to restrict the quantity of ornaments in possession of a man. You can either specify that in relation to the status or otherwise. Now, I can hoard 100 necklaces; nobody can prevent me from hoarding 200 rings. There is no control on possession of ornaments. If you want to decrease the lure of gold or possession of gold for making into ornaments, the only way you can do is to impose quantitative restriction on possession of ornaments. This can be worked out. But the Government have

not tried it so far. They can try it now.

Shri Jashvant Mehta: The basic question involved here is the drain of foreign exchange due to the disparity in international price which results in smuggling. That is why the Government has introduced the Gold Control Bill. Have you tried to find out in which countries there is a market for our gold ornaments where you can export and earn foreign exchange and is it possible for you to do so?

Shri V. Pandurangiah: I happen to be on the Export Promotion Council for Precious Stones and Jewellery and I have put forward several suggestions for export of ornaments. As a result of Shri Manubhai Shah's very great and enthusiastic measures, we are now today exporting a large amount of gold ornaments set with stones, *meena* ornaments, enamelled ornaments, some of our old handicrafts etc. You may be very interested to know that very good business has been built during the last six months or one year.

Shri Jashvant Mehta: Which are the countries where we are exporting our gold ornaments?

Shri V. Pandurangiah: All over the world—England, France, Germany, America. They are all very well received there. But, here there are so many restrictions. Suppose you want to make 22 carat *meenakari* work; now you cannot do so. You have got to take a licence and you have to go through this and that. On the total quantity of export only 10 per cent gold is imported. There is this handicap. In other commodities you give 40, 60, 70 per cent import. If you do that here also, then the export business will go up.

Shri Jashvant Mehta: We have to earn foreign exchange. The other resources cannot be diverted. You can export gold ornaments and earn foreign exchange. Government can allow the import of gold to that much extent so that the disparity in price

may go down. Do you approve of this idea?

Shri P. Gopalakrishniah: We will export gold ornaments, if there is an incentive for us to do so. But with all the conditions and restrictions imposed on export of gold ornaments, I cannot get any profit in that business.

Shri Jashvant Mehta: Suppose all those are removed.

Shri V. Pandurangiah: If you allow cent per cent import, it will relieve the tension immediately.

Shri P. Gopalakrishniah: Where is the chance of exporting gold ornaments, when you are to buy gold at a higher price here and you are to sell the ornaments at a lower price abroad? If gold equivalent to the quantity of gold ornaments exported is allowed, then we will be able to do so. How does the present position help us?

Shri Jashvant Mehta: There is no question of helping you. It is a question of helping the country. The country cannot afford this drain of foreign exchange.

Shri P. Gopalakrishniah: Even if you allow the same amount of gold to be imported, how are we to meet the needs of the people in the country here? Because the need is there, the smuggling is going on.

Shri H. M. Mehta: If we want to make higher purity ornament, we have to do it in a segregated place. I am told by the Department concerned that segregated place means there should be a room separately meant for carrying out higher purity work and as soon as that work is over that room must be locked and kept separate. This means that we have to make additional provision for this room in our place of work. Secondly, there is no provision as to from where we can get gold. As for example, I have been allowed to keep a provision of 1000 grams of primary gold. So far I do not know from where I can get this gold. If these problems are solved, then we can export.

Shri Jashvant Mehta: You forget about the Export Promotion scheme. If the new policy is evolved by Government by which you can export ornaments and earn foreign exchange, then that will bring pressure on the price here and smuggling also will go down. I want to know whether it is possible for you to export ornaments? We are considering this *de novo*.

Shri V. Pandurangiah: If we are allowed to import gold to the full value of our export, it will ease the situation considerably.

Shri S. R. Rane: Can you give us the time when the ban on import of gold was introduced?

Shri S. N. Gokhale: September, 1939.

Shri S. R. Rane: Can you give us any idea as to how much gold was being imported in India and the value thereof on an average per year before September 1939.

Shri V. Pandurangiah: We have got records in Reserve Bank of India.

Shri Chandulal Kasturchand: Import figures are available in Reserve Bank of India. We have not studied it.

Shri V. Pandurangiah: 1000 tons of gold have been taken out of the earth and brought into circulation in various countries from 1900 onwards.

Shri Dahyabhai V. Patel: Before the rules were made, since you are in the trade and you are the best persons to advise Government, did the Government consult you as to how effectively the smuggling can be prevented?

Shri V. Pandurangiah: That was my first point. In foreign countries they have got experts from the trade to advise the Government on problems connected with the trade. Unfortunately here Government have not thought it fit to do so. The trade would be glad to send its technical representatives to advise the Government on the impact of a particular legislation and they will swear for its

secrecy and they would certainly have been able to advise on some of the measures brought in by the Government which have proved to be so impractical and with so many imperfections. It is because some of the measures brought in by the Government proved to be so impractical with so many repercussions that I suggested that we should have been consulted as it is done in other countries. But we have not been consulted.

Shri Dahyabhai V. Patel: Do you feel that the ban on the import of gold has caused or has accentuated the spiral of inflation?

Shri V. Pandurangiah: It is a very vast subject, but inflation has gone up for so many reasons. But the total ban on gold has immediately resulted in higher prices in the country and attraction by the smuggler. It is just like air gushing in towards the vacuum. When the profit is there, you cannot prevent a human being from taking advantage of it if he can do so with impunity. That is the trouble.

Shri Dahyabhai V. Patel: Has anybody from the Customs Department or from the Revenue Department asked you about the activities of smugglers, who the smugglers are, and what their activities and ramifications are? Have they tried to find out from you?

Shri V. Pandurangiah: They know very well. They have awarded a meagre reward of Rs. 5,000. If you give information about smuggling to the extent of Rs. 50 lakhs, the Collector of Customs can give an award of Rs. 5,000. It has been there for sometime now, in the Customs Department, I think they have got their own method of finding out who the smugglers are. It is a simple thing.

Shri Dahyabhai V. Patel: If it is a simple thing, then the Government must be in the know of all this. You say they have not taken effective steps.

Shri V. Pandurangiah: I think the Government is very well informed.

Shri Dahyabhai V. Patel: Do you think that Government have not taken sufficiently vigorous or rigorous steps to stop the activities of smugglers?

Shri V. Pandurangiah: I can say, "effective." Not "vigorous". They have not been able to completely control the illicit smuggling.

Shri Dahyabhai V. Patel: Is it not a fact that when some of these foreign dignitaries come here, particularly from the Arab countries, a large retinue of people come with them, and is it not within the knowledge of the trade that they came with large quantities of gold that was sold freely in the markets in Bombay?

Shri V. Pandurangiah: We understand that several people came to sell gold and they were given permission to bring gold. That is what we were told.

Shri Dahyabhai V. Patel: Are the customs asked to connive at such things?

Shri P. Gopalakrishniah: I am sorry; permission will never be given, and it has not been given by the Government. But clandestinely, without the knowledge of the authorities, they bring in such things. We so hear from the papers.

Shri Dahyabhai V. Patel: That is a different point. What I ask is, is it not within the knowledge of the trade that particularly in Bombay, when certain dignitaries were invited to this country,—they were in high positions—it was within the knowledge of Government that they came with large quantities of gold that were sold freely in the market in Bombay?

Chairman: I think such allegations should not be made, especially against foreign dignitaries. It is not correct. I disallow that question.

Shri Dahyabhai V. Patel: I would not ask questions if you go on disallowing questions like this. I was going to make a protest about the question you disallowed yesterday. We are here to bring the facts before

you and suggest the steps that Government can take. If this is the attitude towards the questions put, I refuse to ask any more questions.

Shri Rajendra Pratap Sinha: I have a submission to make. It has been stated by the hon. Member, for whom I have got very great respect, that some foreign dignitaries, when they came to visit India, brought some gold and it was openly sold and so on. All this is taken down and the report will be published.

Chairman: The first reference was to the retinue of foreign dignitaries. Then he came to foreign dignitaries. I disallowed that.

Shri Rajendra Pratap Sinha: It is not a question of disallowing. They are part and parcel of the dignitaries visiting India. My submission is,—I hope the hon. Member who is a good friend of mine will not take it otherwise—that such questions should not be allowed to be published or printed.

Chairman: That is why I disallowed that question.

Shri Rajendra Pratap Sinha: What about the previous one?

Chairman: In that, he referred to the retinue. Retinue may be anybody; even a servant may bring it.

Shri Balgovind Varma: I think the remarks which have been made by the hon. Member should be expunged.

Chairman: I have disallowed that question.

Shri Dahyabhai V. Patel: You can expunge anything, but you cannot forget the truth; the truth cannot be expunged. It will always remain.

Chairman: Order, order. Shri Sezhiyan.

Shri Era Sezhiyan: The witness said that the effective way to control smuggling is to control the foreign exchange. If you push that logic further, the effective way to control foreign exchange will be, the

Government will have to take over the entire export-import trade. Is that his suggestion?

Shri S. N. Gokhale: We are not economists, but still we feel that Government should handle the foreign exchange business.

Shri Era Sezhiyan: If you have complete control over foreign exchange, does that mean that you should control the entire foreign trade, export and import trade?

Shri S. N. Gokhale: I wanted to make only this suggestion, namely, if the foreign exchange is not made available for gold, then this gold control will vanish and in that aspect I said that foreign exchange should be controlled by the Government.

Shri Era Sezhiyan: Now, regarding the memorandum from the Madras Association, when the Gold Control Order was promulgated in 1963, some time was allowed to sell the dead stock with the dealers. I think about one month was allowed, and by that time, the entire stock was almost sold out. In the memorandum, they say that in Trichinopoly, about Rs. 19 lakhs worth of ornaments were in stock. Can the witness explain how that stock came, whereas in other centres like Madras, Bangalore or Bombay, the ornaments were sold away? Only in Tiruchi, there was the dead stock of Rs. 19 lakhs worth of ornaments.

Shri P. Gopalakrishniah: The answer to this question is this. Immediately after the promulgation of the Gold Control Order and the rules, the dealers were allowed to dispose of their stocks from January 10, 1964, within 30 days; that is, up to the 9th February, we were allowed to dispose of the stocks. Large quantities of unsold ornaments were lying with them from that day, that is, February 9th. That was not permitted. We requested for an extension of time, but the Government did not permit us to sell those ornaments which were lying, and which were declared under the rules; they are still lying there. A

large quantity of synthetic stones which are used by the middle-class people are manufactured in Tiruchi and various other places in the surrounding areas, and they are still lying with them without any sale, because we were prohibited.

Shri Era Sezhiyan: My point is, is it a peculiar situation in Tiruchi to have such a dead stock, or, is it prevalent in all parts of the country?

Shri P. Gopalakrishniah: In other parts of the country also, there are some ornaments still lying, and we are every month declaring that as a dead stock. That record is there.

Shri V. Pandurangiah: What happens is this. You can never theoretically dispose of all the ornaments in a shop in one month. It is impossible. The very idea in the sale of gold is, we cannot go and sell. People must come. If they are articles of heavy weight, it is all right. But these ornaments are of very light weight, set with synthetic stones peculiarly made in Tiruchi district. These ornaments just happen to be not consumed within that one month. We asked for extension of time; we asked for open sale of them, but how can Government expect everything to be sold within one month? It so happens that it is not only these Rs. 19 lakhs worth of ornaments which lie there. There are several ornaments with every individual dealer which were declared every month and which are being kept inside. We are not allowed to sell them. They say we must melt them down. What is the use of making an ornament, spending energy and talent on it, and spending money on it, if we are asked to melt it down?

Shri Era Sezhiyan: In the memorandum submitted by the Madras association, they have asked for quantity control rather than quality control. Is that right?

Shri V. Pandurangiah: Yes, we have asked for that. We have made that as one of the suggestions that could

be adopted if the quality control is taken off, which is our main objective.

Shri Era Sezhiyan: The Tamilnad Jewellers Federation, of which I understand you are the vice-president, has stated at page 2 of their memorandum that:

"The Government should itself enter the gold market as a holder of gold and as a buyer and seller with the object of bringing down the price to international levels."

Does it mean that the Government of India should take over the entire trade?

Shri V. Pandurangiah: No, it was not that. Just as so many millions of tons of wheat are being imported and sold to the people, likewise gold also can be imported by Government and sold to the people. This has been one of the suggestions which has been made from the very beginning. The moment it is announced that Government are going to import gold and give it to *bona fide* traders on some particular basis or formula, the price will go down, and smuggling will be stopped automatically.

Shri Era Sezhiyan: That is, you will buy at international prices and make a huge profit here?

Shri V. Pandurangiah: Government can make a profit, and out of that profit, they can again buy gold, and the capital will be received, and foreign exchange will also be saved.

Shri Era Sezhiyan: How is that going to stop smuggling? The smuggler can still make a huge margin of profit.

Shri V. Pandurangiah: Smuggling is attractive only because of the price disparity. If you take away the disparity the smuggler will find that he is not going to get any benefit, and immediately smuggling will come to a stop.

Shri Era Sezhiyan: Your idea is to bring gold from outside on international price and sell it here at international price?

Shri V. Pandurangiah: No; Government can buy gold at the international price and sell it at some margin of profit here.

Shri Era Sezhiyan: What is the margin of profit that you suggest in order to discourage the smugglers from coming into the market?

Shri V. Pandurangiah: If the gold is sold at a little over 10 per cent above the international price, no smuggler will find it worth the while to resort to smuggling.

Shri L. N. Bhanja Deo: I would like to ask one question to the representative of the Bengal association. The other day, some of the goldsmiths who appeared before us said that there were certain special categories of work being done in Bengal which cannot be done except with high purity gold, that is 20 or 22 ct. What are the particular types of work for which this high purity gold is required?

Shri N. L. Mookerjee: For instance, I would mention the filigree work which is appreciated throughout the world, and which is particularly of Indian origin. That work originated in Orissa, and it was very much practised in Bengal. It had, and perhaps even now it has, a great demand and it is appreciated all over the world, and particularly in our country. This filigree work cannot be done with lower carat gold ornaments. At least 22 ct. gold is required for doing this kind of work. Enamel work also requires higher purity gold, and this work is done mainly in the Jaipur style, and this cannot be done with lower carat gold.

Shri L. N. Bhanja Deo: Enamel work cannot be done with lesser purity gold?

Shri N. L. Mookerjee: No.

Shri V. Pandurangiah: It cannot be done, because the question of the difference in melting points etc. comes in.

Shri L. N. Bhanja Deo: If this curb is there, is there any fear that this craft will pass over to other countries

where there is no ban on the purity of gold?

Shri N. L. Mookerjee: Yes, certainly. We have that fear. For instance, it may go over to Pakistan and other neighbouring countries which are also well-versed with this sort of fine artistic work, and we shall suffer very much on account of that, because we shall be losing a very great industrial art.

Shri L. N. Bhanja Deo: There is a big influx of population from Pakistan. Do you think that this craft will go back again to Pakistan?

Shri V. Pandurangiah: That is the influx of people, but this is a question of the export of the art.

Shri L. N. Bhanja Deo: Enamel work is not confined to Bengal only, but it is prevalent also in Rajasthan, the Delhi area and other areas. In Germany also, we have seen some enamel work with gold of less purity than 18 or 22 ct.

Shri V. Pandurangiah: We have no idea of that. If the hon. Member wants, we can just demonstrate it before you. We can get a few pieces of enamel work and show why such work cannot be done with lower purity gold.

Chairman: That has been shown to us already by the Bombay people.

Shri V. Pandurangiah: The All India Jewellers Association representatives are waiting, and they shall be bringing some samples of enamel work and show them before you.

Shri L. N. Bhanja Deo: I would like to know why such work cannot be done with gold of lesser purity.

Shri V. Pandurangiah: Enamel which is a composite of glass and other chemicals has got a certain melting point; gold of a lower purity has got a certain melting point. When you melt enamel, the heat will melt that gold also. Therefore, the gold must have a higher melting point than the enamel which is fused on to that. It

is a question of physics. When you heat the thing, it must stand the heat; otherwise, the article will melt before the enamel melts. That is the difficulty.

Shrimati Tara R. Sathe: I would like to ask one question of the representative from the Poona association. He has stated that Government have given enormous powers to the administrators as a result of which some dealers are harassed by the executive authorities. Will he throw some light on this, and suggest to whom these powers should be given?

Shri K. P. Joshi: I had made a reference to the harassment by the inspectors and deputy superintendents who are the detecting officers in these proceedings. The harassment is of such a nature that when they allege that a certain person is a defaulter, he is forced to give a statement, and the statement is in the form of a confession from him. That is most objectionable. I suggest that such confessions cannot be taken by the detecting officers from such a person. I would suggest that there should be some specific comparable to the one in the Criminal Procedure Code. In section 164 such powers are given to the judicial officers, that is, the magistrates. Power to record statements and confessions under section 164 is given to the magistrate, and the magistrate shall, before recording any such confession, explain to the person making it that he is not bound to make a confession and that if he does so, it may be used against him as evidence. Under that provision, only if a person is ready to make a confession, it is recorded, otherwise not. But, nowadays, what is happening is that no sooner is a person caught than his statement is recorded, his signatures are obtained and so on.

Therefore, I suggest that section 164 should apply or some such parallel provision should be there in this case also.

Another harassment to which I had made a reference was this. . . .

Chairman: You have said that already. You need not go beyond the question.

Shrimati Tara R. Sathe: I would like to put one question now to the Madras association representative. He wants quantity control. Does he think that the people will welcome quantity control more than quality control of 14 ct.?

Shri V. Pandurangiah: My point is this. If you impose quantity control, the whole nation will come up against you, and then only you will realise the seriousness of the measure and you will be tempted to drop the entire Bill, and I am inviting that by making this suggestion.

Shrimati Tara R. Sathe: That means that you want neither quantity control nor quality control?

Shri V. Pandurangiah: I do not want any control. The hon. Minister himself has declared on several occasions on several platforms that controls are bad. . . .

Shrimati Tara R. Sathe: It has been stated that for some religious purposes, some gold is required. Do you feel that 14 ct. gold will not be welcomed by the people?

Shri V. Pandurangiah: No, it cannot be used for religious purposes.

Shrimati Tara R. Sathe: The people will not like it because of the tradition?

Shri V. Pandurangiah: Some of the ornaments given for temples etc. are made out of pure gold for more reasons than one, because this custom has lasted for several centuries, and the ornaments have got to be studded with gems etc.

Chairman: Is there any religious injunction like that?

Shri V. Pandurangiah: No, Sir.

Shrimati Tara R. Sathe: Somebody said that while sarafs have got the licence to handle 14 ct., the goldsmiths

have not got it. Do you like goldsmiths also to get licence for melting and handling gold up to 14 carat?

Shri V. Pandurangiah: The one category, I believe, can make ornaments of 14 ct. gold while the self-employed goldsmith can make ornaments of higher purity of gold by melting old ornaments. Even in the Government regulation there is a restriction that such self-employed goldsmiths cannot be entrusted with 14 ct. gold. It is a hardship. They can eke out their livelihood only when somebody comes with an old ornament.

Shrimati Tara R. Sathe: Suppose tomorrow it is given to them that 14 ct. also they can do just as sarafs have got. What do you feel? Will it be better?

Shri V. Pandurangiah: Oh yes.

Shrimati Tara R. Sathe: From the point of view of the goldsmiths?

Shri V. Pandurangiah: Goldsmiths must be given all facilities, not only to make 14 ct. ornaments but higher purity gold ornaments also.

श्री चन्दूलाल कस्तूरचन्द : यह बहुत मुश्किल है। पब्लिक भी १४ कैरट को पसन्द नहीं करती है। हमारे लिये भी चौदह कैरट के जेवर तैयार करना बहुत मुश्किल है। It will be very difficult for the public.

Shrimati Tara R. Sathe: If Government makes some arrangement for testing the carat contents of ornaments, whether it is bought from saraf or from the goldsmith or elsewhere?

Shri Chandulal Kasturchand: It will be very difficult.

Shrimati Tara R. Sathe: You said that you would have liked to advise the Government but that Government did not ask you. Did you ask the authorities, as a citizen?

Shri V. Pandurangiah: I never try to give advice when I am not asked.

Shri S. C. Samanta: The representative of the Madras Jewellers' and

Diamond Merchants' association told us just now that our Minister for International Trade, Mr. Manubhai Shah, is encouraging the export of Indian ornaments to other countries. May I know what sort of incentive is being given to them and whether the trade likes this encouragement, and if so whether they are demanding for the establishment of a gold ornaments export promotion committee?

Shri V. Pandurangiah: We greatly appreciate the concessions and incentives and we are constantly trying to make it better and get the concessions that are not yet given. We are very much seized of the subject in the Export Promotion Council. That is going on very well. Of course it can be better.

Shri S. C. Samanta: The representative of the Calcutta Jewellers' Gold and Silvermiths' Association told us that there are various kinds of ornaments which are liked by foreigners. May I know whether they are importing them and, if so, what sort of encouragement is coming and whether that encouragement has been demanded of the Government.

Shri N. L. Mookerjee: I did not say anything about importing ornaments from other places.

Shri S. C. Samanta: It was said that these ornaments are liked by other countries. He mentioned about Pakistan also.

Shri N. L. Mookerjee: What I said was that a kind of special work for which India is noted throughout the world, enamelling work and filigree work, is in demand by the foreigners. These works are appreciated, and these are appreciated in India also very much as special type of oriental work. And what I said was that this type of work cannot be prepared in lesser carat gold.

Shri S. C. Samanta: What sort of incentive will the trade require if they are allowed to export Indian-made ornaments?

Shri N. L. Mookerjee: I must explain that there is a misconception about this. It is taken for granted that perhaps all registered dealers are capable of exporting jewellery and gold ornaments to other countries. A goldsmith who makes up to Rs. 10,000 a year is also a dealer, but such dealers cannot make exports. My point is that for this indigenous industry, if these dealers are to export all these things it will be impossible for them to do so. Only diamond merchants and very big jewellers can export them. The filigree etc. have to be done in India and consumed mostly in India.

Shri Balgovind Verma: I think you people are opposed to the little concessions given to the certified goldsmiths.

Shri V. Pandurangiah: No, Sir.

Chairman: They want that concession to be extended to them.

Shri Balgovind Verma: Some said that a preferential treatment has been given to them.

Shri V. Pandurangiah: Our mind has always been positive.

Chairman: They said, "It is a good concession, but give it to us also".

Shri Balgovind Verma: What is your position in so far as producers and consumers are concerned in the trade? What position do you occupy?

Shri V. Pandurangiah: We are manufacturers, wholesalers and retailers.

Shri Balgovind Verma: Not middlemen?

Shri V. Pandurangiah: No, we are manufacturers, wholesalers and retailers. Unfortunately the word middlemen has got an odium about it and so much is said on various platforms. I shall only say this, that if you drop the middlemen you drop the entire national trade. I do not think it has been viewed properly at all.

Chairman: You need not pursue that matter.

Shri Balgovind Verma: I think these jewellers and sarafs make use of the services of goldsmiths. How far is that true?

Chairman: They do use.

Shri V. Pandurangaiah: I can make it theoretically but not practically. I still want a goldsmith to do it.

Shri Balgovind Verma: So far as this position is concerned are you not in the position of a middleman?

Shri V. Pandurangaiah: There is no middleman at all.

Chairman: It has come in the evidence that each of them has thirty or forty people under him. They get the ornaments manufactured by them, and they also pay them 35 to 40 per cent as wages.

Shrimati Nandini Satpathy: The Madras Jewellers' Association memorandum says that the trader-employed goldsmiths have suffered very much after the Gold Control was relaxed a little. That means that when the facility was given to goldsmiths for repairing and refashioning old ornaments, these trader-employed goldsmiths suffer. But actually we find that the self-employed goldsmiths suffer much because people generally do not go to them as they do not find any security in them. So, can they explain this?

Chairman: How do you expect them to explain? It is not a proper question.

Shrimati Nandini Satpathy: They can say how goldsmiths employed by them are suffering after these orders came into force.

Chairman: The Bombay people said 'We dismissed them'.

Shri V. Pandurangaiah: Over a period of 40-50 years, the trade has slowly shifted from the small goldsmiths working in their homes or in the homes of customers and shops to shops who guarantee employment and co-ordinate. So the goldsmiths came and worked under the merchants.

After this, we have sacked them from our employment. Naturally, they were unemployed and they had even to commit suicide. Now you are helping them. It is a very good thing you have done.

Shrimati Nandini Satpathy: Of those who have committed suicide, what is the percentage who have been employed by the traders and the self-employed goldsmiths?

Chairman: I do not think they have statistics.

Shri V. Pandurangaiah: We have sent away a lot of people after the Order.

Chairman: Is/was there anybody employed by you among those who have committed suicide?

Shri V. Pandurangaiah: No, no, not personally. But it is reported in the papers.

श्रीमती लक्ष्मी बाई : मैं गुजरात के गवाहों से पूछना चाहती हूँ कि क्या आजकल उनके यहाँ २२ कैरट की ज्यादा मांग है या १४ कैरट की।

श्री वी० पांडुरंगया : देश के लोगों की मांग तो २२ कैरट की ही है, लेकिन एक्सपोर्ट के लिए हम १८ कैरट से नीचे का नहीं बना सकते हैं।

श्रीमती लक्ष्मी बाई : जब १४ कैरट से ज्यादा का बनाने की आपको इजाजत नहीं है तो आप १८ कैरट का कैसे बनाते हैं।

Shri H. M. Mehta: I think your question is whether at present we are exporting gold in Madras. At present in Madras, very few people are exporting because so far no facilities have been given for manufacturing over 14 carat ornaments. There are no registered dealers who are given the facilities. We are only doing 14 carat, and whatever is left over also.

श्रीमती लक्ष्मी बाई : जब बाहर वाले १४ कैरट को लेते हैं, तो उसी को एनकरेज

करने के लिए तो गवर्नमेंट यह बिल लायी है। गवर्नमेंट चाहती है कि १४ कैरट का जेवर देश में भी लोकप्रिय हो।

Shri P. Gopalakrishnaiah: Your question is: when other countries are adopting 14 and even lesser purity, why not we in this country do the same?

Shrimati Sangam Laxmi Bai: Only to popularise 14 carat, we introduced the Bill.

Shri P. Gopalakrishnaiah: No, immediately after the Rules came into force, we tried to popularise 14 carat. We manufactured them and exhibited them in our show rooms. But after some time, we found there is no demand because people do not respond to it.

श्रीमती लक्ष्मी बाई : यह गोल्ड कंट्रोल आर्डर तो १८ महीने से अमल में आने लगा है। जब डिफेंस के लिए देश में सोने की जरूरत हुई थी तो औरतों ने अपने जेवर सरकार को दिए थे। उन जेवरों की जांच सरकार ने शराफों से करवायी थी। उनकी रिपोर्ट है कि ज्यादातर जेवर १६ से १८ कैरट के थे। इसका मतलब यह है कि गोल्ड कंट्रोल आर्डर के अमल में आने से पहले भी २२ कैरट से कम के जेवर बनते थे। क्या यह रिपोर्ट गलत है ?

Shri P. Gopalakrishnaiah: As for reports from the Government mints in respect of donations given by the public, it has been brought to notice that many of the ornaments are of lesser fineness.

There is a proverb in Telugu which says that if a cow is disabled, it is given as *dan* to a Brahmin! In the same way, they might have given 9 or 14 carat. There is no point in taking the basis for that. Suppose you take a jewellery given by a dealer with a guarantee and it turns out to be of lesser purity. How many such cases have come before courts of law?

Chairman: There is a Kannada proverb which says that even if the wife gives gold to the husband for making some jewellery, the husband will knock off 25 per cent?

Shri P. Gopalakrishnaiah: That is not the basis for judging whether the dealers are honest or not. There may be a few dishonest dealers. Actually, dealers are not manufacturers. We entrust the work to the worker. Oftentimes, it so happens that our own workers deceive us.

श्रीमती लक्ष्मी बाई : मैंने एक बैंगल सन् १९५० में २२ कैरट का बनवाया था। जब मैंने उसको डिफेंस के लिए दिया तो मुझे रिपोर्ट मिली कि वह १८ कैरट का था। इसमें कौन सी चोरी है ?

Chairman: How could they explain that?

Shrimati Sangam Laxmibai: They know. They are experts.

Shri P. Gopalakrishnaiah: It is a wrong basis for charging all dealers with dishonesty.

Chairman: It need not be answered.

Shri B. D. Pande: A point was made that about Rs. 90 lakhs worth of unsold jewellery is there in Tiruchirappalli alone. I am not aware of this. It was reported to us that on 9th Feb. 1963, after the period of free sale was over, about 8 crores worth of ornaments were left with the trade as declared stocks. Then concessions were given to the trade for export of gem-set jewellery which contained less than 20 per cent gold. This brought down the figure of stocks to about 3½ crores in Sept. 1963. Then concessions were further liberalised to allow export upto 40 per cent gold content.

My point is that the last figure we had from dealers as submitted to us was a total stock throughout the country of much less than Rs. 50 lakhs worth ornaments still unsold. We discussed with the trade only a few months ago. It was agreed that now

only individual permits might be given because very small individual stocks are left. I am therefore surprised at the mention of a figure of Rs. 90 lakhs in Trichy alone when all over the country unsold stocks are less than Rs. 50 lakhs worth ornaments.

Shri P. Gopalakrishnaiah: We have given the figures supplied by the traders in Trichy. It is not the figure for Trichy alone. We know that there are 5,000 workers round about Trichy city. I was referring to the total quantity on the date of declaration, when it was prohibited to sell further. After that permission was given by the Administrator to export to other countries up to, a percentage of 20 per cent of gold ornaments. 40 per cent is the next concession given, but it is for certain types of ornaments where there are precious stones, synthetic jewellery, where the gold content is 70 to 80 per cent and the rest are stones. So, it is not possible to export them.

Shri B. D. Pande: My only point was about the figure of Rs. 90 lakhs but according to our figures for the whole country it is less than Rs. 50 lakhs.

(The witnesses then withdrew)

VII. Shri V. B. Gandhi, M.P.

(The witness was called in and he took his seat)

Chairman: As you very well know, the evidence that you give here is public and is liable to be printed, published and distributed to Members. Even if you want any portion of it to be confidential, still it will be distributed to Members. Your memorandum has been distributed to all members. You have got an opportunity of speaking in the House. So, if you want any particular point to be stressed before the Committee, for the information of the Committee, you may do so. I would request you to be brief and precise, as you always are.

Shri V. B. Gandhi: The proposition that I wish to submit to this hon.

Committee is that gold control is not a solution to our problem. I shall presently try to explain how. But if the Government wants gold control, it should be given gold control for, after all, we are living in times of national emergency and nothing should be grudged to the Government. If the Government feels it can check smuggling, it should be allowed to try it; if the Government feels it can discourage hoarding, it should be allowed to try it; if the Government feels that gold control will lead to economy in the use of gold in the community, it should be allowed to try it. As I said, nothing in this national emergency should be denied to the Government.

Of course, it will be the duty of this Committee to see whether the gold control scheme is suitable one and as such will meet with the approval of Parliament. In this connection, there should be one qualification with which this gold control should be allowed, and that qualification is that there should be a limitation on the period for which this gold control should be allowed in the first instance. I particularly wish to emphasize this limitation of period, because, as we know, nowhere else in the world is there a gold control of the kind and of the pattern that is proposed here. Of course, there are some forms of gold control practised in some countries but most of these controls are such as are in the interests of protecting the monetary gold reserves of the country and in most countries there is no restriction on the export and import of gold in the form of ornaments, fabricated gold, or on the possession of gold. I know the official view is that if we have to have gold control in this country we should make it known to the people that gold control has come to stay, as then only in their view, such a control will succeed. But this official view notwithstanding, I would still maintain that we should concede this gold control only with a limitation of period. I would suggest that the period should

be for the duration of the emergency and six months afterwards.

We should have a chance to return to pre-control freedom so that the whole question could be considered *de novo*. That is my first point. Gold control does not solve our problem and many of us have serious misgivings about the present gold control being a solution to our problem. Our problem is not merely that there is smuggling which should be checked nor that there is hoarding which should be discouraged. Probably stricter vigilance and freer flow of gold in and out of the country would achieve that objective; we need not have to have gold control for that; we can also take care of the loss of foreign exchange that is occurring today without gold control of the kind proposed here. Our problem is to bring the price of gold in India to a level with the price of gold abroad. That is the problem. If we can do that we shall be approaching the solution in the right way; that alone will bring out troubles to an end; nothing else will. That alone will prove a permanent solution to our problem. All the other measures that we hear about cannot be a permanent solution to our problem. They will only prove expensive in terms of hardship to the people; they will go against the grain of human nature; they will result in the dislocation of established trade channels. All this will follow and we have to consider whether that is a price worth paying for gold control.

As I have said, we should remember that nowhere else in the world is there gold control of the pattern that we are proposing here. I know the solution I proposed is not easy to achieve but that is not to be taken as something very immediate; it is to be taken as policy to be resolutely pursued, it is to be taken as a long term objective. No other solution can be considered scientific and permanent. That solution is a kind of a challenge to our ability to think con-

structively in these matters of currency and finance and gold. It should not be considered too difficult of accomplishment. Other countries have done it; they have accepted the challenge. We all know the history of countries like Germany and Russia and other countries whose currency a few years ago was reduced to absolute worthlessness. They have worked their way back by resolution and by adhering to principles of sound currency. It is quite obvious that we cannot hope to have any permanent solution of a problem of this kind in isolation from other countries. Gold policy and gold control is not a kind of a field where unilateral action can succeed. Other countries have shown the way and we ought to learn from their example. We know that the kind of gold control we have in view is after all a domestic operation. It could not have any influence on the price of gold in other countries. This will just be a unilateral action on our part. Gold is an international commodity in a sense as no other commodity is. We should also remember that there are vast quantities of gold in the world which are not under the control of the Government of India and the sheer dimensions of these quantities of gold in the world are staggering. If we realise that every year something like more than a thousand million dollars worth of gold is being added to the world stock of gold, we could get an idea of the position. In 1962, 1300 million dollars worth of gold was produced; some 200 million dollars worth of gold was made available to the world from Russia by Soviet sales of gold. In other words, there were 1500 million dollars worth of gold in one single year. The usual guess made about the hoards of gold in our country is something like 3.5 billion dollars. Compare this with only the monetary reserves of the world in gold which were, in 1962, 39.7 billion dollars worth. They are just the monetary reserves. The actual quantities of gold in those countries should be many many times more than the monetary reserves, because, after all, monetary

reserves are only a fraction of the gold available in the country. That gives us some idea of the dimension.

In view of the fact that such vast quantities of gold are there which are not under the control of the Government of India, anything that we may do in this country would be, as I said, just no more than a kind of domestic affair and we should not presume too much and we should not expect to have dealt with the entire problem.

There is another point in this connection to be remembered and it is that the world has a stake in the stability of the price of gold. That is a very important consideration because the currencies of the world are based on gold and gold is an international currency in which settlements of current transactions and international deficits are made. Therefore, this world importance of gold has to be kept in mind. Any action taken in isolation by one country is not going to prove adequate. We cannot have any ready-made solution to the problem which we can offer here. Here it is only possible to indicate the direction, and the details of actions and the stages should be considered by competent authorities. All co-operation should be given to the Government on this measure, but with one qualification that it will be limited to the period of our national emergency and six months thereafter. Another of my proposals would be that the whole question should be considered *de novo* after that and that consideration should be entrusted to a Commission. The relationship between gold and currency of a country is so intimate that it should be called the Currency Commission. In our country such a Commission is overdue. That Commission should give full-scale consideration to the whole problem of gold and currency. I do not see there is anything to lose by having this whole problem considered by a responsible commission of the kind I have suggested.

We all know that our present situation in respect of our currency is a situation which should not be taken

as one which can be relied upon for long. That is so because of the role that international agencies like the International Monetary Fund and the International Bank and some others are playing. Because of that there has been a certain sense of security in respect of currencies in many countries. But I am afraid that sense of security may not be fully warranted. Therefore, I would again repeat that there is nothing to lose in having a very thorough look at the whole problem of currency and gold by a competent and authoritative body like a Currency Commission.

In the memorandum that I have submitted I have already said something about the question of hoarding. We do not know the amount of hoarding. It is just a matter of guess work. There are hoardings and hoardings. Some hoardings can be considered more blameworthy than others. Here in India, of course, we have extenuating circumstances. After all there are few countries in the world which have memories of famines. We had in our country recent famines of recent memory. What is more natural than is that people in this country like to hoard their savings in silver and gold. Then, of course, we have to consider that almost 80 per cent of our people are illiterate. They are not able to read and write, much less sign a cheque or keep an account in the bank. We are, of course, expanding our banking facilities. But much more still needs to be done. Hoarding is common to all countries. It is not something which exists only in India. I have given some quotations in the memorandum from the International Monetary Fund's report saying that it is common even to advanced countries and it is a problem for the International Monetary Fund. In 1962 almost 80 per cent of the gold produced in that year was utilised for non-monetary purposes. It was used of course partly in industries and partly it went into private hoards. A certain London firm of Brokers estimates that half of this non-monetary gold goes into private

hoards. As I have said, a permanent solution to our problem will be in achieving a parity between the domestic price of gold and the international price of gold. I know that is not as easy as it appears. There would be tremendous difficulties. But it is something that can be done. In conclusion, I would say that if the direction of our present efforts is followed, it can be done. There are helpful conditions in the world abroad. Then again we must realise and always keep in mind that what we are doing is to follow a long-term policy which may take 5, 10, 20 years or even longer. One of the first steps towards this will be a relaxation in the embargo on the import and export of gold. I know the moment we try such a thing it is going to result in a tremendous demand for gold. But that need not frighten us. The context of world situation is such that it is going to prove helpful, if we can use the situation skilfully to our advantage. There is a new orientation in the outlook of those who guide the policies of more advanced countries. New developments are taking place in the world.

Chairman: All that is there in your memorandum which has been circulated to all the Members of the Committee.

Shri V. B. Gandhi: Now I am on page 9. For example, you take the Aid India Consortium. That shows us how a momentous change has taken place in the attitude of advanced countries in the matter of helping developing countries. We would not have thought any such thing possible as giving assistance to a country like India in loans and grants to the extent of a billion dollars a year. Again there was the proposal considered in the U.N. World Trade Conference of setting aside one per cent of the gross national income with a view to aiding developing countries.

Chairman: You need not repeat whatever is contained in the memorandum. There are a number of witnesses waiting.

Shri V. B. Gandhi: Then, look at the instance of international co-operation that was illustrated in the Gold Pool, which was being operated by the Bank of England on behalf of several international banks. The new outlook in the matter of terms of trade is another instance. The increasingly useful and co-operative role that international bodies like the International Monetary Fund or the International Bank are playing, leads us to think that it is not impossible if we follow our policy to achieve parity in the domestic price and the international price of gold.

I will only say one word about smuggling and it is that smuggling is a problem peculiar to India and it is our problem. It will remain with us so long as we only think of checking smuggling and not removing the cause of smuggling. It is possible only when we try to achieve the objective of parity between the two prices—the price of gold in India and the international price. I don't think we hear about other countries having a smuggling problem of the kind we have here. We do not hear about smuggling in Canada or in Germany because in those countries the price of gold is the international price and here we have a different price. The price of gold in India is almost double the price of gold anywhere else in the world. To expect that there should be no smuggling is to expect that the river should be made to flow upstream.

I have nothing new to add. My proposition only seeks to draw pointed attention to certain very essential factors which should receive first place in our thinking. I know that there is full awareness among the officials and also among the Ministers. I know that both the Ministers, Shri T. T. Krishnamachari and Shri B. R. Bhagat have great experience in these matters of currency and international finance. Of course they are handling this difficult task as well and as skilfully as they can. I should only make a final plea that they should

not consider this problem as solved until, as I have said, that an effort is made to reach parity between the two prices, the Indian price and the international price and that also until the whole question is examined *de novo* by a Commission on Currency.

Shri B. K. Gaikwad: I want to know whether the honourable Member is personally affected by this Bill.

Shri V. B. Gandhi: No.

Shri B. K. Gaikwad: May I know whether he is a saraf or dealer?

Shri V. B. Gandhi: No.

Shri B. K. Gaikwad: Mr. Chairman, I think he is a Member of Parliament. He can express his views in the Parliament also.

Shri Jashvant Mehta: He is an economist.

Shri B. K. Gaikwad: What is the gold price abroad today?

Shri V. B. Gandhi: The gold price is fixed at 35 dollars per ounce and that price will remain there. It was been fixed since 1933 and there is an undertaking by the Treasury of the United States—i is a kind of an obligation taken by the Government of the United States—that they will buy and sell gold to all who need at the fixed price of 35 dollars per ounce.

Shri B. K. Gaikwad: How much does it come to?

Shri V. B. Gandhi: Off hand I won't be able to give you.

Shri B. R. Bhagat: Rs. 62.50 nP. per tola.

Shri B. K. Gaikwad: You uphold the Gold Control. May I know whether there should be a gold ban?

Shri V. B. Gandhi: No ban. On the contrary, I would like that there should be a free flow of gold in this country—both in and outside the country.

Shri B. K. Gaikwad: I take it that you want a responsible Currency Commission to be appointed? May I know whether you would like to make a provision in this Bill itself that there should be such a Commission?

Shri V. B. Gandhi: That is a matter principally to be taken up by Government. That should be outside this Bill. We cannot make a recommendation in the Bill. I don't suppose so.

श्री महावीर दास : आप के अनुसार गोल्ड का एक्सपोर्ट और इम्पोर्ट किसी कंट्री ने बेन नहीं किया है लेकिन गवर्नमेंट की फीगर्स से मालूम पड़ता है कि १६ मुल्कों को छोड़ कर सभी मूल्कों में एक्सपोर्ट और इम्पोर्ट पर बैन है।

Shri V. B. Gandhi: As I explained, there are some forms of control in some countries. Those forms are in the interests of protecting their monetary reserves of gold. Those controls refer to primary gold because it is the primary gold that is held in the Monetary Reserves. As for fabricated gold there is really no control anywhere in any country.

श्री महावीर दास : इस देश के अन्दर जो गोल्ड के औरनामेंट्स खरीदे जाते हैं लोग उनको पहनते हैं उनको फिर गलाते हैं या तो उन्हें बेचने जाते हैं और उसमें जितने में उन्होंने उन जेवरों को खरीदा होता है उसके हिसाब से उन्हें दुबारा बेचने या गलवाने में काफ़ी लोस उठाना पड़ता है और इस तरह से जनता को नुकसान ही होता है नफ़ा नहीं होता है।

Shri V. B. Gandhi: I am afraid I have really not covered that point in my memorandum.

Chairman: Anybody else.

Shri I. K. Gujral: You have just pleaded about the free flow of gold of import and export. In view of various other factors involved, if gold import is started, how do you propose to fit in the import of gold into a particular pattern of planning?

Shri V. B. Gandhi: In the first place, this system of export and import of gold is to be achieved by stages. There shall be relaxation in the embargo in stages. That is one thing. Then, as I have said, the situation abroad is such that we can always expect some amount of international help. Then, this is to be treated as a goal of long-term policy. As I have already said, for instance, only last year, Japan was able to declare her readiness to make the "yen" freely convertible into international currency. It took Japan long years—may be five, ten or twenty years to do that. But, we should know as to where we are going or where we want to go.

Shri I. K. Gujral: You are obviously aware of Balance of Payment situation. In view of the fact that we have taken, as a national attitude, to planning and also keeping in view the fact that the balance of payments will increasingly result till we come to the take-off stage in further deficit in balance of payments, and if we add to our drains on our foreign exchange, for going stage by stage, how do you propose to fix these priorities?

Shri V. B. Gandhi: That is a very important question and I am very glad that you have asked it. I have tried to state these things in my memorandum. I have stated that we shall have to try and earn more and more of foreign exchange. That shall be a 'must' for us as a national endeavour. Our present balance of payment deficit runs to, say, in the neighbourhood of about Rs. 300 or 400 crores annually. Now that is also not such a very large problem if we take care of the other means that we have. We have to increase our competitiveness in international trade. I have not ignored the fact that our foreign debt is increasing; our imports are increasing and have to increase if we have to meet the requirements of our development. Well, as I said, as a long term goal, we should not give up this policy of achieving the international parity in the price of gold.

Shri I. K. Gujral: About the Gold policy, do you also plead that it will be in the interest of the nation that we should aim at arriving at a situation when our currency is linked up with the gold?

Shri V. B. Gandhi: I suppose, more or less in theory, in almost all the currencies there is now some kind of a link with gold under International Monetary Arrangements "Brettonwood Arrangements" as we all know them.

श्री शिव नारायण : यह जो गोल्ड में स्मगलिंग होती है इसको रोकने के विषय में आप के क्या विचार हैं ? इस तस्कर व्यापार को कैसे रोका जा सकता है इस के लिए आप के पास क्या सुझाव हैं ।

Shri V. B. Gandhi: The most effective way is to follow the policies that I have been trying to explain here. It will not only check but will remove this constant pressure of smuggling. It will remove the problem altogether.

Shri Tridib Kumar Chaudhuri: You have practically advocated a long-term gold policy and currency policy which might be stated as a return to gold standard as applied to modern world conditions, taking into consideration all the changes that have taken place for linking our currency with the gold and its international value. You have also granted the right of the Government to control gold during the period of emergency by which I take it you mean that if Government wants gold from the people for defence and developmental purposes during this period, a limited period, this should be given, and to that extent you are prepared to accept gold control. Please leave aside for the moment the consideration of a long-term gold and currency policy; you are prepared to wait 15 years or 20 years or even a longer period for that, but immediately, the problem with which we are confronted is, to what extent this gold control policy has succeeded in achieving its limited objective which, according to you, is that the Government may be able to get

gold for its own purposes and reduce the demand for gold so as to obviate the drain on foreign exchange. Now, do you think that this limited purpose has been achieved by the way gold control has worked during the last 18 months?

Shri V. B. Gandhi: In practice there has been a number of flaws, but I think the present Bill before the Committee is a great improvement, and given enough time to work itself out, I am confident there will be some improvement in the administration of gold control.

Shri I. K. Gujral: Mr. Chairman, regarding the microphones, I think these should be replaced by the modern microphone system whereby if you press the button you would be connected.

Chairman: In future. We cannot do it now.

Shri Prabhat Kar: You have explained that while the entire world is moving in one direction, the steps that have been taken by India are completely in the opposite direction. You will agree that in other countries, the internal price of gold does not vary in the manner that it does in India. This is one of the most crucial points which we are so much worried with. You have suggested so many things as pointed out by Shri Tridib Kumar Chaudhuri: that it is a long-drawn proposition which can be considered by the Government, but at the present moment, you have suggested that the free import and export of gold would to a certain extent relieve the situation. But at the moment, the free export of gold for sometime to come will mean a national loss, because already the gold which is in India has been purchased at a higher price, and when we export it, it will be at the international price. So, unless we import gold which will bring down the price of gold in the country to that stage where the valuation of the existing gold will be almost on par, the export of gold will not be profitable. So, for sometime

to come, the export must have to be stopped and import must be resorted to; to stabilise the prices, so that the export of gold afterwards may come on a par with the import price which will stabilise itself. At this stage, are you considering that the export is to be stopped in order to stabilise the prices if import of gold comes in, in view of the grave situation arising out of gold smuggling and the prices that we pay for gold? It is as important as importing the raw materials or machinery. Do you consider like that?

Shri V. B. Gandhi: The first part of your question deals with the mechanics of the arrangements that can be employed in introducing the relaxation in the import and export of gold. That, of course, can be considered as a practical measure to be taken. So far as the second question is concerned, that is to say, in view of our present situation we should consider the priorities. I may point out that it is not really an immediate problem. I am accepting the gold control for the present. When, as suitable opportunities occur, step by step, when the direction is decided, we can consider the advisability of each step.

Shri Prabhat Kar: Many of us may agree with the proposition that the agree with the proposition that the present policy of gold control has not been able to achieve its goal. But the point that, what changes should be made in the sense that it may not affect our economy. The question of individual habit is a secondary proposition at the present moment. Today we live in times when so many habits relating to food, clothing, etc., are changing. So, it cannot be said we must stick to the old habit of using 22 ct or 24 ct gold. That is not the proposition now. The proposition before us is that at the present moment, how this crisis which is affecting the economy because of the internal high price of gold in relation to international price can be solved. That is the main proposition. As I said, some of us may agree that the gold control as it is has not been very

effective. To that extent, what is your suggestion?

Shri V. B. Gandhi: My suggestion for any change in our gold policy is certainly not to be taken as at the cost of the vital interests of our economy such as the price level and priorities for more important imports, national defence and such other things.

Shri Rajendra Pratap Sinha: I find that it is very difficult for me to depart from the general propositions which Shri Gandhi has made in his memorandum and also in his observations here. I would like, however, to seek one or two clarifications from him. He has stated, orally and also in his memorandum on page 7, that in course of time free international movement or the import and export of gold should be permitted in India by exchange. Does he not consider that in the immediate future it will be disastrous to adopt this policy of permitting free import when this country, taking into account our balance of payment position and also our debt services and requirements for repayment of international debts, needs more of foreign exchange for the developing economy of the country? As a long term policy it may be all right, but will it not be disastrous in the immediate future?

Shri V. B. Gandhi: You are right. It is risky if we take any step without proper consideration.

Shri Rajendra Pratap Sinha: Could he give us some indication as to when we can start implementing the proposition that he has placed before us? Does he not think, as we see things today, when the development of our economy is taking place, that it will be dangerous to start implementing the suggestion that he has put forward for another period of 20 years?

Shri V. B. Gandhi: What really I am trying to say here is that the Government should not be in a frame of mind where it considers that once it has imposed gold control all that has to be done in respect of the gold question has been done and there is

no more thinking to be done. That kind of a frame of mind on the part of the Government I would like to discourage.

Shri Rajendra Pratap Sinha: I am in entire agreement with what Shri Gandhi says, that the Government should always keep on examining things. But here, in this Committee, we are concerned at the present moment with the Bill which is before us. We are concerned whether we should impose the restrictions as contained in this Bill. Does he not agree that for the present period it will be proper to implement such a Bill?

Shri V. B. Gandhi: There is nothing in my memorandum that can be used for action immediately.

Shri Rajendra Pratap Sinha: Your memorandum is for a long term policy, and you agree that we should recommend the adoption of the Bill as it is for the present?

Shri V. B. Gandhi: Yes.

Shri Rajendra Pratap Sinha: On page 1 of his memorandum he advises that we should make a provision in this Bill saying that this Bill should be in existence during the currency of the emergency and six months after that. To me it appears that there is a contradiction in what the hon. Member has just agreed to and to this suggestion. There is no harm in considering the gold control policy or anything as such after the cessation of the emergency. To me it appears that there will be need for continuing the restrictions even after six months of the cessation of the emergency. How does he suggest we should recommend that this Bill should come to an end after six months of the cessation of the emergency?

Shri V. B. Gandhi: There are any number of alternatives available to the Committee to state the period for the continuance of the Bill to be in force and you can use any of these alternatives.

Shri Rajendra Pratap Singh: You are not very particular that we should

recommend a six months period as mentioned in your memorandum?

Shri V. B. Gandhi: Not necessary.

Shri Jashvant Mehta: You have suggested as a long term policy that there should be free import and export of gold. What is your assessment of the amount of foreign exchange that will be drained off in that way and what are your suggestions to combat that problem?

Shri V. B. Gandhi: I really shudder to think of the quantities that would be involved. Therefore, I have only stated that this is the goal, this is the direction in which we should go, and the stages and the steps are to be very carefully considered. But I have no doubt in my mind that this is the only direction in which we can go.

Shri Jashvant Mehta: By what time do you think it proper to do that?

Shri V. B. Gandhi: If we really decide on this direction and if the Government is committed to this policy then there will be the Currency Commission and other responsible bodies intervening and considering the matter. They will probably be able to give us some action chart.

Shri Jashyant Mehta: The Currency Commission has nothing to do with this Bill.

Shri V. B. Gandhi: The Bill may be considered and accepted. My suggestion is that it should be accepted with a qualification about the period for which it should remain in force. There should be this appointment of a Commission and the whole question should be considered *de novo* in the light of my memorandum.

Shri Jashvant Mehta: As you have already suggested to Government to consider a long-term policy in respect of gold, do you suggest that there should be something like a Gold Bond issued by the Government—I think it was suggested by the Chairman of the Reserve Bank one or two years ago.

Shri V. B. Gandhi: I do not think so.

Shri Dahyabhai V. Patel: Mr. Gandhi, you are a Member of Parliament coming from Maharashtra. You have been in public life all the time. I had the privilege of working with you in the Municipal Corporation of Bombay, and I appreciate that out of a sense of public duty you have come here to tender your evidence before this Committee.

You are a Doctor in the sense that you are an economist, not a medical practitioner. So I believe you are qualified to speak on this subject. May I ask you whether before the Gold Control Rules were introduced any People in the Congress Party were ever asked...

Chairman: Leave alone the parties you may ask about the Government.

Shri Dahyabhai V. Patel: All right. May I know whether anybody in the Government elicited the opinion of economists like you as to the provisions and the enforcement of the Gold Control Order before they were introduced?

Shri V. B. Gandhi: Well, I believe the Government must have done some such thing. Government usually does.

Shri Dahyabhai V. Patel: I am asking about you.

Shri V. B. Gandhi: Not to my knowledge.

Shri Dahyabhai V. Patel: You know that a large amount of smuggling takes place in Bombay, being a port, and this smuggling affects our balance of payments situation also. As an economist I think you also realise that we have to depend upon foreign loans to meet the deficit in our budget every year. Would you say that if all the public-sector projects were earning what they were expected to earn it would help us considerably to meet our deficit and we would not have to depend upon foreign loans for this purpose and we would not have to incur this foreign debt and have to pay interest on foreign loans?

Shri V. B. Gandhi: It is quite so, it is obvious, yes.

Shri Dahyabhai V. Patel: So one of the remedies to solve our economic difficulties would be to put our house in order. Won't you say it is a more practical remedy rather than introducing orders like the Gold Control order?

Shri V. B. Gandhi: Yes, everything helps.

Shri Dahyabhai V. Patel: Is it not a fact that because of our failure to work our public undertakings in profit,—and as they are going on working every year a loss is disclosed,—there is a certain lack of confidence in the economy of our country which is reflected in the lack of confidence in our currency also?

Shri V. B. Gandhi: Well, would be so.

Shri Dahyabhai V. Patel: And that is what induces people to buy more gold rather than currency?

Shri V. B. Gandhi: Yes.

Shri Dahyabhai V. Patel: Do you think that the incentives given to people in the arts and trade has resulted in increasing smuggling of gold, because certain amount of currency which is given to these people in the trade is diverted to smuggling?

Shri V. B. Gandhi: Yes, it could happen.

Shri Dahyabhai V. Patel: If it could happen, will it not be more profitable to this country to give incentives of this type directly to the gold dealers to export gold and enable them to earn foreign exchange to import gold?

Shri V. B. Gandhi: Export and import gold?

Shri Dahyabhai V. Patel: Export ornaments of gold—not gold in bullion—meena and all that.

Shri V. B. Gandhi: But I suppose they are free to export ornaments.

Shri Dahyabhai V. Patel: But no incentive is given as is given for art silk. Art silk is not an essential item. You being an old Congressman old Gandhian will remember that we used to pride ourselves in using khadi in preference to even silk. Now the emphasis of the Government, and even

in the Congress, has snorted to art silk.

Chairman: The witness from Madras said that incentives are being given. Now your question is totally in contradiction to that.

Shri Dahyabhai V. Patel: Even the witness from Madras said that the incentives were not enough. And I am trying to bring it out that if Government really wanted to stop smuggling they should give as much incentive to gold as to art silk, because art silk is not as important to the general economy of the country, and particularly as the main raw material for that also has to be imported from abroad.

Chairman: It is an argument.

Shri Dahyabhai V. Patel: It is a fact I am trying to bring some facts to the notice of the Government which wants to shut its eyes to those facts.

Therefore, Mr. Gandhi, you will agree with me when I say that if the financial policy is reorientated and Government seeks to bring about more confidence in its currency system, smuggling would be considerably diminished?

Shri V. B. Gandhi: Well, yes, it could be said.

Shrimati Tara R. Sathe: In your memorandum you have stated that a laissez-faire policy as far as gold is concerned should be continued till we reach the international price of gold. What quantity of gold will be consumed, according to your estimate? Secondly, gold not being a perishable and the tendency of some people to hoard it being there, don't you feel that the demand for gold will never diminish and perhaps this may prove to be a dangerous experiment?

Shri V. B. Gandhi: It does look dangerous, it can become dangerous. But, as I have said, we do not rush into it at one jump, and it could be done in a safe way too.

Shrimati Tara R. Sathe: It may be a dangerous experiment, because the other conditions may change.

Shri V. B. Gandhi: I know. It is not possible to give figures. The

desire for gold will be tremendous and would not be a good thing for us. But at the same time it is a policy which has to be followed in the larger interests. And I have also said somewhere that under conditions of free flow of gold in and out of the country some other psychological factors will come into operation which will lessen the present hunger for gold.

Shrimti Tara R. Sathe: What do you mean by outflow? When the rate is more here, how do you expect to export gold? It is a one-way traffic only.

Shri V. B. Gandhi: We do not have to export gold. We only have to relax the embargo against gold and leave it at that. We do not have actually to promote export or even promote import. We do not do any such thing, we only relax the restrictions.

Shrimati Tara R. Sathe: But those were the conditions. Is it not the position that before this Order came that was the very condition and it proved to be a failure?

Shri V. B. Gandhi: No. Actually this restriction has come as far back as 1939 and since then this embargo on the import and export of gold has been there.

Shrimati Tara R. Sathe: Don't you feel that the situation demands that some more vital things such as food and machinery should be imported rather than gold?

Shri V. B. Gandhi: Yes, yes. This gold import is only theoretical. Freedom is to be theoretically offered. We do not have to import gold if we have other needs more pressing.

Shrimati Tara R. Sathe: So theory is different from practice!

(The witness then withdrew.)

VIII. Akhil Bhartiya Deshi Aushadhi Nirmata Sangh, Delhi

Spokesmen:

1. Shri Jyotish Chandra Bhattacharyya.
2. Shri Gyanveer Suchdeva.

IX. Federation of Manufacturers of Ayurvedic and Siddha Medicines, Delhi.

Spokesmen:

1. Shri G. V. Puranik
2. Shri G. N. Parikh

(Witnesses were called in and they took their seats)

Chairman: We have received your memoranda and they have been circulated to the Members, and we have all gone through them. If you would like to stress any particular point or add any particular point, you may do so now.

The evidence that you tender will be treated as public, unless you desire that any portion of your evidence should be treated as confidential, but even in such a case, the evidence is likely to be made available to Members of Parliament.

Shri G. V. Puranik: Our point is a very simple one, and I shall be very brief.

At the outset, I would like to correct one or two mistakes that have crept into our memorandum. The first is that at page 1 of our memorandum, in the third line from the bottom, the word should be 'potent' and not 'patent'. The intention is to refer to a potent category of products.

The second correction is this. At the end of our memorandum, we have said 'We are thankful to you, gentlemen.....' I am not ignoring the lady Members, who also, I am sure, will consider our submissions.

Chairman: The term 'gentlemen' includes ladies also.

Shri G. V. Puranik: If I may refer to the conditions existing before the Gold Control Order came into force, there were two sectors in the Ayurvedic field, which were manufacturing medicines with gold as an ingredient. One was the pharmacists whom we are representing, and the other was the practitioners. It has been a peculiar feature of Ayurvedic manufacture that quite a number of practitioners manufacture the medicines for themselves. The Udupa Samiti appointed by the Central Government has also referred to this.

We estimate that so far as gold preparations go, it is quite likely that they were also manufacturing about 50 per cent of it; I am referring to the individual vaidyas, and certainly it was a significant quantity.

When the Gold Control order came into force, it was only the pharmacists who started receiving 50 per cent, and the vaidyas could not get anything, because they were not prepared to subject themselves to all the rules and regulations, because very often they were having their dispensaries in their own premises, where the medicines would be manufactured, and if they came under the Order these premises would be subject to inspection by the excise officers and so on. So, many of them hesitated, and as far as I am aware, only a very few of them have taken advantage of the facilities so far.

Therefore, all the manufacture by the vaidyas almost came to a stop, and the pharmacists received only 50 per cent. Very recently, the percentage for the pharmacists has been increased to 75 per cent. When the pharmacists were receiving 50 per cent, it was more or less about 25 per cent of the total requirement; when they are receiving 75 per cent, the situation has certainly eased to some extent, but not to a sufficient extent.

What we feel is that the probable requirement of gold for manufacturing Ayurvedic medicines has been overestimated, for, according to

us, the pharmacists should not require more than about Rs. 10 lakhs worth of gold for a year, taking all of them together; the number of pharmacists manufacturing Ayurvedic medicines is about 200 throughout the country. If they are receiving 75 per cent of their needs, which shows that after all, it has been accepted by Government that that much is needed, then only 25 per cent will be the gap between their normal needs and what they are receiving today.

Shri Rajendra Pratap Sinha: What will be the quantity involved?

Shri G. V. Puranik: About 87,000 gms per year for all the pharmacists for the whole of India.

Chairman: What about the vaidyas?

Shri G. V. Puranik: There are no statistics available with us. Perhaps, there may be some statistics available with Government now after the Gold Control Order has come into force.

Chairman: How much were the vaidyas using?

Shri G. V. Puranik: If the vaidyas are manufacturing about 50 per cent, as has been suggested in the Udupa Samiti's report, then the percentage of gold preparations also is likely to be about the same....

Shri Prabhat Kar: On what basis do you say that the Government have over-estimated?

Shri Rajendra Pratap Sinha: What is their estimate?

Shri G. V. Puranik: My estimate is based on this fact that about Rs. 2½ to 5 lakhs worth of gold per year call about 200 odd factories would not call for such a figure. I am suggesting some way which perhaps would have been easier to implement and the difficulties of the manufacturers also would be settled and solved thereby. After this Gold Control Order came into force, we represented to the regional gold controllers, and they referred the matter to the Directors of

Ayurveda or some such officers. I would not say that they put it in the waste-paper basket, but they did put it on a conveyor belt, because they prepared questionnaires and sent them; they also went to the Government factories manufacturing Ayurvedic medicines asking them what sort of preparations required gold, what the percentage was, and what the consumption of that preparation was and so on. All that enquiry would not have been necessary if we had estimated the total requirement during the year: If Government want to be very careful about that, I think that unless they have over-estimated, there should be no need to....

Chairman: What are the forms in which you use gold?

Shri G. V. Puranik: We use pure gold.

Chairman: You use pure gold in *svarnabhasma*. What are the other preparations in which you use it?

Shri G. V. Puranik: There are about 100 preparations which are consumed in the whole of the country; there would be about 200 preparations which are popular, while there may be more in the Ayurvedic trade as such. In every State, there will be about 60 to 70 preparations.

Shri Prabhat Kar: Gold is used by the Unani people also?

Shri G. V. Puranik: I am talking of Ayurveda and Siddha, because the Federation which I represent consists of only Ayurvedic and Siddha manufacturers. We do not claim to represent the Unani manufacturers.

Looking to the requirements and also the gap in the value of the manufactured products before the order and now, we feel that within the three previous years, a year of base performance may be taken into consideration as the standard period. I say this because every factory has to manufacture the medicine in a lot; so, it is not enough if just a year is taken into consideration, but two or

three years' production should be taken into consideration. I would suggest that a base performance based on the previous three years before the Gold Control Order came into effect might be taken as the basic need for *bona fide* requirements, and if the present 25 per cent gap which is left today is also made up immediately, and about 5 to 10 per cent is also allowed for expansion every year, I think the position will improve. I think that the gold which will have to be supplied would not come to much, and it will also be a practical way out to fill the gap which is there in the manufacture by the practitioners, without incurring much expenditure on the value of the gold.

Shri B. D. Pande: The present position and the method of giving permits for manufacturers of ayurveda, siddha and unani medicines—because my figures include unani also—is that we give 75 per cent of the previous three years consumption to established manufacturers—for there years prior to the introduction of Gold Control, that is 1960—62, because we felt an average of three years is likely to give us the best possible estimate of the actual requirements of the manufacturers. As far as individual practitioners are concerned, the quota sanctioned is 50 per cent of the three years' average.

We are actually issuing on an average 118 permits per quarter throughout India. Shri Puranik has just mentioned that according to him the requirements for ayurveda should be 87,000 grams per year. I find we are giving permits for a total of 106,000 grams per year for these three classes of medicines, that is about 20,000 grams more, including unani of course. But if 20,000 grams are taken for unani, we meet the full requirements of ayurveda.

I have no separate figures in respect of ayurveda, unani and siddha, because we have not attempted to work that out. I will try it now after the information has been given.

Shri Dahyabhai V. Patel: I think the requirement of these people is so small that it can be met fully. I think they said they are given 25 per cent less.

Chairman: What is your requirement?

Shri G. V. Puranik: We do not have the figures that the Government has placed before us. It was just a guess; our estimate was 87,000 grams.

Shri B. D. Pande: The greatest difficulty arises in estimating the requirements of the private manufacturers, individual practitioners whose numbers and requirements of gold are not known to us.

Shri G. V. Puranik: We are including only the pharmacists. I am not speaking for practitioners.

Shri Era Sezhiyan: Does the figure given by Shri Kotak include private practitioners?

Shri B. D. Pande: My figure includes the grand total of all types given to either manufacturers or private practitioners, whether of ayurveda, unani or siddah.

Shri Era Sezhiyan: Their case is 75 per cent only of their requirements is met.

Shri B. D. Pande: 1,06,000 grams.

Shri Era Sezhiyan: That represents 75 per cent of the demand. If we add 1/4th more, that will suffice.

Shrimati Tara R. Sathe: These are only for the registered people?

Shri B. D. Pande: Yes.

Shrimati Tara R. Sathe: There are some unregistered people also.

Shri B. D. Pande: We seek the advice of the Superintendent of Indigenous medicines in the different States.

श्रीमती लक्ष्मी बाई : यां पर जो दो सौ किस्म की दवाइयां बनती हैं, क्या वे हमारे देश में ही कन्ज्यूम होती हैं या बाहर भी जाती हैं ?

Shri G. V. Puranik: In our memorandum, we have asked for conces-

sional price for gold for export of gold preparations. As it is, we export Rs. 10 lakhs worth of ayurvedic medicines to neighbouring countries, but the preparations containing gold are only a sprinkling of that, one of the reasons being that the prices are high and we have to compete with indigenous practitioners and manufacturers there. If the gold available to us is at the market rate of about Rs. 110-115 whereas the international rate is less than half; if we are supplied gold at the cheaper rate for the export performance, it may be possible for us to export a few lakhs worth of preparations containing gold to the users of ayurvedic medicines abroad in addition to the Rs. 10 lakhs worth that we are exporting today.

Shrimati Sangam Laxmi Bai: What is the percentage of medicines you are exporting now?

Shri G. V. Puranik: Rs. 10 lakhs worth to Africa and Ceylon mainly.

Shri Era Sezhiyan: How much out of that comes under gold preparations?

Shri B. K. Gaikwad: How many ayurvedic pharmacies are there in India and do they maintain accounts of gold required by them for preparations of bhasmas etc. Also what is the number of private practitioners?

Shri G. V. Puranik: The number of pharmacies in India should be about 240-250. This information is taken from the Adviser on Ayurveda to the Government of India. The number of private practitioners may be in lakhs.

Chairman: Do both keep accounts?

Shri G. V. Puranik: I believe pharmacies do. In their own interest, for costing and other things, it has to be done, because there is competition. They must be keeping. They may not be declaring.

Shri B. K. Gaikwad: Do the private practitioners also prepare bhasmas and other things?

Shri G. V. Puranik: Yes. Some of them will be preparing, hema kripa, swarnalata etc. But no accounts are expected to be kept, because he does not charge on the label. He charges it to the patient.

श्री महावीर दास : क्या यह सत्य है कि जब से बड़ी बड़ी फ़र्म्स ने काम करना शुरू किया है, तब से प्राइवेट प्रैक्टिशनर्स ने सोने की दवाइयां बनाना बन्द कर दिया है, क्योंकि वे कास्टली पड़ती हैं ?

Shri G. V. Puranik: I do not think so. Some of the gold preparations have prolonged human life. That is the claim. Over the critical period, the private practitioner wants to be most confident that he is using something he knows himself. He wants to be cent per cent confident about what he is giving, notwithstanding the cost.

श्री महावीर दास : क्या यह सत्य है कि अब अधिक से अधिक प्राइवेट प्रैक्टिशनर्स मैनुफ़ैक्चर्ड दवाइयों को खरीद कर अपने व्यवहार में लाते हैं और मरीजों को देते हैं ?

Shri G. V. Puranik: Of course, they use many more products than they manufacture themselves.

श्री महावीर दास : जो दवाइयां एक्सपोर्ट की जाती हैं, इन में से कुछ में सोने का व्यवहार भी होता है। अगर गोल्ड कंट्रोल के फलस्वरूप सोने की कीमतें कम कर दी जाएं और उसके साथ आपके द्वारा तैयार होने वाली दवाइयों की कीमतें भी घटें तो उससे क्या आपके व्यापार को लाभ होगा ?

श्री जी० बी० यौराणिक : जरूर होगा।

Shri Mahabir Dass: What is the percentage of gold in Makaradwaja?

Shri G. V. Puranik: This is a favourite question which has been asked and answered many times.

Some people do claim that gold goes into the medicine in the process of manufacture; some say it is a small percentage while others say it is a big percentage. It all depends upon the skill, operational efficiency and knowledge of the manufacturers.

Shri V. C. Kesava Rao: It was stated that ayurvedic medicines are exported. How much are we exporting such medicines?

Shri B. R. Bhagat: He said Rs. 10 lakhs to Ceylon and Africa.

Shri V. C. Kesava Rao: Do you get enough gold for your preparation or is there any difficulty?

Chairman: They say they do not want anything more.

Shri I. N. Gujral: According to your pharmacopoea are there some other substitutes or constituents for gold?

Shri G. V. Puranik: We have been using gold for the last 4,000 years. Now if we want to make any change in it, to give confidence both to the practitioner and the patient, some clinical research has to be done, which is not a short process. As it is, there are very few places where clinical research is being done. Of course we will give all co-operation from that angle if any unit is set up.

Shri I. N. Gujral: You must be having a pharmacopoea of your medicines. Is it or is it not possible to replace or substitute gold by some other substance?

Shri G. V. Puranik: It is not so easy. Research work has to go on for quite some time and we should be convinced that it is a good substitute in place of gold; otherwise, it is better to depend on what has already been proved, and not make a guess purely on economic grounds.

Shri I. N. Gujral: During the course of the last ten years, has the demand for ayurvedic and unani medicines gone up or down? Similarly has the demand for medicine

in which gold is used gone up or down?

Shri G. V. Puranik: Generally, the demand has gone up. We have no nice calculation of percentage but I presume there is a commensurate increase in the demand for medicines which contain gold also.

Shri I. N. Gujral: Now, is it a fact that Government is issuing 50 per cent of the assessed requirements for the last three years?

Shri B. D. Pande: We give 50 per cent of the average consumption of the last three years before the introduction of gold control to private practitioners and 75 per cent to established manufacturers.

Shri I. N. Gujral: Has the Gold Controller merely taken the usual trade practice of reducing the quota rather than basing it on the requirements of an essentiality for life?

Shri B. D. Pande: If I may put it this way, there has in fact been an increase. When gold control was introduced, the quota was fixed at 50 per cent of the earlier consumption for both manufacturers and practitioners. Recently the quota of manufacturers has been increased to 75 per cent of their consumption.

Shri I. N. Gujral: Does the Controller keep statistics as to whether the demand is increasing? Does he adjust the quota according to demand?

Shri B. D. Pande: We will examine it.

Shri G. V. Puranik: If I may be allowed to give my view, we are yet to reach the basic figure of the consumption during the previous period.

श्री शिव नारायण : जितने सोने की आपको जरूरत पड़ती है कंट्रोलर से वः आपको मिलना नहीं है। यही आपकी ग्राबैक्शन है न ? कानून के खिलाफ तो आप नहीं हैं ?

Shri G. V. Puranik: Of course, if we do not get it, we cannot manufacture. But we are getting the allotted quantity.

Shri Prabhat Kar: The witness stated that there is over-estimation on the part of Government about the requirements of gold for the ayurvedic practitioners. Now they are getting 75 per cent of their demand. So, if there is over-estimation, naturally they are getting almost equal to their demand.

Shri G. V. Puranik: I said that the Government appears to have over-estimated the requirements; otherwise, it would have given much more than 50 per cent from the beginning. Because it was over-estimated, Government was cautious and gave only 50 per cent; otherwise, it would have given 75 per cent or even 100 per cent.

Chairman: Can you say by how much is the Government estimate an over estimate?

Shri G. V. Puranik: I will explain my angle. Government have got certain figures in their mind and on that basis they fixed 50 per cent, because they felt their figure was an over-estimate.

Shri Rajendra Pratap Sinha: It was stated that the pharmacists are getting 75 per cent of their requirements on the basis of the average consumption for the last three years. I would like to know whether the prices of the medicines manufactured out of gold have been affected and whether there is any shortage of raw materials for such medicines.

Shri G. V. Puranik: The prices may have gone up to a certain extent before April 1963. After that, the price control has come. Some people may have asked for a price rise but I do not think any one has got it.

Shri Rajendra Pratap Sinha: Is it a fact that because of the restrictions of your requirements to 75 per cent, you cannot meet the demand of the entire country for these medicines?

Shri G. V. Puranik: There is a portion of demand which is not supplied today. I may also say that this 75 per cent has been made available only

for the last few months; before that it was only fifty per cent. The full demand of the gold medicines has not been met now. There are many vairs who would have manufactured themselves and they are not able to manufacture them now.

Shri Jashvant Mehta: You are getting 75 per cent of your requirements. From where do you get them? What is the source of your supply? At what price do you get them?

Shri G. V. Puranik: State Bank is the only source of supply.

Shri B. D. Pande: It was mentioned that medicines worth Rs. 10 lakhs were being exported. In the years prior to gold control, was this amount of medicines exported? If so, is it not a fact that the gold that must have been used for the preparation of these medicines must have been purchased

at the prevailing market price? It was not given at international price.

Shri G. V. Puranik: It was not given at international price. We bought it here. My point is this. Supposing, I got an order from Colombo an order for Rs. 10,000 worth of medicines involving gold worth Rs. 500, I would be more profited by selling it in the internal market because of the gold price in internal market.

Chairman: How much out of this Rs. 10 lakhs worth of medicines would contain gold? I mean the value of the gold that goes into the preparation of medicine worth Rs. 10 lakhs which you say it is exported.

Shri G. V. Puranik: It will be below Rs. 50,000.

(The witnesses then withdrew)

X. Mumbai Swarna Karagir Mandal, Bombay.

Spokesmen:

1. Shri Ramjibhai Sagal Minawala
2. Shri Dattatraya Shreedhar Devrukhkar.

XI. Bangiya Swarna-silpi Samity, Calcutta.

Spokesmen:

1. Shri Anil Basu
2. Shri Sunil Chatterjee
3. Shri Parbati Charan Roy.

XII. Akhil Bharatiya Swarnakar Sangh, Delhi.

Spokesmen:

1. Shri Bhavani Sankar A. Soni
2. Shri Anil Basu
3. Shri Krishan Lal
4. Shri Chiranjit Lal
5. Shri Suryakanth
6. Shi N. Veerchary
7. Sardar Jaswant Singh
8. Shri Ramchander Sahay
9. Shri Basant Kumar Janwra.

XIII. Rajasthan Sona Chandi Shrimik Sangh, Jaipur.**Spokesmen:**

1. Shri Shyamlal Varma
2. Shri Ramnath Kalia
3. Shri Sohan Lal Varma
4. Shri Ram Bharose Lal.

XIV. Goldsmith Workers' Union, Delhi.**Spokesmen:**

1. Shri Shankar Prasad Das
2. Sardar Jaswant Singh.

(The Witnesses were called in and they took their seats).

Chairman: The next set of witnesses are all swarnakars. Since we have been dealing with this subject for some days now, I hope hon. Members could shorten their questions so that we can finish with this today itself. If hon. Members cooperate that way, we may finish by tomorrow.

The memorandum that have been sent by you had been circulated to all hon. Members of the Committee. If you want to stress any point or add any new point, you may do so.

The evidence that you tender here is liable to be printed and distributed to Members and also laid on the Table of the Houses of Parliament. You may choose one spokesman. Who will be your spokesman?

Shri Bhavani Shanker A Soni: First of all, I request that the evidence given by us may be treated as confidential.

Chairman: It has to be printed and distributed to our Members. The Members of the Committee will all be hearing your evidence. All the Members of Parliament—750 of them—will get reports. We are bound to distribute copies to them. To that extent it cannot be confidential. I shall read out Rule 276 of the Rules of Procedure.

"A Committee may direct that the whole or a part of the evidence or a summary thereof may be laid on the Table.

No part of the evidence, oral or written, report or proceedings of a Committee which has not been laid on the Table shall be open to inspection by any-one except under the authority of the Speaker.

The evidence given before a Committee shall not be published by any member of the Committee...."

श्री भवानी शंकर ए० सोनी : सभापति महोदय, तथा संयुक्त प्रवर समिति के माननीय सदस्यगण, स्वर्ण नियंत्रण अधिनियम जो इस देश के अन्दर लागू किया गया उस के तीन कारण बतलाये गये हैं। उस में से पहला कारण गोल्ड की :मर्गलिंग को रोकने का है। दूसरा कारण जो है वह होर्डेड गोल्ड को बाहर निकालने का है और तीसरा कारण स्वर्ण नियंत्रण को लाने का यह बतलाया गया है कि इंटरनेशनल प्राइस के ऊपर यह सोने का भाव लाना है।

अब हमें यह देखना है कि स्वर्ण नियंत्रण लागू होने से पहले गोल्ड की क्या परिस्थिति थी ? गोल्ड प्राबलम जो है वह समस्या शायद सन् १९५२ से ही कठिन प्राबलम हमारे लिये हो गयी है। इसके बाद गवर्नमेंट सोचती रही कि गोल्ड के बारे में हमें क्या करना चाहिए। पहली बात तो यह हुई कि सोने के बारे में उस वक्त जो वित्त मंत्री थे, श्री मोरारजी भाई, उन्होंने स्टेटमट्स निकाले

कि हम सोने के बारे में कुछ करेंगे । इस वजह से सोने के बाज़ार भाव जो थे उन में चढ़ती बढ़ती और घटती भी होती रही । ऐसा होने से बाज़ार के अन्दर फ्लक्चुएशन हुआ । उस के बाद गवर्नमेंट ने गोल्ड बॉन्ड्स निकाले यह सोच कर कि इन गोल्ड बॉन्ड्स के बारे में पब्लिक सोना बाहर निकालेगी । होर्डेड गोल्ड जो है वह बाहर निकलेगा, ऐसी उन की मान्यता थी । सोना बाहर तो नहीं निकला और जैसा कि कहा जाता है ४१०० करोड़ रुपये का जो सोना है उस में से सिर्फ १४ करोड़ रुपये के बॉन्ड्स खरीदे गये ।

जब यह पालिसी कामयाब नहीं रही तब गवर्नमेंट ने यह सोचा कि इस के लिए गोल्ड कंट्रोल आवश्यक होगा । इस से पहले भी गवर्नमेंट ने, थोड़े से चैक्स, जैसे कहते हैं, वह लगाये गये । उन चैक्स के बमुजब कस्टम आफिसर्स को कुछ ज्यादा पावर्स दी गई । सी कस्टम्स एक्ट के अन्दर भी कुछ अमेंडमेंट्स किये गये थे । लेकिन यह सारी बातें सफल नहीं हुईं इस वजह से गवर्नमेंट ने अंत में गोल्ड कंट्रोल लगा दिया ।

जिस दिन से यह गोल्ड कंट्रोल लागू किया गया उसी रोज़ से स्वर्णकार जो कि अपना धंधा करता था, अपनी रोज़ी और रोटी कमा कर खाता था उस का हाथ कट गया । उसके पास कमाने के लिए कोई धंधा नहीं रहा । इसके विरोध में हम यह कहेंगे कि गवर्नमेंट ने जो सर्राफ़े थे जिन्हें कहते हैं कि वे इन्वैस्ट कर के अपने जेवरात रखते थे उनको एक महीने की मुहलत दी गई कि एक महीने के अंदर वे अपने जेवर बेच सकते हैं । ऐसा करने से जो स्वर्णकार था उस के दिल के अन्दर एक गहरी चोट लगी । उस के फलस्वरूप स्वर्णकार अपना धंधा न मिलने के कारण हर एक प्रान्त के अन्दर बेकारी का शिकार हो गया । हर एक प्रान्त के अन्दर स्वर्णकार इकट्ठा हुए । पहले स्वर्णकार इकट्ठा नहीं थे लेकिन जब यह गोल्ड कंट्रोल लगा तब से स्वर्णकार इकट्ठा हो गये । उन के ऐसे समय इकट्ठा होने का

कारण यह था कि उन सब के सामने एक ही मसला था और वह मसला था उनकी रोटी और रोज़ी का । इस वजह से वे सब आपस में एक दूसरे के साथ मिल कर खड़े हुए और उन्होंने सरकार से संगठित रूप में यह मांग की कि हमें रोजी और रोटी दी जाय । स्वर्णकारों के संगठन के हेतु एक अखिल भारतीय स्वर्णकार संघ की स्थापना भी हुई और उसके बाद अखिल भारतीय स्वर्णकार संघ ने इस प्रश्न को अपने हाथ में लिया ।

ऐसा कहा जाता है कि जब से यह गोल्ड कंट्रोल आया है तब से स्वर्णकार बेकार नहीं हुए हैं लेकिन यह बात सच नहीं है । हकीकत में जो कुछ समय या अवधि सर्राफ़ो वगैरह को दी गई थी वह टाइम या अवधि हम स्वर्णकारों को कभी नहीं दी गई और इस वजह से हमारे अन्दर जो एक बेकारी फैल गई उस से हमें मजबूर होकर एक में संगठित होकर काम करना पड़ा । स्मर्गलिंग को रोकने के लिए हम सरकार के साथ हैं । हम ने कभी यह नहीं कहा कि स्मर्गलिंग को नहीं रोका जाना चाहिए । अपनी एजीटेशन में भी—वह एजीटेशन नहीं है, वह हमारी रोजी-रोटी का मसला है—हम ने यह कभी नहीं कहा कि स्मर्गलिंग को रोकने में हम सरकार के साथ नहीं हैं । लेकिन हमें यह देखना होगा कि क्या गोल्ड कंट्रोल स्मर्गलिंग को रोकने में सफल हुआ है या नहीं । इसलिए आप यह देखें कि गोल्ड का मसला कैसे हल हो सकता है और स्मर्गलिंग कैसे रूक सकता है ।

पहली बात यह है कि अगर सरकार यह चाहती है कि स्मर्गलिंग को रोकना है, तो अन्तर्राष्ट्रीय भाव पर कुछ सोना इम्पोर्ट कर के बाज़ार में बेचा जा सकता है । अगर यह नहीं हो सकता है, तो मार्केट प्राइस और आफिशल प्राइस में जो गैप है, उस गैप को मिटा देना चाहिए । अगर वह गैप मिट जाये, तो मेरा खयाल है कि स्मर्गलर्ज को

मुनाफ़ा कम हो जायेगा । उदाहरण के लिए अगर इंटरनेशनल प्राइस साठ रुपया है और यहां पर १३० रुपये का भाव चलता है , तो बाहर से यहां पर सोना लाने में सौ परसेंट से भी ज्यादा मुनाफ़ा होता है । इस लिए स्मगलर्स को टैम्पेशन होता है कि स्मगलिंग करें। लेकिन अगर स्मगलर्स को टैम्पेशन ही न हो, मार्केट प्राइस ही कम हो जाय — करीब सौ रुपया—, या इंटरनेशनल प्राइस को इंडिया के लिए बढ़ा दिया जाये, तो मेरा खयाल है कि गोल्ड स्मगलिंग कम हो सकता है ।

लेकिन यह न कर के गोल्ड कंट्रोल लागू कर के बीस हजार स्वर्णकारों को बेकार कर

देना मुझे अच्छा नहीं लगता है । स्मगलिंग को रोकने के लिए सी कस्टमज़ एक्ट में फिर कुछ एमेंडमेंट्स हो सकते हैं । सरकार कुछ दूसरे उपाय भी कर सकती है । इस के अलावा वः लैंड वार्डर प्वायंट्स और सी बार्डर प्वायंट्स को स्ट्रांग कर सकती है । इन उपायों से स्मगलिंग रूक सकती है । लेकिन यह नहीं किया जा रहा है ।

सभापति महोदया : आप कृपा कर के कल नौ बजे सुबह आइये और अपना वक्तव्य पूरा कर दीजिए ।

*(The witnesses then withdrew).
The Committee then adjourned.*

Minutes of Evidence given before the Joint Committee on the Gold (Control) Bill, 1963

Saturday, the 25th July, 1964 at 09.12 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—Chairman.

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Prabhat Kar
9. Shri P. G. Karuthiruman
10. Shri Kindar Lal
11. Shri H. V. Koujalgi
12. Shrimati Sangam Laxmi Bai
13. Shri Mathew Maniyangadan
14. Shri Jashvant Mehta
15. Sardar Gurmukh Singh Musafir
16. Shri Chhotubhai M. Patel
17. Shri T. Ram
18. Shri Shivram Rango Rane
19. Shri S. C. Samanta
20. Shri Era Sezhiyan
21. Shri Sheo Narain
22. Shri Bhishma Prasad Yadava.

Rajya Sabha

23. Shri Mahabir Dass
24. Shri B. K. Gaikwad
25. Shri I. K. Gujral
26. Shrimati Nandini Satpathy
27. Shri Dahyabhai V. Patel
28. Shri Shiva Nand Ramaul
29. Shri V. C. Kesava Rao
30. Shri Sherkhani

31. Shri Mahabir Prasad Shukla
32. Shri Rajendra Pratap Sinha
33. Shrimati Tara R. Sathe.

DRAFTSMAN

1. Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator, and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri G. V. Mirchandani—*Under Secretary.*

WITNESSES EXAMINED ..

- I. Mumbai Swarna Karagir Mandal, Bombay.
 1. Shri Ramjibhai Sagal Minawala
 2. Shri Dattatraya Shreedhar Devrukhkar.
- II. Bangiya Swarna-silpi Samity, Calcutta.
 1. Shri Anil Basu
 2. Shri Sunil Chatterjee
 3. Shri Parbati Charan Roy.
- III. Akhil Bharatiya Swarnakar Sangh, Delhi.
 1. Shri Bhavani Sankar A. Soni
 2. Shri Anil Basu
 3. Shri Krishan Lal
 4. Shri Charanjit Lal
 5. Shri Suryakanth
 6. Shri N. Veerachary
 7. Sardar Jaswant Singh
 8. Shri Ramchander Sahay
 9. Shri Basant Kumar Janwra.
- IV. Rajasthan Sona Chandi Shrimik Sangh, Jaipur.
 1. Shri Shyamla Varma
 2. Shri Ramnath Kalia
 3. Shri Sohan Lal Varma
 4. Shri Ram Bharose Lal.
- V. Goldsmith Workers' Union, Delhi.
 1. Shri Sankar Prasad Das
 2. Sardar Jaswant Singh.

VI. Andhra Pradesh Swarnkar Sangh, Hyderabad.

Shri N. Veerachary.

VII. Kanpur Swarnkar Sangh, Kanpur.

1. Shri Swadhin Varma
2. Shri Daulat Ram Tula
3. Shri Ram Bharose Lal
4. Shri Balak Ram.

VIII. Central Committee of Daivadnya Samajonnati Parishad, Bombay.

Shri Jagannath V. Jamsandekar.

IX. The Bezwada Jewellers & Bullion Merchants Association, Vijayawada.

1. Shri K. Venkateswara Rao
2. Shri Andaluri Appa Rao
3. Shri Y. Srinivasa Rao
4. Shri M. Venkatarao.

X. The Guntur Bullion & Jewellery Merchants' Association, Guntur.

1. Shri Naraharisetty Anjaneyulu Naidu
2. Sha Sogmal Punnamchand
3. Shri Nimmala Sambasiva Rao.

XI. Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad.

1. Shri Arunarthula Shankariah
2. Shri Pelala Kondaiah.

XII. The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam.

1. Shri Maddula Panduranga Rao
2. Shri V. Subba Rao
3. Shri D. Subba Rao.

XIII. All India Jewellers Association, New Delhi.

1. Shri Sultan Singh Bakliwal
2. Shri Bachoobhai Zaveri
3. Shri Bijoy Narain
4. Shri K. C. Godha
5. Shri Man Mohan Lal
6. Shri V. C. Soorana.

XIV. Saraf Association, Ujjain.

1. Shri Sejumal Parakh
2. Shri Tara Sahib
3. Shri Bansi Lal.

XV. Greater Bombay Jewellers and Bullion Dealers Association, Bombay.

1. Shri H. K. Shroff
2. Shri S. G. Pethe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis.

I. Mumbai Swarna Karagir Mandal, Bombay.

Spokesmen:

1. Shri Ramjibhai Sagal Minawala
2. Shri Dattatraya Shreedhar Devrukhkar.

II. Bangiya Swarna-silpi Samity, Calcutta.

Spokesmen:

1. Shri Anil Basu
2. Shri Sunil Chatterjee
3. Shri Parbati Charan Roy.

III. Akhil Bharatiya Swarnakar Sangh, Delhi.

Spokesmen:

1. Shri Bhavani Sankar A. Soni
2. Shri Anil Basu
3. Shri Krishan Lal
4. Shri Charanjit Lal
5. Shri Suryakanth
6. Shri N. Veerachary
7. Sardar Jaswant Singh
8. Shri Ramchander Sahay
9. Shri Basant Kumar Janwra.

IV. Rajasthan Sona Chandi Shrimik Sangh, Jaipur.

Spokesmen:

1. Shri Shyamlal Varma
2. Shri Ramnath Kalia
3. Shri Sohan Lal Varma
4. Shri Ram Bharose Lal.

V. Goldsmith Workers, Union, Delhi.

Spokesmen:

1. Shri Sankar Prasad Das
2. Sardar Jaswant Singh.

VI. Andhra Pradesh Swarnkar Sangh, Hyderabad.

Spokesman:

Shri N. Veerachary.

VII. Kanpur Swarnkar Sangh, Kanpur.

Spokesmen:

1. Shri Swadhin Varma
2. Shri Daulat Ram Tula
3. Shri Ram Bharose Lal
4. Shri Balak Ram.

VIII. Central Committee of Daivadnya Samajonnati Parishad, Bombay.

Spokesman:

Shri Jagannath V. Jamsandekar.

(The Witnesses were called in and they took their seats).

Chairman: Gentlemen, in addition to the witnesses who came yesterday, the Andhra Pradesh Swarnakar Sangh Hyderabad, has sent a telegram that Shri N. Veerachary will represent them. Shri Veerachary is already here as representative of Delhi Akhil Bharatiya Swarnakar Sangh. Further, the Central Committee of the Daiwadnya Samajonnati Parishad, Bombay, represented by Shri Jagannath V. Jamsandekar, is also here.

I would request the witness to be very short. He need not repeat what is contained in the papers he has sent to us. If there is anything new that he wants to add, he may say it.

श्री भवानी शंकर ए० सोनी : मेरी एक रिक्वेस्ट है कि जो स्वर्णकारों का डेपुटेशन हो उस को तो आप हमारे साथ रखें, लेकिन जो उसके अलावा हैं उनको डेपुटेशन में न रखा जाए ।

सभापति महोदय : ऐसे कौन से हैं । लोग गुजरात से आये हैं, अहमदाबाद से आए हैं, उत्तर प्रदेश से आए हैं, वैसे ही आप भी आए हैं । इन में कोई डीलर नहीं है ।

श्री भवानी शंकर ए० सोनी : कुछ लोग बम्बई से आज आए हैं, उनका सम्बन्ध स्वर्णकारों से नहीं है ।

Shri Jagannath V. Jamsandekar: We are a community of goldsmiths in Maharashtra. We are spread over Mysore and Maharashtra.

श्री भवानी शंकर ए० सोनी : कल मैं स्मगलिंग के बारे में कुछ कह रहा था । उस सिलसिले में मैं ने आफिशियल प्राइस और मारकेट प्राइस के बारे में कहा था, और यः भी कहा था कि हम को सी बाउंड्री और लैंड बाउंड्री को कंट्रोल करना चाहिए ।

इस के अलावा मैं आप से अंडर इनवाइसिंग और ओवर इनवाइसिंग के बारे में कःना चाहता हूँ । यः इस प्रकार होता है कि जो माल यहाँ से विदेशों को जाता है उसका असली दाम कम लिखा जाता है या ज्यादा लिखा जाता है और इस प्रकार से फारिन एक्सचेंज को धक्का लगता है । अगर इस चीज को कंट्रोल कर लिया जाए तो भी स्मगलिंग बन्द हो सकता है ।

इस के बाद मैं ने मुद्रा प्रसार के बारे में कःया । अगर मुद्रा प्रसार कम किया जाए तो भी स्मगलिंग कम हो सकता है या रुक सकता है ।

इसके अलावा कानून का सख्ती से अमल होना चाहिए और अगर सरकार समझती है कि केवल कनफिस्केशन ही काफी नहीं है तो ऐसा कानून बनावे कि स्मगलर्स को सजा भी दी जा सके ।

इस के अलावा फारवर्ड गोल्ड का धन्धा बन्द किया जाए तो भी स्मगलिंग बन्द हो सकता है ।

गोल्ड कंट्रोल लागू होने से पहले हिन्दुस्तान के अन्दर ऐसा माना जाता था कि देश में ४१०० करोड़ का सोना होरडेड है ।

अब यदि उस होर्डेड सोने को निकालें तो किस तरीके से उसे निकालना है, इस बारे में मन्वन्मेंट ने पहले यह सोचा कि गोल्ड बॉर्ड्स निकाले जाय। वह मैं ने कल आप को बताया गोल्ड बॉर्ड्स जारी करने का जो मकसद था वह मकसद पूरा क्यों नहीं हुआ और वह गोल्ड बॉर्ड्स सबसेसफुल क्यों नहीं हुए उस के बारे में मैं आप को यह कहना चाहता हूँ कि जो गोल्ड बॉर्ड्स के बारे में मन्वन्मेंट ने प्राइस रकबी थी ५३-५८ नये पैसे पर इस ग्राम की और ६२.५० नये पैसे पर तोला की उस प्राइस से बॉर्ड्स सरेंडर करने पड़ते थे। जो ज्वेलरी इस प्राइस पर हमें देनी पड़ी थी उस के ऊपर जो इंटरैस्ट दिया जाता था वह इंटरैस्ट ६.५ परसेंट पर ऐनप दिया जाता था। चूँकि वह इंटरैस्ट जनता के लिए अट्रैक्टिव नहीं था इस वजह से भी गोल्ड बॉर्ड्स सबसेसफुल नहीं हुए ।

इस के अतिरिक्त गोल्ड बॉर्ड्स जो कि १०,००० से ज्यादा के थे वह टैक्सेबल थे और टैक्सेबल होने की वजह से वह गोल्ड बॉर्ड्स सबसेसफुल नहीं हुए ।

दूसरी बात यह है कि जो पेमेंट होता था वह गोल्ड के अंदर नहीं होता था, उसका पेमेंट कैस के अन्दर होने का निश्चय हुआ था इस वजह से भी यह जो गोल्ड बॉर्ड्स थे वे सबसेसफुल नहीं हो सके। यही कारण था कि श्री मुरारजी भाई जो कि उस वक्त फाइनेन्स मिनिस्टर होते थे उन्होंने सब से पहले यह स्टेटमेंट निकाला कि मैं गोल्ड कंट्रोल करना चाहता हूँ। २०-११-६२ के बाद उन के यह स्टेटमेंट निकालने के बाद थोड़ा कुछ भावों के अंदर भी डिफैस जल्द हुआ। सन् १९६२, ६३ और ६४ के अन्दर

-867(B) LS-15.

यदि हम भाव का डिफैस देखें तो पायेंगे कि सन् १९६२ के अन्दर सब से ज्यादा भाव १३५.१० नये पैसे था और सब से लोएस्ट भाव सन् ६२ में दस ग्राम का ८६ रुपये का था। यह जो ८६ का भाव था वह नवम्बर के अन्दर ही था और मैं यह कहना चाहता हूँ कि उस समय श्री मुरारजी भाई ने जो स्टेटमेंट दिया था उस वक्त यह ८६ का भाव हुआ था। उस के बाद सन् १९६३ में प्राइस कम्पेयर करें तो पता लगेगा कि सब से ज्यादा प्राइस सन् १९६३ में ११२.५० नये पैसे थी जब कि सब से कम प्राइस फरवरी १९६३ में ९५ रुपये थी। सन् १९६४ के अन्दर अभी जो सब से ज्यादा भाव है वह १३० रुपये है और कम से कम भाव दस ग्राम का सन् ६४ के अंदर १०२.८५ नये पैसे हो गया है ।

भावों के इस तरीके से फ्लक्चुएट होने की वजह से गोल्ड की जो प्राइस थी वह कंट्रोल नहीं हो सकी और कंट्रोल न होने की वजह से सोने की स्मर्गलिंग जैसे पहले चलती थी उसी तरीके से अब भी चलती रही है ।

यह बात ठीक है कि सन् ६३ के अन्दर सोने का भाव ९५ रुपये हुआ था। फरवरी सन् ६३ के अन्दर यह ९५ का भाव आखिर क्यों हुआ ? ऐसा इसलिए हुआ क्योंकि उस वक्त मार्केट का ऐडजेस्टमेंट नहीं हो सका था। लेकिन जैसे ही मार्केट को ऐडजेस्टकर सके वे लोग वैसे ही रेट्स फिर से बढ़ाने लगे और यह रेट्स बढ़ने की वजह से गोल्ड की स्मर्गलिंग नहीं रुक सकी ।

इस के न रुकने का एक कारण यह भी है कि जो गोल्ड अभी तक सीज हुआ है उस से आप साहबान को पता लगेगा कि जो गोल्ड कंट्रोल है वह सफल नहीं हुआ। गोल्ड जो सन् ६२, ६३ और ६४ के अन्दर सीज हुआ है उस की फीगर्स मेरे पास मौजूद है...

Chairman: All these points have been made out before the Committee. Let us have your suggestions on the improvements that you want to make in the Bill or you may tell us whether you want the Bill to be withdrawn completely.

श्री भवानी शंकर ए० सोनी : इस तरह से भावों के बढ़ते घटते रहने से स्मगलिंग कम नहीं हो सकी और गोल्ड की मार्केट प्राइस और आफिशिएल प्राइस के बीच जो गैप था वह पूरा नहीं हो सका और इस वजह से स्मगलिंग गोल्ड की चलती रही ।

एक ऐसा भी नोशन है कि भाव जो बढ़े हैं उसका मतलब यह हुआ कि स्मगलिंग रुक गयी है लेकिन मेरी यह नम्र विनती है कि सोने के जो दाम बढ़े हैं उसका वह मतलब न होकर कुछ और ही मतलब है । जो होर्डेड गोल्ड था वह अनग्रथ न होकर और नीचे चला गया और ऊपर नहीं आया । यह मुख्यतया सप्लाय और डिमांड का प्रश्न है । सप्लाय तो वहीं की वहीं रुकी रही लेकिन डिमांड बढ़ती रही । डिमांड के बढ़ने से ही यह सोने का भाव बढ़ा है । स्मगलिंग रुकी नहीं है ।

Chairman: You need not talk about smuggling and all that. You may tell us what are your difficulties as swarnakars, how do you want the Bill to be improved or whether you want it to be completely withdrawn.

श्री भवानी शंकर ए० सोनी : मेरी एक डिमांड यह है कि इसका क्वालिटी कंट्रोल नहीं होना चाहिए । स्मगलिंग अगर हम टच नहीं करते हैं तो हम क्वालिटी कंट्रोल के बारे में आर्गुमेंट नहीं दे सकते । गवर्नमेंट स्मगलिंग को रोकने में असफल रही है । इसका कारण यह है कि शुरू से ही लोगों का गोल्ड के साथ एटैचमेंट रहा है, क्योंकि सोने को आइडेंटिफाई करने में जो आसानी है, वह किसी दूसरी कामोडिटी में नहीं है । सोने को एक जगह से दूसरी जगह ले जाने में भी बहुत फ्रैसिलिटी और

आसानी होती है, क्योंकि उसकी कीमत बहुत और क्वालिटी कम होती है । इसके अलावा सोना इस्तेमाल किये जाने पर भी डेस्ट्राय नहीं होता है । इसके अतिरिक्त सोने की कीमत प्रिजर्व की जा सकती है, क्योंकि उसको बेच कर हम उसकी लागत को वसूल कर सकते हैं ।

इस एटैचमेंट को दूर करने के लिए गवर्नमेंट ने यह कानून बनाया है, लेकिन इससे सबसे बड़ी मुसीबत स्वर्णकारों पर आई है । गोल्ड कंट्रोल के बारे में बताया गया है, कि वह इमर्जेंसी लैजिस्लेशन है । इमर्जेंसी लैजिस्लेशन तब आता है, जब कि संविधान के अनुच्छेद १४ से १६ वापस ले लिये जायें । इमर्जेंसी डिक्लेयर होने के बाद संविधान के अनुच्छेद १४ से १६ वापस ले लिये गए हैं । लेकिन इमर्जेंसी के अन्तर्गत जो गोल्ड कंट्रोल लागू किया गया है, उस से देश को इकानोमिकली फ्रायदा नहीं हुआ है ।

अगर इमर्जेंसी लैजिस्लेशन केवल इमर्जेंसी तक ही रहे, तब तो दूसरी बात है, लेकिन अगर इमर्जेंसी लैजिस्लेशन पर्मिनेंट लैजिस्लेशन बन जाये, तो बुरा ठीक नहीं है । ऐसे लैजिस्लेशन से अगर देश को कोई फायदा होता हो, तो तब बात समझ में आ सकती है । लेकिन जहाँ तक गोल्ड कंट्रोल का सम्बन्ध है, उससे देश को कोई फायदा नहीं हुआ है । इसलिए यह केवल एक इमर्जेंसी लैजिस्लेशन रहना चाहिए । इससे आगे नहीं जाना चाहिए, और यह बिल वापस ले लेना चाहिए ।

गोल्ड कंट्रोल का सबसे बड़ा असर अन-एम्प्लायमेंट की शक्ल में हुआ । देश के सामने और सुनारों के सामने पड़े भी अन-एम्प्लायमेंट प्रोब्लम था । जैसे ही गोल्ड कंट्रोल आया, वैसे ही बीस लाख स्वर्णकार अन-एम्प्लायड हो गए । इस से स्वर्णकारों को बड़ी मुसीबत पड़ी । आप जानते हैं कि करीब दो सौ स्वर्णकारों ने आत्महत्या की । हर एक आदमी को डीलरज लाइसेंस लेना पड़ता

है, जिसके लिए सौ रुपये देने पड़ते हैं। इस तरह गवर्नमेंट ने एक आर्टिफिशियल डिविजन भी पैदा कर दिया है—चौदह कैरट और चौदह कैरट से ऊपर। इससे स्वर्णकारों का धन्या और उनकी हस्तकला बिल्कुल खत्म हो गई और स्वर्णकार बेकार हो गए।

इस से कानून स्मगलर्स को फायदा पहुंचा है। ऐसा नहीं कि स्मगलिंग बीस, पचास रुपये का होता है। स्मगलिंग तो बड़े बड़े पैसे वाले लोग ही कर सकते हैं और करते हैं। ऐसा कहा जाता है कि सुनारों का हाथ स्मगलिंग में है। लेकिन मैं कहना चाहता हूँ कि हम लोग स्मगलिंग नहीं करते हैं। हम तो मजदूर आदमी हैं। हम लोग तो एक वक्त काम करके दूसरे वक्त खाते हैं। हम लोगों के पास स्मगलिंग करने के लिए पैसा ही नहीं है।

गवर्नमेंट स्मगलिंग को रोक नहीं सकी है। मेरा अनुमान है कि गोल्ड कंट्रोल के बाद स्मगलिंग बढ़ गया है, घटा नहीं है। जब गवर्नमेंट ने यह सोचा कि गोल्डस्मिथ्स के साथ वास्तव में कुछ अन्याय हुआ है, तो २१-९-६३ को माननीय फ़िनांस मिनिस्टर, श्री कृष्णमाचारी ने एक बिल एमेंडमेंट के रूप में रखा। उस एमेंडमेंट से स्वर्णकारों में दो डिविजन हो गए—सॉर्टफ़ाइड गोल्डस्मिथ्स और आउट वर्कर्स। यह डिविजन अनहैपी है और हम नहीं चाहते हैं कि हममें इस तरह के डिविजन किये जायें। हम चाते हैं कि चूंकि सॉर्टफ़ाइड गोल्डस्मिथ्स और आउट वर्कर्स सब गोल्डस्मिथ्स हैं, इसलिए सब को काम करने की इजाजत दी है। इसके लिए हमने डेपुटेसन भेजा था और मैमोरेंडम भी दिया था।

इस कानून के आने से पहले एक सॉर्टफ़ाइड गोल्डस्मिथ दूसरे सॉर्टफ़ाइड गोल्डस्मिथ से अपना काम करवा सकता था और इस बिल के आने के बाद वह ऐसा नहीं करवा सकता था। यह भी एक बड़ा भारी डिफ़रेंस इस

बिल के अन्दर था। इस वजह से हमने डेपुटेसन भेजा था और मैमोरेंडम भी दिया था।

हमने यह रिक्वेस्ट भी की थी कि प्रोसेसिंग का जो राइट है वह भी हमको दिया जाना चाहिये। हमको सोल्डरिंग भी करना पड़ता है और उस वक्त जो प्योर सोना होता है उसके अन्दर ताम्बे से राउटिंग जिसको कहते हैं, वह किया जाता है। जब उसको हम मॉल्ट करते हैं तो उसके बाद हमें उसको फिर से गढ़ना होता है। तो हम गढ़ नहीं सकते हैं, उसमें फूट पड़ जाती है, सोना टूट जाता है। इसलिए हमारा कहना था कि प्रोसेसिंग का जो राइट है वह भी हमें दिया जाना चाहिये।

एकाउंटिंग के बारे में भी हमें बहुत सी मुसीबतें थीं और इन मुसीबतों को मद्देनजर रखते हुए हमने डेपुटेसन भेजा था। हमारे इन प्रयत्नों के फलस्वरूप थोड़े बहुत एमेंडमेंट किए गए हैं। पहला तो यह किया गया कि एक सॉर्टफ़ाइड गोल्डस्मिथ दूसरे सॉर्टफ़ाइड गोल्डस्मिथ से काम करवा सकता है। जहां तक एकाउंटिंग का सम्बन्ध है जो पहले प्राविजन की गई था, उससे कुछ भिन्न प्रकार की कर दी गई।

इन एमेंडमेंट्स के आने के बाद भी स्वर्णकारों को—तकलीफें रहीं और इस वजह से हमने गवर्नमेंट के पास डेपुटेसन भेजे और मैमोरेंडम दिये जिनमें हमने मांग की कि चाहे किसी भी जरिये से हो हमारी इस हस्तकला को काटेज इंडस्ट्री करार दे दिया जाए। अगर ऐसा कर दिया जाए और गवर्नमेंट इस में मदद दे तो हमारा खयाल है कि जो स्मगलिंग है वह कंट्रोल में आ सकता है। अगर इसको काटेज इंडस्ट्री करार दे दिया जाए तो इकोनॉमिक लाइफ के ऊपर इसका जो होल्डिंग है वह भी कंट्रोल में आ सकता है। इस काटेज इंडस्ट्री के बारे में जो बात मैंने कही है, इस पर दूसरे लोग भी काफी रोशनी डालेंगे। लेकिन हमने जो एमेंडमेंट्स इस बिल के अन्दर

मांगी है, ये बहुत महत्वपूर्ण हैं और जो हमारी डिमांड्स हैं, उनका असर आगे चल कर इसको काटेज इंडस्ट्री घोषित करने पर पड़ेगा और ऐसा करने में आपको बहुत आसानी हो जाएगी। हमने एक डिमांड यह भी की है कि गवर्नमेंट गोल्ड का इम्पोर्ट करे।

Chairman: What is the amendment?

Shri Bhavani Sankar A. Soni: In the memorandum it is given.

Chairman: Earlier you said the Bill has to be taken back.

श्री भवानी शंकर ए० सोनी : गोल्ड कंट्रोल बिल जो है इसको वापिस ले लिया जाए। यह भी हमारी पहली रिक्वेस्ट है। अगर इसको गवर्नमेंट वापिस नहीं लेती है तो हमारी जो एमेंडमेंट्स हैं उनके ऊपर आप साहिबान को ध्यान देना चाहिए। ये एमेंडमेंट्स इस तरह से हैं :—

क्लाज २ की सब-क्लाज जे में रिफाइनरी का मंनिंग बताया गया है जो इस प्रकार से है :

“refinery” means a place where gold is melted, processed, converted or refined.

हम जो एमेंडमेंट इसके अन्दर चाहते हैं, वह इस प्रकार से है :

After the word “place” insert the words “other than the workshop of a certified goldsmith”.

Otherwise every goldsmith's shop will be treated as a refinery.

अगर यह अमेंडमेंट नहीं किया जाता है तो सुनार अपना काम ही नहीं कर सकेगा और जब वह काम नहीं कर सकेगा तो वह अपनी रोटी नहीं कमा सकेगा। इसलिए इस अमेंडमेंट की आवश्यकता निर्विवाद है।

चैप्टर २ के अन्दर क्लोज ४ और लाइन १ में कहा गया है

“Save as provided in section 13”.

इसके बजाय हम यह चाहते हैं कि इसको इस तरह से एमेंड कर दिया जाए :

For the words “provided in section 13” substitute the words “otherwise provided in this Act”.

Chairman: You have given them in detail. Your memorandum is sufficiently exhaustive.

Shri Bhavani Sankar A. Soni: If I do not explain it, the matter may not be taken into consideration.

Chairman: You cannot say that. You must expect every Member of the Committee to go through your memorandum. Anyway, you may just refer to it and be brief.

Shri Bhavani Sankar A. Soni: Then sub-clause (3) of clause 4 reads:

“Notwithstanding anything contained in sub-section (1) or sub-section (2), the Administrator may by general or special order permit any person to make, manufacture etc.”.

The amendment we have suggested is that for the word “person” the words “certified goldsmith” may be substituted.

I may submit that this is not against the dealers. The reason is this. This amendment is needed for safeguarding against intrusion of outsiders in the goldsmiths' industry and to safeguard against the possibility of bona-fide goldsmiths being outmanoeuvred by outsiders. If bona-fide goldsmiths are forced or manoeuvred into unhealthy competition with outsiders, the industry will be ruined.

We want that others may not take this business into their own hands. Because, after all, we are certified goldsmiths. To safeguard our business we have requested for this amendment. Then, I come to sub-clause 2(e) of clause 5 at page 6 of the Bill, which reads thus:

“a person acquiring gold in accordance with any general or special authorisation made by the Administrator shall not—

- (i) sell or otherwise transfer, or agree to sell or otherwise transfer, or
- (ii) expose or offer for sale or transfer,

such gold to any person other than a person authorised by the Administrator by general or special order in this behalf”.

We want that in this sub-clause, after the ultimate word 'behalf', the words 'or a dealer' should be inserted.

Chairman: If you have any new points you may please tell us those things. I find that you have given the reasons also in your memorandum. It is not necessary to repeat what is contained in the memorandum. I would allow any repetitions.

Shri Bhavani Sankar A. Soni: I am not repeating, but I am only explaining the amendment we have suggested.

Chairman: You are saying nothing more than what is contained in your memorandum. If you have new points, you may urge them.

Shri Jashvant Mehta: Perhaps, he wants to emphasise or stress certain amendments.

Chairman: He is repeating the whole thing. The reasons also have been given fully in the memorandum.

Shri Bhavani Sankar A. Soni: I was saying that the words 'or a dealer' may be inserted after the word 'behalf' in sub-clause 2(e) of clause 1. The reason for this amendment is this. At present, there is difficulty on account of the powers of the administrator. We want that the powers of the administrator may be restricted to this extent that the dealers also may be allowed to do this thing.

Then, in sub-clause (3) of clause 5, in line 3 of that sub-clause, we want that after the word 'changed', the words 'or converted into ornament or other finished product' be inserted.

The reason for this amendment is this. The administrator has stated that the gold should be declared, and the person can sell the gold only to the extent that the administrator gives him power to do so.

Another point is that the person cannot make ornaments out of that gold, because he cannot convert that gold into ornaments or other finished products. Therefore, we want that the person should be given the right to convert that gold into ornaments or other finished products. A person possessing gold of such small quantity referred to in sub-clause (6) of clause 16 should be allowed to convert such gold into ornaments. That is the object of this amendment. Then in Chapter III, cl. 7, the power of the administrator is restricted. We have demanded that the power be restricted to this extent that the executive officers should not be given such vast powers. Then....

Chairman: You want that for 30 days, it should be 60 days.

Shri Bhavani Sankar A. Soni: Yes. Then.....

Chairman: You want an explanation to be added.

Shri Tridib Kumar Chaudhuri: You want silversmiths to be brought within the purview of this.

Shri Bhavani Sankar A. Soni: No.

श्री अनिल बसु : हमारे कुछ सेल्फ एम्प्लाइड गोल्डस्मिथ ऐसे भी हैं बाहर, जो कि सोने के काम के साथ साथ दूसरा धन्धा भी करते हैं और दोनों धन्धों में अपनी रोजी कमा पाते हैं। इन लोगों के पास दूसरे धन्धे का लाइसेंस है। पर इन लोगों को सुनार का लाइसेंस नहीं दिया जाता। हमारी मांग है कि इन लोगों को भी सरटिफिकेट दिया जाए और इनको सोने का काम करने की इजाजत रहे। जिनको पहले से सोने के लिए लाइसेंस मिला हुआ है उन के लिए म नहीं कहते।

Shri Bhavani Sankar A. Soni: Then in clause 7, after sub-clause (7), we want a new sub-clause, as given in our memorandum on page 6, to be inserted. The idea behind this insertion is that powers are given to the administrator to cancel the licence and also to grant it. The executive power should be limited.

Chairman: You want power of appeal against the administrator's decision.

Shri Bhavani Sankar A. Soni: Yes. This is the clause most affecting goldsmiths. Firstly, we require hired labour because apprentices are required in this profession. Even though Government has termed goldsmiths as self-employed people, our business is interdependent on each other. So we require them. Unless we take their help, of apprentices or of hired labour, we cannot do our work. When there is no restriction on engaging them in other trades, why should this restriction be on our trade. So I submit this is unconstitutional and so goldsmiths should be allowed to keep apprentices or hired labour.

Then in sub-clause (1) of clause 13, we want the substitution of '10th January 1963' by 'commencement of this Act, or if he has undergone training with a licenced dealer or a certified goldsmith or in any Govt. Institute maintained for the purpose of such training for a period of one year or more'. It sometimes happens that the goldsmiths might not be working or might be in some other business before one year or prior to one year prior to 9-1-63. So why this restriction on us. If the goldsmith has been working before 9-1-1963, he should be allowed to be given this certificate.

Then in sub-clause (1) of cl. 13 (line 16) delete the words "the purity and". If the quantity of gold contained in the ornament or ornaments accepted is not exceeded, there can be no reason why a customer shall not be allowed to convert his own gold

into one of higher purity or convert a piece of ornament made of inferior gold into one of superior gold. If it is one tola let it be one tola, not less not more. But if the quality is inferior, 16 or 18 carat or 20 carat, can it not be changed into 22 or 24? That change may be allowed to the certified goldsmiths.

Then in the proviso to sub-clause (3) of cl. 13 after the word 'unless' and before the word 'the', insert the words:

"The Administrator is satisfied that the applicant does not belong to a family *bonafide* employed in the trade before the commencement of Part XIIA of the Defence of India Rules or that he has not the requisite qualification mentioned in sub-section (1) and unless".

The Administrator can refuse this certificate at any time. We say that according to the rules he cannot refuse the granting of the certificate and he should grant it automatically. As soon as he comes to the conclusion that he is a certified goldsmith, the certificate should be granted without any restrictions.

Then in the proviso to sub-clause 7 of cl. 13 (line 3) after the word 'grams' insert the words 'above the quantity'. But before that we want a new amendment which may be noted. In the rule itself, there is a proviso,—provided that a certified goldsmith shall not have at any time in his possession, custody or control any quantity of such primary gold in excess of 100 grams obtained in the process of making, manufacturing or preparing new ornament or ornaments'. There is a restriction on goldsmiths. If a customer comes and gives 500 grams of old ornaments for conversion into new ornaments, while preparing the goldsmith cannot keep more than 100 grams of primary gold. We say there should not be any such restriction. If the customer comes with 500 grams, we should be able to melt it and make it into primary gold

for preparation of new ornaments. So the proviso may be omitted.

"Over and above this, we say that after we delete this, a new clause may be inserted like this—that the goldsmiths should be allowed to 100 grams of pure gold of his own for making, manufacturing or preparing new ornament or ornaments".

Here the difficulty with goldsmiths is this, that unless he has his own gold with him he cannot prepare the ornament easily because if the customer comes and gives 500 grammes of ornament for preparation, then, what happens is this. After melting supposing some new ornament is to be prepared, then, the weight cannot be kept as it is. So this is the point. The next witness will explain this to you.

Chairman: Come to the next point. You need not repeat the arguments. You have mentioned that. You can expect the Committee Members to understand your arguments.

Shri Bhavani Sankar A. Soni: Can I not explain?

Chairman: You have already taken 1½ hours. We have to restrict the time.

Shri Bhavani Sankar A. Soni: I want that restriction should go in clause 97. That is not mentioned in my amendment to clause 7.

Chairman: Whatever is not mentioned you may say.

Shri Bhavani Sankar A. Soni: There is another important chapter. Section 18 in chapter V.

Chairman: This becomes unnecessary. We can understand. You can go to the next point.

Shri Bhavani Sankar A. Soni: In clause 19....

Chairman: You have given reasons. We understand the reasons. If there is anything important you stress on this.

Shri Bhavani Sankar A. Soni: The powers given to administrator are very wide powers. The powers should be restricted to a certain extent. Even though the reasons may be given by the administrator for the grant or non-grant of the certificates we say that the other certified goldsmiths should be granted certificates irrespective of anything. The powers of the administrator which are there may be restricted to this aspect. Further appellate powers are also given to the administrator. We want that the appellate powers of the administrator may also be restricted to this extent that tribunal may be appointed and one man's tribunal or two men tribunal may hear our case. There is no need for this. The decision of the administrator should not be final.

The powers of the custom officer for seizure is also final and there are wide powers given and this wide power should not be given to custom officer himself. Powers should be restricted. Seizure of gold should not be there. Gold belongs to customers. We were penalising in both ways. Gold would be taken away by the customs officer and would be confiscated by him. Secondly customers would ask money from us and thirdly over and above all this there would be a penalty. This type of power entrusted to the custom officers etc. should be restricted.

Chairman: Any other thing?

Shri Bhavani Sankar A. Soni: Then there is the constitutional aspect of clause 36. These are powers given to executive officers. The executive officer should not be given this power. This power is something like the power given to Members of Parliament which power should not be given to him.

Chairman: You don't want this power to be given to administrator. You don't want this power at all.

Shri Bhavani Sankar A. Soni: Delete it. We want to delete it. So

this is the position which we wanted to mention.

श्री रामजीभाई संगल मीनावाला : अगर हम इस बिल के खिलाफ हैं तो इसका कारण यह नहीं है कि हम में किसी से कम देश प्रेम है। हम में भी उतनी ही देश प्रेम की भावना है जितनी दूसरों में है। लेकिन यह जो सोने का धंधा है इसको हम बाप दादाओं के जमाने से करते आ रहे हैं। यह जो बिल आया है इस से जो स्वर्णकार है वह मारा जाता है, उसकी रोटी रोजी उससे छिन जाती है और वह बेकार हो जाता है। इस से पब्लिक को भी नुकसान है, स्मगलिंग भी बढ़ जाएगा और जहां तक सोने के भाव का सम्बन्ध है वह दो सौ रुपये तोले से भी ऊपर चला जाएगा। जो सर्राफ लोग हैं वे हम सुनारों से काम करवाते हैं, वे हमें पूरी मजदूरी भी नहीं देते हैं और कहीं कहीं पर ऐसा भी होता है कि बिल्कुल भी हम लोगों को मजदूरी नहीं देते हैं।

जो आज तक इस धंधे को करते आ रहे थे, उनको इस से वंचित किया जा रहा है। इनको अप्रमाणिक बनाने से पब्लिक को भी नुकसान होगा, इनको जो होगा, वह तो है ही। अगर आप स्मगलिंग को ही रोकना चाहते हैं तो उसके लिए आप सख्त सजा, जो स्मगलिंग करते हैं, रखें और हम इस काम में आपको अपना पूरा सहयोग देने के लिए तैयार हैं। आज हालत यह है कि डीलर, सरकार, पब्लिक, कारीगर सभी एक दूसरे को दोष देते हैं। डीलर सुनार को, सुनार डीलर को, पब्लिक सुनार को और डीलर को भी और ये सब सरकार को और सरकार इन सब को दोष देती है। पब्लिक कहती है कि उसका नुकसान है, सुनार कहता है उसका है, डीलर कहता है, उसका नुकसान है, और सरकार कहती है कि उसका नुकसान हो रहा है। सभी कहते हैं कि हम मारे जा रहे हैं। ये जो चारों आदमी हैं ये आमने सामने आ जायें और इनकी एक

राउंड टेबल कान्फेंस बुला ली जाए तो जो इन सब की राय है, उसका निचोड़ आप के सामने आ जाएगा और तब आप जैसा चाहें, कर सकते हैं। इस वास्ते मेरा मुझाव है कि इन सभी चार वर्गों की एक राउंड टेबल कान्फेंस बुलाई जाए।

पब्लिक को जितने सोने की जरूरत है, वह सोना आपकी तरफ से अगर उसको दे दिया जाए और उस सोने से लोग जो जेवर बनाना चाहते हैं वे आ कर पुम से बनवा लिया करें तो यह स्मगलिंग काफी हद तक कम हो सकती है। मैं कहूंगा कि एक सौ रुपया तोला तोला के भाव पर आप पब्लिक को सोना दें और अगर आपके पास सोने की कमी है तो आप ही बाहर से सोना देश में मंगायें।

यह कहना कि जो डीलर हैं उन में सुनार नहीं हैं ठीक नहीं है। उन में भी पांच दस सैकड़ा सुनार हैं। जो सुनार का काम करते हैं, उन में ब्राह्मण भी हैं, मोची भी हैं। आज जो डीलर है वह हमारा बहुत ज्यादा शोषण करता है। पांच सौ रुपये का जो सैट है, उसको पंद्रह सौ में बेचता है लेकिन हमें एक पैसा भी मजदूरी का नहीं देता है। जिस तरह से एग्रिकल्चरिस्ट का जो बेटा होता है वह खेती बाड़ी कर सकता है उसी तरह से हमारे जो लड़के हैं उनको हमारा काम करने की इजाजत मिलनी चाहिये, उन पर किसी प्रकार की कोई रोक नहीं लगनी चाहिये। वे इस काम को बहुत आसानी से सीख सकते हैं और यह जो हस्तकला है, इस की उन्नति कर सकते हैं। आज तक यह कला उन्नति ही करती चली आई है और इसका एक मात्र कारण यही है कि हम पर किसी प्रकार का कोई अंकुश नहीं लगाया गया है। आज जब ये अंकुश लगाये जा रहे हैं, इससे न केवल यह हस्तकला ही खत्म हो जाएगी बल्कि हम भी भूखों मर जायेंगे। इस को काटेज इंडस्ट्री करार दे दिया जाना चाहिये और हम लोगों को सरकार की तरफ से प्रत्येक सम्भव सहायता मिलनी चाहिये।

भगर आप चाहते हैं कि हम इस घंटे को छोड़ दें तो आपको चाहिये कि आप हमारे लिए कोई अच्छी सा नौकरी का जरिया तैयार कर दें। हम अच्छे कारीगर हैं और हम आपके लिए ऐसी अच्छी अच्छी चीजें तैयार कर के दे सकते हैं जो कि देश की सुरक्षा के काम में आ सकती हैं। लेकिन आज हमारे लिए जो नौकरी का जरिया तलाश किया जाता है वह ऐसा होता है कि जिस को हम कर नहीं सकते हैं रेस का जो घोड़ा होता है उसको एंटेड करने के लिए सुनार के लड़के को नौकरी दी जाती है। सुनार का लड़का क्या इस तरह के काम कर सकता है? उसका लड़का अगर उसको अच्छी तरह से ट्रेन्ड किया जाए तो छः महीने के अन्दर अन्दर अच्छा इंजीनियर बन सकता है। माइक्रोमिटर के बारे में मैं आपको अपनी अंगुलियों पर बता सकता हूँ कि कितना पतला है। मेरी उम्र पता नहीं दो साल या पांच साल और है लेकिन मैं भी जो कुछ मुझ से हो सकता है आपके लिए और देश के लिए करने को तैयार हूँ। आज हालत यह है कि हमारे लिये रोजगार का कोई घधा ही नहीं रहा।

अन्त में मैं इतना ही कहना चाहता हूँ कि आप राउंड टेबल कॉफ़ेस बुला कर के लोगों के विचार जाँचें और सारी चीज का निचोड़ निकालें और जो उचित कार्रवाई हो, उसको करें।

श्री अनिल बसु : गोल्ड कंट्रोल आर्डर जो कि अमेंडमेंट के साथ अभी तक चालू था उसमें और इस गोल्ड कंट्रोल बिल में कोई फर्क नहीं। जब मंत्री महोदय ने इस बिल को हाउस में पेश किया था तो कहा था कि इस बिल का उद्देश्य होर्डिंग और स्मगलिंग को रोकना है। होर्डिंग को कम करने का तो इस समय कोई मतलब नहीं है। उन्होंने कहा था कि इसका इनडाइरेक्ट असर स्मगलिंग कम करने पर होगा और इसका डाइरेक्ट असर यह होगा कि जनता को सोने का मोह कम हो जाएगा। लेकिन मंत्री महोदय ने कहा था कि यह प्रोसेस बहुत लम्बा होगा। यह चीज

एक दिन में नहीं हो सकती। जब सरकार मानती है कि सोने का मोह दूर होने में समय लगेगा तो हमारा काम क्यों अभी से बन्द कर दिया। इस कारण हम को बड़ी दिक्कत हो रही है। बाजार में काम वैसे ही चल रहा है और कानून का मकसद पूरा नहीं हो रहा है। यह मोह हजारों साल से चला आ रहा है, यह नहीं कहा जा सकता कि इसके समाप्त होने में कितना समय लगेगा।

सभापति महोदय : इसके बारे में बहुत लोग बोल चुके हैं।

श्री अनिल बसु : मेरा दूसरा प्वाइंट यह है कि एक ओर तो स्मगलिंग हो रहा है और दूसरी ओर हम बिना काम के मर रहे हैं; आप ने डीलर को १४ कैरेट की इजाजत दे दी है। वे ऊपर तो दुकान में १४ कैरेट के जेवर रखते हैं मगर जो आउट वरकर हैं उन से वह दूसरा काम करवाते हैं। और हम लोग बेकार हैं। आउट वरकर को तो इस लिए ८ घंटे के वजाय १६ घंटे काम करना पड़ता है पर हम को दो घंटा भी काम नहीं मिलता।

हमारी मांग यह है कि इस कानून के मंशा को पूरा करने के लिए सरकार चाहे और कुछ करे लेकिन क्वालिटी कंट्रोल को हटा ले। इससे हमारा बड़ा नुकसान हो रहा है। आप क्वालिटी कंट्रोल कर सकते हैं जैसा कि आप कपड़े, अनाज आदि के बारे में करते हैं।

इसके अलावा १४ कैरेट में कारीगरी का काम नहीं बन सकता, लेवल प्लेन काम बन रहा है और पॉलिशिंग किया जा रहा है। इससे हमारा आर्ट मर जाएगा। और इसका यह परिणाम भी होगा कि बड़े बड़े लोग इस काम में आ जायेंगे और वे १४ कैरेट क्या, ६ कैरेट और ६ कैरेट तक का गहना बना कर चड़ियों की तरह बेचेंगे और हम जो कारीगर लोग हैं उनका काम और आर्ट समाप्त हो जाएगा। ये बड़े लोग दो दो चार चार सप्प

सक के जेवर बना कर बेचेंगे। उनके सामने हमारा काम बन्द हो जाएगा।

दूसरी बात मंत्री महोदय ने यह कही थी कि हम एक्सपैरीमेंट कर रहे हैं। मंत्री महोदय ने कहा था कि गोल्ड के प्राबलम को टैकिल करने के लिए यह एक्सपैरीमेंट कर रहे हैं। मेरा निवेदन है कि आपने १६ महीने तक इस को ख कर एक्सपैरीमेंट कर के देख लिया कि इसका क्या परिणाम हुआ और इससे लोगों को कितनी तकलीफ हुई। श्री कृष्ण-माचारी ने माना है कि इस से लोगों को तकलीफ हुई। अब फिर उसी गोल्ड कंट्रोल आर्डर को बिल के रूप में लाकर आप और आगे क्या एक्सपैरीमेंट करना चाहते हैं। आपको अब तक इसका काफी अनुभव हो चुका होगा।

श्री राम नाथ कालिया : मेरी पहले प्रार्थना तो यह है कि जो मैमोरेडम हमने दिया है उसके पहले पेज में लाइन ४ में "आल इंडिया" के स्थान पर "आल राजस्थान" कर दिया जाए।

इस सोने की समस्या और स्वर्णकारों के सम्बन्ध में जो आल इंडिया संघ के अध्यक्ष ने कहा है वह सारे स्वर्णकारों की आवाज है और हम सब लोग उन के साथ सहमत हैं। मुझे जो विशेष बात आपके समक्ष रखनी है वह यह है कि जो बिल आया है वह उन्हीं रुल्स का समूह है जो कि इमरजेंसी के वक्त में चालू किए गए थे। उस इमरजेंसी के जमाने में कोई ऐसी अवैधानिक बात हो सकती थी और वह क्षम्य हो सकती थी, लेकिन मैं आप के सामने और आपके द्वारा पार्लियामेंट के सामने एक बहुत बड़ी कानूनी अड़चन पेश करना चाहता हूँ। वह, श्रीमन्, यह है कि मध्य भारत की विधान सभा के अन्दर ६ अप्रैल, १९५० को एक ऐक्ट बना था जिसका कि नाम मध्य भारत गोल्ड ऐंड सिल्वर एलायंस कंट्रोल ऐक्ट सम्बत २००६ था। यह ऐक्ट मध्य भारत में लागू किया गया और आज के दिन भी वह सारे मध्य भारत

में लागू है। उस ऐक्ट के मुताबिक यह १४ कैंरेट का जेवर बनाना ही इल्लिगल है। इधर सेंटर ने बिना उस ऐक्ट के रिपील किये यह गोल्ड कंट्रोल आर्डर लागू कर दिया है जिस के मुताबिक १४ कैंरेट से अधिक शुद्धता के जेवर बनाये ही नहीं जा सकते हैं और इस तरह से वहाँ के लोगों को एक गैरकानूनी कार्यवाही करने के हेतु विवश किया जा रहा है। जाहिर है कि मध्य भारत के ऐक्ट के कायम रहते गोल्ड कंट्रोल सम्बन्धी अधिनियम का जो कानून बनाया जा रहा है, वह आल इंडिया ऐक्ट अगर् राय्ट के लोगों की प्राचीन परम्पराओं और मर्यादाओं पर बुरा असर डालने वाला होगा तो केन्द्रीय शासन के विधान को मान्यता नहीं मिलेगी बल्कि उस राज्य के कानून की मान्यता होगी और इस झगड़े का फंसला सुप्रीम कोर्ट में करवाया जा सकता है। मैं आप की सेवा में यह अर्ज करना चाहता हूँ कि आप मध्य भारत के इस ऐक्ट का नोटिस लें और उस पर विचार करें। मैं आपकी सेवा में एक छोटा सा ऐक्ट पेश करना चाहता हूँ। उस में कुल १२ धाराएँ हैं। मध्य भारत का वह ऐक्ट आपके इस १४ कैंरेट वाले बिल की जड़ों को खोखला कर देता है। वह भी कानूनी ऐक्ट है जिसे कि देश के एक राज्य की विधान सभा ने पास किया है और वह लागू भी है। सभापति महोदय, मेरी तो यह प्रार्थना है कि इस की रोशनी में अपने बिल पर पुनर्विचार करें क्योंकि इस देश की समस्या मिश्रण को बढ़ाने की नहीं अपितु देश की प्राचीन परम्पराओं और मरिरेल को कायम रखने की है।

सभापति महोदय : संविधान के अनुसार जब कोई सेंट्रल ऐक्ट जारी होता है तब जो भी स्टेट ऐक्ट्स उसके विरुद्ध होते हैं वे सब उस के आगे खत्म हो जाते हैं।

अब मुझे यह अर्ज करना है कि मुख्य बात तो यह है कि राष्ट्रीय स्तर पर हमारे कोष में इतना सोना नहीं है जिस से कि हम सब भुगतान उस में कर सकें। इधर जो

सोने की चोरी छिपे तस्कर व्यापार होता है उस को रोक कर शायद स्थिति को सम्भाला जा सकता है। लेकिन मैं अर्ज करना चाहता हूँ कि स्थिति को बेहतर बनाने का यह इलाज नहीं है जो कि आप इस बिल के जरिये करने जा रहे हैं ; The purpose, the spirit of the Bill, if it is to obtain gold sufficient enough for the purpose of making our balance of payments adjustable.

मैं आप की सेवा में अर्ज कर रहा था कि सोने की इस समस्या को हल करने का तरीका यह नहीं है कि आप स्वर्ण कला के इस धंधे को नष्टअष्ट कर दें जैसा कि पिछले १८ महीनों में किया गया है। आप क्वालिटटी कंट्रोल न करें। शुद्ध सोने के जेवर लोग आकारण नहीं बनवाते हैं और उसके लिए मसल मशहूर है कि जिंदा हाथी सी रुपये का तो मारा हाथी १२५ रुपये का। शुद्ध सोने का जेवर अगर खरीदते समय १०० रुपये का था, वही जेवर थोड़े समय पश्चान् पुराना हो जाने पर उसका मूल्य १२५ रुपये बेचने पर मिलता है। इसलिए आप स्वर्णकारों की इस सुन्दर कला को इंस्टिट्यूट दीजिये ताकि वह अच्छे व सुन्दर जेवरात बना कर विदेशों को भेजें जहाँ से कि आप फौरेन एक्सचेंज अर्न कर सकें। सारे देश के अंदर इस धंधे को बढ़ाया जाय। इसके लिए मुझे अफ-सोस के साथ कहना पड़ता है कि इस बिल के अन्दर कोई प्रोविजन नहीं रखा गया है। इस बिल के अन्दर देशवासियों को इस बिल की उपयोगिता व आवश्यकता के बारे में कर्नाक्स करने के लिए कोई सामग्री या डेटा प्रस्तुत नहीं किया गया है। रिअल इमरजेंसी के समय तो इसे समझा भी जा सकता था लेकिन अब जब कोई वास्तविक इमरजेंसी नहीं है तब इस तरह के गोल्ड कंट्रोल हल्स को लागू करने की बात कुछ जंचती नहीं है। मैं संयुक्त प्रवर समिति से आर्थना करता हूँ कि वह इस बिल के बारे

में पार्लियामेंट से सिफारिश करें कि इस बिल को वापिस ले लिया जाय और इसके बजाय एक गोल्ड कमिशन नियुक्त करा जाय। यह संयुक्त प्रवर समिति स्वयं अपने को ही एक गोल्ड कमिशन की शक्ल में परिवर्तित कर ले और सारे देश में घूम कर और सभी आवश्यक आंकड़े व जानकारी हासिल करके राष्ट्र के सामने अपना एक सुविचारित व स्पष्ट मत रखे ताकि इस बारे में देश कोई सही निर्णय ले सके।

श्री.स्वाधीन वर्मा : सभापति महोदय, मैं बहुत संक्षेप में केवल दो, तीन बातें कहना चाहता हूँ। पहला निवेदन तो मेरा यह है कि स्वर्ण नियन्त्रण कानून में ऐसा संशोधन होना चाहिए जिसके कि मुलाबिक बाहर के सोने से बनाये हुए जेवर जो बाजार में धड़ल्ल से बिकते हैं वे बिकना बंद हो जायें। हम अपने नगर कानपुर में स्वयं यह देखते हैं कि वहाँ पर ७५ फीसदी नये जेवरात जो खपते हैं वह बाहर से आये हुए होते हैं। सिर्फ २५ फीसदी जेवर ही कानपुर शहर के बने हुए होते हैं। हम देखत हैं कि कानपुर नगर में इस तस्करी सोन से बने हुए जेवरों के सूदूक भर कर लोग लाते हैं। यह व्यापारी उन अनेकों स्थानों से आते हैं जहाँ कि सोने की तस्करी के केन्द्र हैं।

इसमें उनको विशेष फायदा होता है। तस्कर के सोने को खपाने के लिए वह वहाँ से जेवर तैयार करा कर १४ कैंटे के नाम पर लाते हैं। और दरअसल, उसकी आड़ में १८, २० और २२ कैंटे के जेवरात अधिकांश रूप से लाये जाते हैं। कानपुर के बाजार में जो जेवरात बिकते हैं उनको अगर देखा जाय तो केवल २५ फीसदी स्थानीय कानपुर के स्वर्णकारों द्वारा निर्मित गहने बिकते हैं और करीब ७५ फीसदी बाहर से आये हुए जेवरों की खपत वहाँ पर होती है। कानपुर के स्थानीय स्वर्णकारों को केवल २५

फीसदी पर संतोष करना पड़ता है। कानपुर के स्वर्णकारों को बहुत कम काम मिल पाता है और उसका कारण यह है कि उनको भारी कम्पीटीशन का सामना करना पड़ता है। बाहर से जो गहने भारी तादाद में कानपुर में खपते हैं वे मिर्कै-नाइज्ड ढंग से तैयार होते हैं, तस्कर के सोने को खपाने की दृष्टि से वे आभूषण बनाये जाते हैं और एक साथ बल्क वेसिस पर तैयार होते हैं जिससे लागत भी कम पड़ती है। नतीजा यह होता है कि जिस अपने जेवर की मजदूरी वह ३ रुपये चार्ज करते हैं कानपुर के सुनार उसी जेवर के बनाने के वास्ते १० या १२ रुपये मजदूरी चाहते हैं फलस्वरूप उनके कम्पीटीशन में कानपुर के सुनारों की बहुत कम मजदूरी प्राप्त हो पाती है।

एक बात और भी है। कानपुर के सर्राफ और मैं समझता हूँ कि ऐसा हो दूसरे स्थानों पर भी होगा, वे सफ़ि लोग बाहर से तैयार लाये गये आभूषणों को लेना पसन्द करते हैं। बेचने वाशे उन आभूषणों को संदूकों में बंद कर के लाते हैं और सर्राफों को २, २ और ३, ३ हजार रुपये के जेवर उधार देकर चले जाते हैं और दो, चार महीने के बाद जब वे दुबारा शहर में आते हैं तो धीरे-धीरे वे अपना पैसा बसूल कर के ले जाते हैं। सर्राफ का पैसा इस तरह से दुकान की सजावट, शोकेस आदि रखने और पवलि-सिटी में लगता है क्योंकि जेवरों का स्टॉक उसे उधार पर मिल ही जाते हैं। स्वर्णकारों पर इस का बड़ा प्रतिकूल प्रभाव पड़ता है।

एक बात और है। वह व्यापारी जो कि तस्करी सोने के आभूषण लार्ज स्केल पर तैयार करवा कर संदूकों में भर कर लाते हैं, न उनको सेल्स टैक्स देना पड़ता है और न ही उनको इनकमटैक्स देना पड़ता है। चूंगी भी काफी उनकी बच

जाती है। यही वजह है जिसके वि कारण हम सुनारों की मजदूरी पहले से कम हो गई है। इस ढंग से वह अर्थान नैयाः आभूषणों के व्यापारी तस्कर व्यापार को प्रोत्साहन देते हैं और मशीनीकरण को प्रोत्साहित करता है। नतीजा यह है कि स्थानीय बाजार के अन्दर कारीगर बेकार हो जाते हैं।

एक्साइज डिपार्टमेंट वाले सुनार को पकड़ते हैं और उन को सजा देते हैं। हम ने कानपुर में देखा है कि जिन लोगों पर वे खुश हैं, वे लोग तो खले आम काम कर सकते हैं, जब कि साधारण सुनार के लिए काम करना मुश्किल हो रहा है। जब कोई इंस्पेक्टर या सुपरिण्डेंड किसी केस को पकड़ता है, तो उसका फ़ैसला वहीं होता है, जो कि इंस्पेक्टर या सुपरिण्डेंड चाहते हैं। एक मामले में १४ कैरट के एक डीलर को पकड़ा गया। वह व्यापारी १४ कैरट से ऊपर का सोना नहीं रख सकता था। उसने चार जुर्म किये— उसके पास १४ कैरट से ऊपर का सोना निकला, वह सोना सौ ग्राम से ऊपर था, रजिस्टर में कोई एन्ट्री नहीं थी और इसके अलावा बड़ा पर कारीगर काम कर रहे थे। लेकिन उस पर पांच रुपये जुर्माना करके उस को छोड़ दिया गया और उस का सोना वापस कर दिया गया।

इसके मुकाबले में चार अन्य केसिज पकड़े गए, जिन में उन लोगों ने सोना तो रखा हुआ था, लेकिन वह रजिस्टर पर चढ़ा हुआ था। उन पर यह चार्ज लगाया गया कि वे दूसरे से बनवा रहे थे। उन पर एक-एक हजार रुपये जुर्माना किया गया और उन का सोना जब्त कर लिया गया।

आप देखेंगे कि एक ही विभाग कार्य-कारिणी और न्यायपालिका का काम करता है। अगर एक्साइज डिपार्टमेंट केसिज पकड़ता है, तो फ़ैसले के लिए कोई स्वतंत्र न्यायालय होना चाहिए, ताकि हम लोगों को न्याय मिल सके।

स्वर्ण नियंत्रण कानून का पालन करने के लिए दोहरी व्यवस्था बनी हुई है। स्वर्णकारों के प्रमाणपत्र स्टेट गवर्नमेंट इश्यू करती है और उनके केसिज को पकड़ता है, कानून का इम्प्लीमेंटेशन करता है सेंट्रल गवर्नमेंट का एक्साइज डिपार्टमेंट। इस वजह से बहुत सी दिक्कतें खड़ी हो जाती हैं। डिस्ट्रिक्ट एथारिटीज को सेल्फ एम्पलायड गोल्ड स्मिथ्स का कार्ड बनाने का काम दिया गया है। तहसीलदार को सर्टिफिकेट इश्यू करने के लिए एथाराइज किया गया है और उन्होंने वह अधिकार नायब तहसीलदार को दे दिया है। हालत यह है कि जिस स्थान में सात आठ सौ सोने के कारीगर हैं, वहाँ पर तीन हजार लोगों ने कार्ड बनवा रखे हैं। सब तरह के लोग उस में आ गए हैं। नतीजा यह है कि आपस में काम्पीटीशन होता है। अगर सेंट्रल एक्साइज डिपार्टमेंट उस काम को देखता है और उस कानून का इम्प्लीमेंटेशन करता है, तो उसी के हाथों में गोल्ड स्मिथ्स के प्रमाणपत्र बनाने का अधिकार होना चाहिए, क्योंकि वे लोग कानून से वाफ़िक होते हैं, जब कि तहसीलदार आदि वाफ़िक नहीं होते हैं। वे नहीं जानते हैं कि किस आधार पर कार्ड बनाया जाये, कौन सेल्फ एम्पलायड होता है। उनको कुछ मालूम नहीं है। नतीजा यह है कि जिसने दरख्वास्त दे दी, वह सेल्फ एम्पलायड गोल्ड-स्मिथ बन गया। इस दोहरी व्यवस्था का अन्त होना चाहिए।

हमारे शहर में सात आठ सौ सुनारों के पुनर्वास की समस्या है, लेकिन होता यह है कि तीन चार हजार स्वर्णकार बन गए हैं, क्योंकि चांदी का काम करने वालों, ठप्पे का काम करने वालों और औजार बेचने वालों के पास कार्ड हैं, हालांकि वे स्वर्णनियंत्रण कानून से सीधे प्रभावित नहीं हैं। सुनार बेचारे शुरू से ही सोने से रोटी कमाते रहे हैं। वह एक, डेढ़ हजार रुपये के लोन के लिए अपना व्यवसाय और धंधा खत्म नहीं कर सकते हैं। इस अवस्था में सारी पुनर्वास

व्यवस्था उन लोगों के लिए हो रही है, जो वास्तव में हकदार नहीं हैं। जो हकदार हैं, वे समझते हैं कि एक डेढ़ हजार रुपये से हम को कोई फ़ायदा नहीं होने वाला है। वे अपने धंधे को चलाना चाहते हैं। यह व्यवस्था खत्म होनी चाहिए, वर्ना और भी कई समस्याएं पैदा हो जायेंगी।

Shri J. V. Jamsandekar: My memorandum is before you.

Chairman: It has been distributed also to all the Members.

Shri J. V. Jamsandekar: I am representing this community its office is in Bombay known as Daiwadnya Samajonnati Parisnad. They are the Vishwakarma Brahmans. They have been manufacturing gold ornaments and gold articles from time immemorial. We are nearly 40,000 in number engaged in this trade and spread over Maharashtra, Gujarat and Mysore. Some of our people are also in Madras.

Now, so far as self-employed goldsmiths are concerned, I wanted to say something. In our memorandum I have stated that and I have given you a list of workers to be included as self-employed goldsmiths. When the gold is taken for work, it is melted according to the necessity of the customer to make it 22 carat or 22½-2 carat by adding 2½-2 or 2 vals of copper per tola of gold. Then, it is melted and rolled into sheets or wires. Then it passes through some of the following processes such as casting, sheet and wire drawing, filigree work, die making, stamping, chasing, embossing, repose work making, soldering, polishing, burnishing, engraving, enamelling, gold beads making, pearl ornaments making (Paronar's Work), precious, Semi-precious and imitation Stone cutting, stones setting, Kundan Setting etc., etc. This is a list of different operations. When an ornament is to be made, it has to pass through some of the above stages. One goldsmith cannot execute the work completely unless he takes the help

from other people. So, self-employed goldsmiths are not few. They take gold from their customers and recast it into the same carat or the carat is likely to be altered in melting and clarifying process because a certain portion of the copper goes away. When an ornament of 18 carat gold is made, while polishing it will improve upto 18-1/2 carat or if it is to be made from out of 22 carat gold, it will improve upto 22 1/2 carat. When the gold is polished and dipped into a chemical material, superfluous copper is eaten away and the quality of the gold improves. Our Parishad is of opinion that Government should purchase gold and sell it to the customers. The international price of gold, as the Government says, is Rs. 62.50.

Chairman: To the customers or your workers?

Shri J. V. Jamsandekar: To the customers. The money is to be spent by the customer. Goldsmiths do not have money. We are simply working on the metal which has to be purchased by our customers. It is not in the interest of the customers that they should buy gold from Bullion Merchants and we would advise those people to buy from the Government so that the Government also can have a record of the gold purchased by them. Then they (the Government) will have a purchasers' record. Smuggled gold is being sold at Rs. 90 or so to wholesalers while, in the market, gold is sold at Rs. 135 to Rs. 150. That is the business transacted by monied people who have got Rs. 10 lakhs to Rs. 50 lakhs at a time in hand. The smugglers can exchange the gold for money. That money is taken by those people and utilised for some other purpose which I have already stated in memorandum. Some articles are being smuggled out for export, which fetch a considerable value in Arab countries and other places. Such materials are passed on in the same way gold is coming here. I do not want to comment on the

negligence or the vigilance of the Government officials there.

Regarding the carats, I do not know why 14 carat was stuck to and while an alloy of gold may be of lower grade, say, 15, 14, 10 or even nine. I know some of our people are preparing ornaments of nine carats also which are called karwari (made in Karwar) ornaments which are purchased only for show as cloth is purchased. Whenever that fashion has gone, it is thrown away. It has no resale value. Usually, ornaments have a resale value and that is why people believe in higher carats. The difficulty is that when the customers purchase 12 or 14 carat gold and when they go to sell old ornaments again to the purchaser of old ornaments, the purchaser will not give the right value for that material. Even if it is 14 carat, he will assess it as nine carat and the customer will not have any say there. The findings of 22 ct. ornament, when soldered together, may mean 22 ct. exactly, but when melted it may not come even to 15 ct. or so, and that is due to the inferior quality of solder in the ornament. As some of our friends, the dealers, have stated that we are not honest men and that ornaments or costly materials cannot be entrusted to us. But we still say for generations we have been doing these things, but the monied-people have got enough of black market money and have stepped into this business of late and they challenge that we are not honest and only they are honest; they say that the people or the customers entrust their valuables to them and not to us. But you will agree with me that for generations we have been doing this business. There may be some cases where some defalcations may have been indulged in, but that should not be generalised. Some witnesses said that the people are not given *mazdoori* or making charges at all. If you just go deeply into that matter, you will understand that even if he is not paid, if he means to have his making charges, he can have more

than what he expects, which the dealer knows, and there is no such thing as, what you call, belief in each other.

Chairman: How can he do that? Unless he has stolen a bit of gold, how can he do that?

Shri J. V. Jamsandekar: Whenever findings are to be soldered, they must be soldered with such solder that the melting point of which should be about 15 degrees less than the original metal. That solder can be made by having a dissimilar proportion of other metals i.e. copper and silver in the gold. If you have 22 ct. gold, the highest carat of solder you can use is 20. When he is not given 20 ct. solder, and if he is not given anything or is paid less, what happens is this. A person must at least get Rs. 15 or Rs. 20 a day as wages, since he is a very skilled workman. But he is not getting even Rs. 5 or Rs. 6, and in trying to make up the loss, if he just reduces the quality of the solder, he will probably be earning more than Rs. 20.

To overcome this difficulty I have suggested in my memorandum that the goldsmith should be bound over by the Hallmark of the ornament also should be maintained in the interests of the public and in the interests of the goldsmiths also. At present, things have become very dear. The cost of living has become very high and these people have been managing their affairs with Rs. 150 to Rs. 200 a month or so. Now, they cannot manage their affairs even with Rs. 500 or so. Though, for example, the tailors have increased their charges, the goldsmith has not increased his. He cannot, because of the middlemen who take away the whole profit of the goldsmith. So, I want to suggest that we should be given preference and that no dealer should be given any sort of preference in this, because the dealers are newcomers in the line; it is not their ancestral vocation.

I have stated that the Gold (Control Bill should be withdrawn. I

have stated that our Central Committee is opposed to the major part of the said Bill and hence we do not propose to deal with it clause by clause. We only desire that the provision to give concession to the self-employed goldsmiths to recast old ornaments of higher purity of gold, which has been already given, should remain. Further, the Indian goldsmiths, belonging to any religion or caste—even Mohammedans in Amritsar and Delhi—and who have been carrying on the work of preparing and helping the execution of gold ornaments and jewellery for generations and who are now preparing and selling ornaments and parts of ornaments (findings) and who are connected with the different operations in the manufacture of ornaments, should be included in the category of self-employed goldsmiths.

What I wanted to add was that some of the people have placed their case on behalf of the labourer. I do not consider a viswakarma brahmin goldsmith as a labourer. I say that he is a skilled artisan. Even now we have a better position in the society: we have a better standard and as such some of our people are preparing and selling articles also. Such people who are for generations goldsmiths should also be included in the category of self-employed goldsmiths. That was my case.

सरदार जसवंत सिंह : मैं यह बतलाना चाहता हूँ कि अगर यह बिल लाया गया तो इससे क्या क्या तकलीफें होंगी ।

मंत्री महोदय ने कहा था कि इस बिल से स्वर्णकारों को कुछ सुविधायें दी जायेंगी ताकि वे अपनी रोटी कमा सकें और इस के साथ साथ स्वर्णकारों का पुनर्वास भी किया जायेगा । लेकिन मेरा कहना है कि उनके यह कहने के बावजूद अगर यह कानून बनाया गया तो इससे अपने हाथ से काम करने वाले सुनारों को बड़ा तकलीफ हो जायेगी और वे अपनी रोटी भी नहीं कमा सकेंगे ।

आप कह सकते हैं कि आज लोग कैसे रोटी कमा रहे हैं तो मैं कहूंगा कि वे गलत तरीके से रोटी कमा रहे हैं। अगर इस बिल को बिना सुधार के पास कर दिया गया तो ये लोग जरायम पेशा हो जायेंगे और चोरी से अपना काम जारी रखेंगे।

जहां तक पुनर्वास का सवाल है दिल्ली में तो किसी स्वर्णकार का पुनर्वास नहीं हुआ है। इसकी वजह से कुछ मुहकमें बन गए और कुछ अफसरों की नियुक्ति जरूर हो गयी है। कुछ स्वर्णकारों को नौकरियां दी गयीं, पर तीन महीने बाद उनको निकाल दिया गया और उनके सरटिफिकेट भी कैसिल कर दिये गये। आज वे बेकार हो कर दर दर की ठोकें खा रहे हैं। जब तक आप स्वर्णकारों के लिये शिड्यूलड कास्ट वालों की तरह नौकरियों में कोई रिजरवेशन नहीं करेंगे तब तक उनका पुनर्वास नहीं हो सकेगा उनके बच्चों को स्कूलों और कालिजों में दाखिला नहीं मिल रहा है। उनके लिये भी इतिजाम होना चाहिये और उनके लिये भी कुछ रिजरवेशन होना चाहिये।

गोल्ड कंट्रोल बिल जिस शकल में आ रहा है कभी कामयाब नहीं हो सकता। जिन स्वर्णकारों को आज हजार दो हजार रुपया कर्जा दिया गया है वे कुछ समय बाद उसको खा चुकेंगे और फिर बेकार के बेकार रह जायेंगे। उनके पास कोई दूसरा आर्ट नहीं है। वे फिर चोरी से इसी धन्ध को करेंगे। मैंने देखा है कि बम्बई में नशा बन्दी का कानून कितना विफल हो रहा है। आज वहां बीस हजार लोग जरायम पेशा हो गए हैं और नाजायज शराबकशी करते हैं। इससे वहां और जरायम भी बढ़े हैं।

सभापति महोदय : यह चीज तो कही जा चुकी है।

सरदार जसवंत सिंह : इस बिल में रखा गया है कि स्वर्णकार १०० ग्राम से अधिक सोना बनाने के लिये अपने पास नहीं रख

सकता। अब हमारे पास अनेक ग्राहक आते हैं और अपना सोना देते हैं, अगर हम उसको लें तो १०० ग्राम से ज्यादा हो सकता है। इस पाबन्दी के कारण हमको बड़ी तकलीफ होती है। इसके अलावा अगर कोई ५०० ग्राम की तगड़ी बनवाना चाहे तो हम एक साथ उस सोने को गला नहीं सकते। हमको १०० ग्राम से ज्यादा गलाने की इजाजत नहीं है। हम को बार बार सौ सौ ग्राम गला कर ग्राहक को बताना पड़ेगा और इसमें कितना समय लगेगा। हमारे गोल्ड एडमिनिस्ट्रेटर साहब का कहना है कि सौ ग्राम का हिस्सा बना कर जोड़ते जाओ। यह बड़ा कठिन काम है और फिर सारा जेवर एक तरह का यानी एक ही तरह के सोने का नहीं हो सकेगा।

इसके अलावा पुराने सोने में मिलावट होने के कारण उसको रिफाइन करना जरूरी होता है, जिसकी हमको इजाजत नहीं है। बिना रिफाइन किए वह टूट जाता है।

इसके अलावा हमको अपना कुछ सोना रखने की इजाजत होनी चाहिये क्योंकि हमको अपना सोना पहले ग्राहक के जेवर में लगाना पड़ता है। मान लीजिए कि कोई आदमी ६ मासे का पेंडेंट बनवाना चाहता है तो उसके साथ हमको अपना एक तोला सोना और लगाना पड़ता है। यही हालत डार्ड के काम की भी है।

सभापति महोदय : ये सारी बातें कही जा चुकी हैं अब आप समाप्त कीजिए।

Shri N. Veerachary: Mr. Chairman, so far we have spoken about the withdrawal of the Gold Control Bill.

Chairman: You spoke on behalf of the Andhra Association before?

Shri N. Veerachary: I am the Vice-President of the Akhil Bharatiya Swarnakar Sangh, Delhi.

I am of the opinion that Gold Control Bill should be withdrawn. Our

Government starting from Avadi and Nagpur is telling that it practises socialism. Socialism means equal opportunities to all individuals. Every individual should be given equal opportunity and his initiative should be encouraged. What is the opportunity that our goldsmiths are having? The exploitation of goldsmiths should be stopped.

Chairman: Who is exploiting you? You should be specific.

Shri N. Veerachary: Jewellers and gold merchants. They say that they give full value for the labour of goldsmiths. That is wrong. If they gave full value the position of these goldsmiths would not be as deplorable as it is today. It is clear that the jewellers and gold merchants are becoming richer and richer within a short time with their finances, without putting forth any manual labour. We are the people who do the manual labour. It is the customers who want the ornaments and we are the people who do these ornaments. Between these two people there should not be middleman. That is the reason why I request that the amendment which has come to give some bread to the goldsmiths should not be applied to the middlemen—because they are asking for the same.

Then, regarding the dealer, he is allowed to keep some out-workers under him. That should be stopped. Otherwise there will be division between the out-worker and the self-employed goldsmith and the unity between the workers will vanish.

Shri Era Sezhiyan: About the two kinds of goldsmiths, namely the self-employed goldsmiths and what he calls the out-workers, has he got any statistics about the number who are employed by the dealers and those who are self-employed?

Shri N. Veerachary: No, I cannot say to that extent. We have not taken any data.

Shri Era Sezhiyan: If I have understood him correctly, they want that the present concession that is given to the self-employed goldsmith should not be given to the out-workers.

Shri N. Veerachary: Should not be given to the dealers. If it is given to the dealers what will happen is this. They say that they are giving it to the workers. They are giving it of course to the workers, but they are exploiting them and not giving the goldsmiths the full value of their labour. Therefore, if that concession is not given to them, the customer will come directly to the worker, and the worker will have the money, what is now going to the dealer.

Shri Era Sezhiyan: Yesterday we were examining some of the dealers and we got some information from them. Suppose an ornament is made and the cost of the material is Rs. 600 and the making charges are Rs. 100. Out of the Rs. 100, how much is the dealer paying you, that is the worker?

Shri N. Veerachary: Rs. 20 or 25.

Shri Era Sezhiyan: We heard that it was Rs. 35 to 40 per cent.

Shri N. Veerachary: No, it is very much less than that.

Shri Era Sezhiyan: Regarding smuggling of gold, you are the actual workers. Whenever any new gold comes, if it is not an old ornament which has already been worn, you can distinguish and you can say whether it is smuggled gold or not.

Shri N. Veerachary: Yes. If the restrictions that are hanging over our heads are removed, if we are free, we will give all support to the Government to detect the smuggled gold whenever it comes to us. We can keep accounts and we can tell it in time if any smuggled gold will come, if the Gold Control is withdrawn.

Shri Era Sezhiyan: What do you mean by saying 'if the Gold Control is withdrawn'?

Shri N. Veerachary: Because we are today working under so many restrictions, and fear and threat also.

Shri Era Sezhiyan: What is the special restriction under which you suffer and what amendment do you suggest for removing it?

Shri N. Veerachary: We have shown 14 amendments in the Akhil Bharatiya Swarnakar Sangh Memorandum where we have explained it. If they are accepted we will help the Government, we will be by the side of the Government to detect smuggled gold. Gold should be properly brought to the country and sold through governmental agencies. Then we can help in all respects.

श्रीमती तारा आर० साठे : आप की संस्था में कितने सदस्य हैं ?

श्री भवानी शंकर ए० सोनी : हमारी संस्था एक फेडरेशन है जिसमें कि विभिन्न स्वर्णकारों की यूनिट्स एफिलिएटेड हैं ।

श्रीमती तारा आर० साठे : कितने गोल्ड स्मिथ्स शामिल हैं ?

श्री भवानी शंकर ए० सोनी : हम २० लाख स्वर्णकारों को रिप्रजेंट करते हैं ।

श्रीमती तारा आर० साठे : आपकी सदस्य संख्या क्या २० लाख की है ?

श्री भवानी शंकर ए० सोनी : हमारी तो आल इंडिया फेडरेशन है । हमारे यहां सदस्यों की बात नहीं है । सोलह स्टेट्स की जो अलग अलग स्वर्णकारों की संस्थाएं हैं वे हमारी इस आल इंडिया फेडरेशन के साथ एफिलिएटेड हैं ।

श्रीमती तारा आर० साठे : उन सारी एसोसिएशंस में कुल मिला कर कितने सदस्य होंगे यह तो फीगर्स आप के पास होंगी ?

श्री भवानी शंकर ए० सोनी : यह सूचना अलग अलग स्टेट्स के पास होगी । हमारे पास इस की जानकारी नहीं है ।

Chairman: It is only a federation of associations.

Shrimati Tara R. Sathe: There should be measures. Some people must enroll themselves as members.

आप ने अपनी स्पीच में कहा था कि स्वर्ण नियंत्रण के कारण २० लाख स्वर्णकार बेकार हो गये हैं, मैं जानना चाहूंगी कि २० लाख स्वर्णकार देश में इसके फनस्वरूप बेकार हो गये हैं यह गिनती आपने कहां से प्राप्त की है ?

श्री अनिल बसु : हर एक स्टेट के अन्दर स्वर्णकारों की जो यूनिट्स हैं उनसे हमें जो सूचनाएँ प्राप्त हुई हैं उन के आधार पर हम ने यह संख्या प्राप्त की है ।

श्रीमती तारा आर० साठे : आप के पास हर एक स्टेट की फर्स हैं ?

श्री भवानी शंकर ए० सोनी : अगर माननीय सदस्य चाहेंगी तो मैं स्टेट्स के पास से उनको मंगवा कर दे सकता हूँ ।

श्रीमती तारा आर० साठे : आप की फेडरेशन में क्या सराफ भो शामिल हैं ?

श्री अनिल बसु : हमारे साथ सराफ नहीं हैं बल्कि स्वर्णकार हैं जो कि खुद अपने हाथ से मजदूरी करते हैं ।

श्रीमती तारा आर० साठे : आप ने कहा है कि २०० स्वर्णकारों ने अत्महत्याएँ की हैं तो क्या उन के नाम, घर आदि के बारे में आप कमेटी को जानकारी दे सकते हैं ?

श्री अनिल बसु : जी हाँ, मैं उनके बारे में जानकारी दे सकता हूँ । हमारे पास विभिन्न राज्यों से जो रिपोर्ट्स आई हैं उन के आधार पर मैं यह कह रहा हूँ ।

Shrimati Tara R. Sathe: I would like the Government to note down

the particulars of the 2 hundreds of people who have committed suicide.

Shri Era Sezhiyan: They say they have got the list persons who have committed suicide.

Chairman: You want them to give us those particulars?

Shrimati Tara R. Sathe: It will help us to have the record, when they say that 200 people have committed suicide.

Chairman: What is the use? Have you a list?

Shri Anil Basu: Yes, we gave it to Shri K. Ram, Private Secretary to our late Prime Minister.

श्रीमती तारा आर० साठे : आप ने बत-
लाया है कि यह १०० ग्राम रखने की जो लिमिट
रखी है वह कम पड़ती है तो इस के क्या अर्थ
हैं ?

श्री अनिल बसु : हमारी मुसीबत यह है
कि १०० ग्राम प्राइमरी गोल्ड ही हम रख
सकते हैं ऐसा एक कानून है ।

Chairman: It is too small. But you can replenish.

Shri Bhavani Sanker A. Soni: We cannot purchase. हमारे ऊपर यह १०० ग्राम की प्राइमरी गोल्ड रखने की पाबन्दी क्यों लगाई गई है ? चीज यह है कि लोग जो हम से अपना जेवर बनवाने के लिये लाते हैं उस में हमें गढ़ाई और फाइलिंग आदि के लिये १०० ग्राम मिलाना पड़ता है । वह हम अलग नहीं रख सकते हैं । कस्टमर का जो ५०० ग्राम सोना औरनामेंट्स का आया है उस में से हम १०० ग्राम ही गला कर बना सकते हैं । इस तरीके से नहीं बना सकते हैं कि हम १०० ग्राम उसमें से अलाहदा रख दें । अगर हमें कस्टमर से १००० ग्राम भी सोना औरनामेंट्स के लिये मिलेगा तो भी हम एक टाइम पर १०० ग्राम तक गला कर उसको बनायेंगे ।

श्रीमती तारा आर० साठे : कई लोग सोने का धन्धा करते करते दूसरा धन्धा भी करना चाहते हैं । ऐसे लोगों की संख्या कितनी है, जिन को लाइसेंस चाहिये ?

श्री भवानी शंकर ए० सोनी : वे स्ट टिस्टिन्स हमारे पास रही हैं ।

Shrimati Tara R. Sathe: You have stated that Government have given you permission to convert old ornaments into new ornaments of the same purity?

Shri Bhavani Sanker A. Soni: Yes.

Shrimati Tara R. Sathe: You have stated also that you want permission to convert it into ornaments of 22 or 24 ct.?

Shri Bhavani Sanker A. Soni: To convert the inferior purity ornaments into superior purity ones, we want permission.

Shrimati Tara R. Sathe: If somebody comes with an ornament of 18 ct., you want to manufacture it as an ornament of 22 or 24 ct.?

Shri Bhavani Sanker A. Soni: If the customer demands it.

Shrimati Tara R. Sathe: That is your demand?

Shri Bhavani Sanker A. Soni: Yes, if the customer demands it.

Shrimati Tara R. Sathe: On the contrary, suppose Government give you permission to convert the ornament into 14 ct. ornament, just as the sarafs have got the permission, would you accept it?

Shri Bhavani Sanker A. Soni: We say that there is no market for 14 ct. ornaments. The customers do not demand 14 ct. ornaments.

Shrimati Tara R. Sathe: You only want permission to convert into ornaments of a higher purity?

Shri Bhavani Sanker A. Soni: Yes, if the customer demands it.

Shrimati Tara R. Sathe: If that permission is given which is given to the sarafs, will you support the Bill?

Shri Bhavani Sanker A. Soni: There is no question of supporting the Bill. We say that there is no demand for 14 ct. ornaments, because the customers do not want it.

Shrimati Tara R. Sathe: Supposing the middleman is not allowed to deal with you, would you like to have this control, and would you support this Bill?

Shri N. Veerachary: Certainly, if our industry is protected by Government and we are supplied the raw material through governmental agencies, we shall certainly accept the Bill. But they should remove the restrictions which are fettering the goldsmiths. Our industry should be recognised as a cottage industry.

Shrimati Tara R. Sathe: That means that the 14 carat restriction may be there, but if the middlemen are not there, and the sarafs are not allowed to deal in this gold business, you will support this Bill?

Shri N. Veerachary: The 14 carat ornament is not in demand among the public.

Shrimati Tara R. Sathe: Then, why do you say that if the middlemen are eliminated, you would support the Bill? You only want, therefore, that the Government should restrict the facilities given to the sarafs.

Shri N. Veerachary: Exploitation should be rooted out. That is our request.

Shri S. C. Samanta: The swarnakars have to submit periodical reports to Government. May I know whether the forms which they have to use are complicated, and if so, whether any simplification could be suggested?

Shri B. D. Pande: On a matter of clarification; they are not required to submit any returns yet; they have to keep accounts only, but they are not required to submit any returns at the moment.

श्री बी० एल० चांडक: अभी आप की तरफ से कहा गया है कि बीस लाख स्वर्णकार हैं। क्या आउट-वर्कर्स, जड़िया, कारीगर आदि सब उन में शामिल हैं ?

श्री भवानी शंकर ए० सोनी : जो हस्तकला का काम करते हैं, वे सब शामिल हैं ।

श्री बी० एल० चांडक: यहाँ पर कहा गया है कि जो डीलर्स, सर्ाफ हैं, वे बहुत से काम करने वालों को कुछ मजदूरी नहीं देते हैं। काम करने वाले वगैर मजदूरी के उन लोगों का काम कैसे करते हैं ?

श्री भवानी शंकर ए० सोनी : सर्ाफ लोग हम से मजदूरी एक्सप्लायट करते हैं ।

श्री बी० एल० चांडक: आखिर में काम तो आप से करवाते हैं। तो आप लोग वगैर मजदूरी के उन का काम कैसे पूरा करते हैं ?

Shri N. Veerachary: Suppose a customer comes and gives an order to a middleman, that is, a gold merchant, he will accept the order for Rs. 15. The same order will be given to a goldsmith, and he will pay to that goldsmith only Rs. 3 or 4 out of that Rs. 15. The rest of the amount will be taken by the middleman. In that way, the workers are being exploited. If the customers would directly go to the goldsmiths, the goldsmiths would do it for only Rs. 10; the customers will be benefited, and at the same time, the goldsmiths also will be benefited. It is because of these middlemen that the position of the goldsmiths is becoming worse day by day.

श्री बी० एल० चांडक : अभी कहा गया था कि वे कुछ मजदूरी नहीं देते हैं ।

श्री एन० बीराचारी : देते हैं ।

श्री रामजीभाई संयल मीनावाला : वे बिल्कुल मजदूरी नहीं देते हैं ।

Shrimati Nandini Satpathy: It has been stated that the goldsmiths are being exploited by the dealers or the sarafs. But I think that the goldsmiths have got an association or union. Is not the union fighting against this exploitation?

Shri N. Veerachary: Our organisation itself is fighting against that exploitation.

Shri Bhavani Sanker A. Soni: Is it the intention of Government that we should fight amongst ourselves? We do not want to fight amongst ourselves.

Shri Dahyabhai Patel: They want you to fight between yourselves so that you may expose yourselves and be exploited further.

श्रीमती लक्ष्मीबाई : श्री बीराचारी कहते हैं कि मिडलमैन को हटा देना चाहिये। मिडलमैन को हटा देने से गारण्टी कौन देगा ? गोल्डस्मिथ तो एक दिन यहाँ बैठेगा और दूसरे दिन वहाँ काम करेगा ; अगर कस्टमर कुछ दिनों के बाद अपने आनमिंट्स को एन्जामिन कराना चाहता है या उस को बेचना चाहता है, तो उस की गारण्टी कौन देगा ?

Shri N. Veerachary: The question has been asked as to who will give the guarantee. These middlemen have come into this business only for the last fifty years. Formerly, who was giving the guarantee to the customers for their gold ornaments? Certainly, in the villages, even today, the people are not going to any middlemen but directly to the goldsmiths to give orders to them to get their ornaments prepared. The swarnakars are not of that type which will not give the guarantee; they will always be with the public, and it is at the mercy of the public that they will have to live, or else they will die.

श्रीमती लक्ष्मीबाई : बीराचारी साहब ने कहा कि सरकार को गोदाम रखना चाहिये

और वहाँ से गोल्ड सप्लाई करना चााये, तब उन को कोई विरोध नहीं होगा। क्या वह यह महसूस करते हैं कि गोल्ड सप्लाई करने के लिये कितनी रकम का ज़रूरत है, गोल्ड सप्लाई करने के लिये क्या देना पड़ता है और फूडग्रेन्ज जैसी इम्पोर्टेंट कमोडिटी मंगाना भी मुश्किल हो रहा है ? इससे आप की क्या मदद होगी ?

Shri N. Veerachary: सरकार कहती है कि ४०-५० करोड़ रुपया का सोना स्मगलिंग में जा रहा है। स्मगलिंग में जितना रुपया खर्च होता है वह नहीं होगा उस हद तक जिस हद तक आजा होता है अगर सरकार सोना खुद दे और इसके भाव कम कर दे। पचास करोड़ की जगह तीस करोड़ ही होगा। जितना स्मगल हो कर सोना आता है वह सब आभूषण बनाने के काम में नहीं आता है। ब्लैक का जो रुपया है वह भी इस में लगता है। हम कारीगरों के पास २५ सैंकड़ा से ज्यादा गलाने के लिये नहीं आता है। सरकार बीस करोड़ का सोना खुद बाहर से लाकर हमें दे और हम जो जेवर बनायें उनको बाहर भेजें, इससे सरकार को फारेन एक्सचेंज काफ़ी मिल सकती है।

श्रीमती लक्ष्मीबाई : अगर बाहर से सोना मंगाया जाये तो क्या आप कस्टमरों से आधा पैसा पहले जमा कराने के लिये कहेंगे, इस तरह से करने को भी क्या आप तयार होंगे ? Are they ready to encourage the customers to deposit 50 per cent of the money?

Shri N. Veerachary: If it comes into the hands of private people, smuggling will continue. It should be in the hands of Government. Gold should be bought from other countries by Government and distributed through governmental agencies alone.

Shri B. K. Gaikwad: Witness said that the policy of gold bonds has not been successful and attractive. What

can be done to make it successful and attractive?

Shri Bhavanj Shanker A. Soni: Gold given may be given back and the interest rate may be raised.

Shri B. K. Gaikwad: It was said that the price of gold was going up and down. Who is responsible?

Shri Anil Basu: Gold is going underground.

Shri B. K. Gaikwad: Who is fixing the price? Those who bring smuggled gold or the merchants?

Chairman: There is no fixed price. It depends upon demand and supply.

Shri B. K. Gaikwad: You said that there are 20 lakh goldsmiths unemployed. Do they include their dependents also?

Shri Bhavani Shanker A. Soni: Only goldsmiths.

Shri Anil Basu: Those who earn from the gold industry.

Shri N. Veerachary: The total number of workers.

Shri Anil Basu: These 2 lakh people may be 10 lakh families, or 7 lakh families. But the number of workers is 20 lakhs.

Shri B. K. Gaikwad: When gold is smuggled into India, does it go underground or is it converted into ornaments? If the latter, have these goldsmiths converted them into ornaments?

श्री अनिल बसु : बाहर से जो सोना स्मगल हो कर आता है वह सारा आर्ना-मेंट्स में नहीं लगता है। उस में से कुछ हिस्सा आभूषणों में जाता है और बाकी जो सोना है, उसको जिन के पास ब्लैक का रूपया होता है उससे खरीद लेते हैं। जो शैफ एम्प्लायड गोल्डस्मिथ है उसके पास नये आभूषण बनाने का काम नहीं रह गया है। स्मगलड सोने को हम ही गलाते हैं। सराफ आउटवर्कर के जरिये या

डायरेक्टली जिस को व एम्प्लाय करता है, उसके जरिये करवाते हैं।

Chairman: Do you mean to say that all the smuggled gold has gone underground?

Shri Anil Basu: Some has gone. कुछ चला जाता है और कुछ नहीं भी जाता है।

Shri B. K. Gaikwad: What about the goldsmiths who are working with sarafs?

Shri Anil Basu: They are controlled by the sarafs. They have no independent will. They have to obey their masters.

Chairman: Whatever gold they give, you convert it into jewels, whether it is smuggled or otherwise.

Shri Anil Basu: Self-employed goldsmiths get work only from customers. 25 per cent of the work we get.

Chairman: You do not get any ornaments from sarafs?

Shri Anil Basu: No.

Shri Bhavani Shanker A. Soni: There is a prohibition already in cl. 13.

Shri B. K. Gaikwad: Do the goldsmiths work with sarafs or do they work independently. Whatever ornaments are being made, whether from smuggled gold or otherwise, are made by goldsmiths only.

Shri N. Veerachary: Therefore, we ask that division amongst workers should not be there. We would request. They are given the power to have some out-workers. They are doing all such things. We would request you to recommend that there should not be that division.

Shri B. K. Gaikwad: It was said that some goldsmiths living in villages have got some other business also. What is their percentage to the total?

Shri Anil Basu: There are some cases. We cannot say about the percentage. जी गांव में लोग हैं वे सोने के साथ साथ कोई दूसरा धंधा भी करते हैं। वे सेल्स टैक्स भी अदा करते हैं सोने के व्यापार पर। उनको भी लाइसेंस मिलना चाहिये।

Shri B. K. Gaikwad: Have you included them among the unemployed workers?

Shri Anil Basu: There are very few cases.

Shri B. K. Gaikwad: You mentioned about powers of the Administrator, but you did not mention what powers.

Shri Anil Basu: We have dealt in our memorandum clause by clause. अगर आप चाहें तो मैं रिपोर्ट कर दूँ ?

सभापति महोदय : इसकी जरूरत नहीं है।

Shri B. K. Gaikwad: It was said that among dealers and sarafs, there are Brahmins, Banias and Mochis. What is the number of Mochis there? It is said that goldsmiths are artisans. We have been told that they are appointed as menial labour.

Chairman: They are not menials, they are artisans.

श्री महावीर दास : जो राष्ट्र उन्नति करते हैं, जैसे रूस, अमरीका, चीन, इंग्लैंड क्या वहाँ गोल्ड कंट्रोल है या वहाँ लोगों को सोने में फ्री ट्रेड और फ्री ओनरशिप का अधिकार है।

श्री अनिल बसु : हम नहीं जानते।

श्री महावीर दास : मैं यह बताना चाँता हूँ कि जब कोई राष्ट्र उन्नति करता है तो उसको सोने की जरूरत होती है और होरडेड सोने को निकालने के लिये उसको गोल्ड कंट्रोल लागू करना पड़ता है।

श्री अनिल बसु : लेकिन जा आप यह कानून लाए हैं उसमें तो होरडेड गोल्ड को निकालने का सवाल नहीं है।

श्री महावीर दास : गोल्ड कंट्रोल न हो तो होरडेड गोल्ड कैसे निकलेगा और स्मगलिंग कैसे बन्द होगा ?

श्री अनिल बसु : हम उसके खिलाफ नहीं हैं।

श्री महावीर दास : एक आउंस के जेवर में कितना सोना होता है ?

श्री अनिल बसु : सवा तोला।

श्री महावीर दास : साधारण लोग कितने सोने का जेवर बनवाते हैं ?

श्री अनिल बसु : कोई दस तोले का कोई बीस या २५ तोले के, हमारे पास इसके आंकड़े नहीं हैं।

श्री महावीर दास : आप ने ट्राइबुनल की मांग की है। और चीजों के भी तो लाइसेंस कौंसिल किये जाते हैं, उनको तो ट्राइबुनल की सुविधा नहीं है।

श्री अनिल बसु : इस बिल में यह है कि हमारा लाइसेंस जुर्म की सम्भावना से भी कौंसिल किया जा सकता है। हमारा कहना यह है कि जो हमको एक्यूज करता है वही हमारे केस का फैसला न करे। हमको अपील करने के लिये ट्राइबुनल के सामने जाने की सुविधा दी जाए।

श्री महावीर दास : कानपुर में सात या आठ हजार कारीगर हैं, उनमें से तीन चार हजार को बोगस किया गया। आपके एसोसिएशन ने उसका विरोध किया ?

श्री अनिल बसु : हमने विरोध किया क्योंकि उसमें भी मालप्रैक्टिस होता है।

An hon. Member: Do you engage any particular number of goldsmiths throughout the year?

Shri Anil Basu: There is no system like that.

An hon. Member: Is it a fact that goldsmith business is now being transferred from villages to big towns and cities and is disappearing from the villages?

Shri Bhavani Shanker A. Soni: It is not so.

Shri V. C. Keshava Rao: I want to know whether all these goldsmiths are employed on piece work basis or on a daily basis?

Shri Bhavani Shanker A. Soni: Piece work.

Shri V. C. Keshava Rao: Goldsmiths appoint some labourers to assist them. I want to know how these casual labours are paid by the goldsmiths?

श्री अनिल बसु : जो स्पेशलाइज्ड, आर्टिजन होता है उसको अपने काम में मदद के लिये कुछ आदमियों को रखना पड़ता है। और जो उसकी मजदूरी मिलती है उसमें से वह उनको भी देता है। जैसे अगर उसे किसी काम के लिये ३० रुपये मिले और उसने चार आदमियों से मदद ली है तो वह उनको पांच पांच रुपये दे देगा।

An hon. Member: All the goldsmiths are not given certificates. I want to know what is the number left out without being given certificates?

श्री अनिल बसु : अभी सब जगह सब लोगों को सरटिफिकेट नहीं मिले हैं। दस्तखत तो सब ने कर दिये हैं।

Shri V. C. Keshava Rao: As regards given for not giving certificates to goldsmiths?

श्री अनिल बसु : दस्तखत करने के बाद हमको एक स्लिप मिल जाता है, उसके जरिये हम सरटिफिकेट मिलने तक काम करते रह सकते हैं।

Shri V. C. Kesava Rao: As regards Customs officials, somebody said that they are harassing the goldsmiths. I

want to know whether these goldsmiths are exhibiting their gold on the notice boards and even after seeing the boards the Customs officials are harassing them.

श्री अनिल बसु : स्वर्णकारों को कस्टम आफिशिएल्स के द्वारा बहुत परेशान किया जाता है। आम तौर पर वे बेचारे सुनार अनपढ़ होते हैं और वह एक लाइन भी लिख नहीं सकते हैं। उनको एक फार्म भरना होता है जिसमें कि 11 आइटम्स भरने होते हैं जो कि वे स्वयं भर नहीं सकते हैं। इसी तरह से उनको एकाउन्ट रखने के बारे में भी परेशान किया जाता है। हमारे स्वर्णकारों में मुश्किल से पांच प्रतिशत ही इस योग्य होते हैं जो कि फार्म ठीक तरह से भर सकें और एकाउन्ट रख सकें और इस नाते उनको बहुत हैरिसमेंट होता है। इस के अलावा सर्राफ लोग जिनके कि वहाँ यह सुनार लोग काम करते हैं, सर्राफ लोग अपने ग्राहकों को खुश करने के लिये इन गरीब सुनारों को 22, और 24 कैरेट के जेवर बनाने के लिये बाध्य करते हैं और यह धमकी देते हैं कि अगर उन्होंने उनकी मंशा के मुताबिक जेवर नहीं बनाये तो उनको अच्छी मजदूरी नहीं दी जायेगी। लेकिन जब पुलिस को इसका पता चलता है तो उनकी जिम्मेदारी नहीं लेते हैं और वे बेचारे गरीब मजदूर स्वर्णकार फंस के रह जाते हैं।

श्री शिव नारायण : आप की असोसियेशन जहाँ तक मेरा खयाल है, स्वर्ण नियन्त्रण कानून के विरुद्ध नहीं है, क्या यह सही है ?

श्री अनिल बसु : गोल्ड कंट्रोल के हमारी फेडरेशन निश्चित रूप से विरुद्ध है।

श्री शिव नारायण : अभी आप ने कहा कि यह सर्राफ लोग आपको एक्सप्लोएट करते हैं, मजदूरी कम देते हैं

तो अगर गवर्नमेंट की तरफ से दुकान रहे और वहां से आपको सोना मिले तो क्या ठीक रहेगा ?

श्री अनिल बसु : हम लोग यही मांग कर रहे हैं ।

श्री शिव नारायण : स्मगलिंग के बारे में जितने भी लोग अब तक आये, जितनी भी संस्थाओं ने अपनी गवाही दी, किसी ने भी यह दिल खोल कर नहीं बतलाया कि सरकार के साथ हम इस तस्कर व्यापार आदि को बंद करने में क्या सहयोग कर रहे हैं अथवा उसे क्या मदद दे रहे हैं ? आप लोग तो स्वयं वर्कर्स हैं अपने हाथ से यह सारा काम करते हैं इसलिये आप ही बतलाइये कि इस स्मगलिंग को कैसे बंद किया जाय ?

श्री अनिल बसु : कानून पर ईमानदारी व कड़ाई के साथ पालन करा कर हम सोने के तस्कर व्यापार को रोक सकते हैं । कानून बना हुआ है लेकिन उस पर ठीक से अमल नहीं होता है जिसके कि कारण सोने की चोरी जारी है । आज एक ईमानदार प्रशासन की जरूरत है जो कि इस तस्कर व्यापार को रोक सकता है ।

मेरा सुझाव है कि सरकार पूरा कारोंबार अपने हाथ में ले । बाहर से सोना ला कर इंटरनेशनल प्राइस के अनुसार उचित भाव में सोना दे ताकि बाहर से लोग सोना ला कर उसमें मुनाफ़ा न कमा सकें । बाहर से सोना लाया जाय और उस की बिक्री गवर्नमेंट एजेंसीज के जरिये आर्गोनाइज की जाये । सोना आर्टिजंस और आम जनता को १०० रुपये तोला से अधिक दाम पर न बेचा जाय । अगर ऐसी व्यवस्था की जायेगी तो यह सोने की चोरी अपने आप बंद हो जायेगी ।

सरदार जसवन्त सिंह : स्मगलिंग को केवल कागजी कानून बना कर ही बंद नहीं किया जा सकेगा । गवर्नमेंट को बजाय इस

क्वालिटी कंट्रोल करने के स्मगलिक और होर्डिज को अनर्थ करने की कोशिश करनी चाहिये ।

Shri Prabhat Kar: As I understand, there are some general standards for making charges per tola of different varieties of ornaments.

Shri Anil Basu: Not on weight, but on productive quality.

Shri Prabhat Kar: Generally there is a standardised thing. It may vary from a big shop to a small shop to a small extent. I want to know the variation between the charges which are made by the jewellers and the charges paid to the actual goldsmith for the same work. What is the difference?

Shri Anil Basu: On an average 20 to 25 per cent.

श्री गुजराल : स्वर्णकार के हाथ में सारी चीज होनी चाहिये ज्वैलर्स के हाथ में नहीं होनी चाहिये, तो आप यह कैसे फंसला करते हैं कि कौन ज्वैलर्स होते हैं और कौन सुनार होते हैं ? आप यह लाइन कहां पर ड्रा करते हैं ?

श्री अनिल बसु : दोनों में अंतर बिलकुल साफ है । हम स्वर्णकार अथवा सुनार उसको मानते हैं जो कि यह काम स्वयं अपने हाथ से करें ।

श्री गुजराल : अगर कोई स्वर्णकार आठ, दस साल में तरक्की कर ले, अपना बिजनेस बढ़ा ले और दो, चार आदमी काम करने के लिये अपने साथ में बैठा ले तब क्या गोल्डस्मिथ का उसका लाइसेंस कैसिल कर देना चाहिये ।

श्री अनिल बसु : अगर वह गहनों की बिक्र करता है, उनकी सेल करता है तब तो वह सराफ बन जाता है और उस हालत में वह गोल्डस्मिथ नहीं रहता है ।

श्री गुजराल : आपके कहने का क्या यह मतलब हुआ कि जब तक कोई व्यक्ति स्वयं अपने हाथ से सारे गहने गढ़ने का काम न करे और अन्य किसी को अपने बंधन नौकर न रखे स्वर्णकार नहीं कहला सकता है ।

श्री अनिल बसु : दो, तीन आदमी वह अपने साथ में काम करने के लिये रख सकता है उसमें कोई हर्ज नहीं है लेकिन अगर वह गहने बेचता है तब तो वह सराफ बन जाता है और उस हालत में वह गोल्डस्मिथ नहीं रहता है ।

श्री गुजराल : यदि जो सराफ आये थे उन्होंने बतलाया था कि जब कोई एक गहना बनाने के लिये आता है तो उस जेवर को तैयार करने में युस्तलिफ लोग अलग अलग काम करते हैं, मसलन कोई गढ़ाई करता है तो कोई मीने का काम करता है, कोई एक आदमी सारा काम अपने आप से नहीं कर सकता है, इसलिये अगर आपकी तिजारत में से सराफ चला जायेगा तो यह सारे कामों को जोड़ेगा कौन ?

श्री अनिल बसु : हम लोग खुद जोड़ेंगे। अभी भी सारा काम प्रैक्टिकली हम सुनार लोग ही करते हैं सराफ तो महज प्राक् से आर्डर ले लेता है और स्वर्णकार को बुला कर उसको जिम्मेदारी दे देता है कि वह आठ दिन में सारा काम पूरा करके उसके हवाले कर दे ।

श्री गुजराल : गोल्ड कंट्रोल आने के बाद भी देश में नये गहने काफी बनते हैं क्योंकि स्मगल्ड गोल्ड काफी देश में आ रहा है । अब नये गहने जो बनते हैं उनको बनाने का हक तो सिर्फ स्वर्णकारों को है, सराफों को तो है नहीं और आप लोग कानूनन सिर्फ पुराने गहनों से ही नये गहने बना सकते हैं । तो मैं जानना चाहता हूँ कि देश में अभी भी जो अधिक शुद्धता वाले

नये गहने बन रहे हैं उनको कौन बना रहा है ?

श्री अनिल बसु : सराफ लोग आउट-वर्कर्स को बुद्ध गहने बनाने के लिये दे देते हैं और वे अपने घरों में बना कर उन्हें पहुंचा देते हैं ।

Shri Tridib Kumar Chaudhuri:
Under the present Gold Control Rules the self-employed goldsmiths are allowed to re-make or manufacture ornaments about 14 carat purity from old ornaments. This facility is not available to jewellers. You have also stated—and this is your main demand—that you want the gold control to be withdrawn forthwith. If gold control is withdrawn altogether, then the jewellers will get all these facilities and they will continue all those operations against which you have been complaining. So, do you think it is proper on your part to demand the total withdrawal of gold control as such in your own interests?

श्री अनिल बसु : हम लोगों की मांग है कि प्रेजेन्ट गोल्ड कंट्रोल बिल तो वापस ले लेना चाहिये । हम लोगों की यह भी मांग है कि गोल्ड की सप्लाय और दूसरा कारोबार सरकार अपने हाथों में ले कर हमको काम करने की आजादी दें । तब हम एक्सप्लायटेशन से बच सकते हैं और काम भी कर सकते हैं ।

श्री त्रिदिब कुमार चौधरी : मौजूदा गोल्ड कंट्रोल रूल्स में और अगर यह बिल पास हो जाता है, तो उसमें भी आप यह नहीं चाहते हैं कि डीलर्स को सराफ लोगों को भी आर्नामिंट्स के रीवेकिंग की फ़ैसिलिटी दी जायें ।

श्री अनिल बसु : बिल्कुल नहीं चाहते हैं ।

श्री रूहावीर प्रसाद शुक्ला : आपकी एक मांग यह है कि आपको जो पुराने

जेवर नये बनाने के लिये दिये जायें, उनकी क्वान्टिटी पर कोई रेस्ट्रिक्शन न हो और आप यह मांग भी कर रहे हैं कि आपको एक्स्ट्रा गोल्ड इन्टरनेशनल प्राइस पर दिया जाये। क्या यह ठीक है ?

श्री अनिल बसु : हमने ये दोनों मांगें काँ हैं।

श्री महावीर प्रसाद शुक्ल : आप को जो पुराने जेवर रीफ़ेशन करने के लिये दिये जाते हैं, क्या उनको गलाने से पहले सरकार की तरफ से कोई सर्टिफिकेशन या इंस्पेक्शन होता है ?

श्री अनिल बसु : अभी तक तो कुछ नहीं होता है। हम लोग अपने खाते में दर्ज करते हैं कि हमको इतना जेवर मिला।

श्री महावीर प्रसाद शुक्ल : इस वक्त ऐसा कोई सर्टिफिकेशन या इंस्पेक्शन नहीं होता, जिससे यह तसदीक हो सके कि जो सोना आपने गलाया, वह बाकई पुराने जेवरात का था या स्मगल्ड गोल्ड था। आपके पास जो पुराने जेवर पुनर्निर्माण के लिये आते हैं, उनको गलाने से पहले जांच करने के लिये कोई सरकारी मशीनरी है या नहीं ?

श्री अनिल बसु : कोई नहीं देखता है।

श्री महावीर प्रसाद शुक्ल : क्या आप यह महसूस नहीं करते हैं कि इसमें स्मगल्ड गोल्ड को गलाने का दरवाजा खुला हुआ है ? आप इस बात को पसन्द करेंगे कि क्वान्टिटी पर रेस्ट्रिक्शन न हो। लेकिन क्या आप यह मुनासिब नहीं समझते कि जो जेवर आप के पास आयें, उनको गलाने से पहले यह चेक कर लिया जाये कि क्या वे स्मगल्ड गोल्ड तो नहीं हैं ?

श्री भवानी शंकर ए० सोनी : बाजार में गोर सोना नहीं मिलता है। जो मिलता

भी है, वह हम नहीं ले सकते हैं—द भाँ नहीं सकते हैं। हमारे पास जो कुछ आता है, वह अनमिटेड्स के रूप में आता है। हमारे ऊपर तो एक्साइज आफिसर या कस्टम्ज आफिसर की तलवार लटकती रती है। इसलिये हमारे थू गोल्ड गलाया जाये, ऐसा नहीं हो सकता है।

श्री महावीर प्रसाद शुक्ल : क्या आप इस बात के लिये तैयार हैं कि सोने के जो जेवर आपको बनाने के लिए मिलें, उन पर क्वान्टिटी की सीमा न हो, लेकिन उनको गलाने से पहले उनका इंस्पेक्शन भी हो जाये, ताकि पता चल सके कि आप सोना गला रहे हैं या जेवर गला रहे हैं ?

श्री किशन लाल : आपको पता होगा कि सुनार शर्ों के अलावा कस्बों और गांवों में भी रहते हैं। अगर यह रेस्ट्रिक्शन लगा दी जाये कि जेवर को गलाने से पहले उनकी इंस्पेक्शन होगी, तो स्वर्णकार काम नहीं कर सकेंगे। अगर गांवों में भी यह रेस्ट्रिक्शन लगा दी गई, तो हमारा काम यकीनी तौर पर बन्द हो जायेगा।

श्री महावीर प्रसाद शुक्ल : इस बात की क्या गारण्टी है कि जो सोना आप को बिना किसी सीमा के गलाने के लिए दिया जाता है, वह स्मगल्ड गोल्ड नहीं है, जेवर है ?

श्री अनिल बसु : हम को इतना ही गलाने की इजाजत है, जितना हमको मिलेगा। इंस्पेक्टर हमको पूछ सकता है कि जो पांच सौ ग्राम आप गला रहे हैं वह किस का है।

श्री महावीर प्रसाद शुक्ल : जिस कस्टम्ज डिपार्टमेंट और एक्साइज डिपार्टमेंट की बात आप कर रहे हैं उनके होते हुए भी स्मगल्ड गोल्ड आ रहा है। आप उन पर भरोसा क्यों करते हैं कि वे आप को स्मगल्ड गोल्ड बनाने से रोक देंगे।

श्री अनिल बसु : जो सोना स्मगल्ड होता है वह सेंट परसेंट प्योर होता है । उसको गलाने के लिए सुनार के पास आने की जरूरत नहीं है ।

श्री महावीर प्रसाद शुक्ल : आप को पुराने गहने से नये गहने बनाने की छूट दी गई है । अगर कोई स्मगल्ड गोल्ड ले जाये और आपको नये गहने बनाने के लिए दे, तो क्या आप वह सोना पुराने जेवर के तौर पर नहीं दिखा सकते ? फ़र्ज कीजिए कि मैं स्मगलर हूँ और मेरे पास सोना है, मेरे पास सौ तोले प्योर गोल्ड है मैं उनके आर्ना-मेंट्स बनाना चाहता हूँ आप मेरे दोस्त हैं और मुझको जानते हैं मैं आप के पास आता हूँ और आप को कहता हूँ कि इसमें थोड़ा खोट मिला कर जेवर बना दें । क्या आप बता सकते हैं कि ऐसे केसिज में क्या तरीका अड़्यार किया जा सकता है कि स्मगल्ड सोने के जेवर न बनाए जा सकें ?

श्री किशन लाल : कानून की रू से हिन्दुस्तान के हर शहरी को हक हासिल है कि वह पचास ग्राम प्योर गोल्ड फ़्री कस और बीस ग्राम प्योर गोल्ड फ़्री बच्चा रख सकता है । अगर कोई शख़्त हमारे पास सोना लाता है और साबित करता है कि यह सोना उस के पास कानून के मुताबिक है, तो हम को उस पर क्या एतराज हो सकता है ?

श्री राजेन्द्र प्रताप सिन्हा : क्या यह सही नहीं है कि सैल्फ़ एम्पलायड गोल्ड स्मिथ्स के बारे में जो मौजूदा कानून है उसके जरिये से आप ईमानदारी से अपने रोज़गार को नहीं चला सकते हैं ?

श्री अनिल बसु : पूरी तरह नहीं कर सकते हैं ।

श्री राजेन्द्र प्रताप सिन्हा : जहां हम लोग रहते हैं, वहां ही आप लोग भी रहते हैं । इसलिए हम सबका अनुभव एक सा ही है । आप दिल्ली, बम्बई, कलकत्ता जैसे

शहरों या किसी गांव में जाइये । आप जितने भी चाहें, नये गहने बनवा सकते हैं । पुराने गहनों से नये गहने बनाने की जो छूट दी गई है, उसकी आड़ में नये सोने से भी गहने बनवाए जा रहे हैं । अभी आपने कहा है कि ईमानदारी के साथ काम नहीं कर सकते हैं वे लोग जो सैल्फ़ एम्पलायड हैं और जो आउट वर्कर हैं वही इसको करते हैं । हम लोगों का अनुभव यह बताता है कि दो चार या दस गोल्डस्मिथ ऐसे हो सकते हैं जो ऐसा काम नहीं करते हैं लेकिन ज्यादातर कम्पल होते हैं सर्कमस्टेंसिस की वजह से कि वे इस काम को करें, क्या यह सही नहीं है ?

सरदार जसवन्त सिंह : हालमार्क का सोना हम इसलिए मांग रहे हैं । इसीलिए हम सोना गवर्नमेंट एजेंसी की मार्फत मांग रहे हैं जिन के पास जेवरों का स्टॉक है उसको छिपाने और नए माल की उसमें खपत करने के लिए वे लोग यह धंधा करते हैं । जेवरों का स्टॉक खत्म हो जाएगा, वह बन्द हो जाएगा और गवर्नमेंट की एजेंसी द्वारा हालमार्क वाला सोना मिलेगा तो स्मगल्ड गोल्ड से कोई नहीं बना सकेगा ।

श्री जशवन्त मेहता : आप लोग चाहते हैं कि १४ कैरट का जो प्राविजन है उसको हटा दिया जाए तो आपको काम में सुविधा होगी, क्या यह सही है ?

सरदार जसवन्त सिंह : चौदह कैरट के जेवर हैं उनको कोई पसन्द नहीं करता है ।

श्री जशवन्त मेहता : चौदह कैरट वाले प्राविजन को हटा दें तो फिर जो दूसरे कंट्रोल हैं उनको रखें तो कोई हर्ज नहीं है ?

श्री अनिल बसु : काम करने की जो मुश्किलात हैं, उनको भी हल किया जाना चाहिये । यह कहा गया है कि पुराने आभूषण बना सकते हैं, एकसौ ग्राम से अधिक नहीं गला सकते हैं । ये रास्ते की मुश्किलात हैं

और इनको हटाया जाना चाहिये। काम में सुविधा हो, इसलिए हमने इसमें एमेंडमेंट की मांग की है।

श्री जशवन्त मंहता : स्मगलिंग से आपका कोई सम्बंध नहीं है ?

सरदार जसवन्त सिंह : जवरों का जो स्टॉक है वह खत्म हो जाए और हालमार्क का सोना मिले और स्वर्णकार को रोटी मिलती रहे उसका घंघा कायम रहे तो स्वर्णकार आपका हर मामले में साथ देने को तैयार हैं।

श्री जशवन्त मंहता : दूसरा जो डेपु-टेशन आया था उसने एक्सपोर्ट-इम्पोर्ट का, चिक्र किया था, फारेन एक्सचेंज का चिक्र किया था। अगर गवर्नमेंट सोना इम्पोर्ट करे और जेवर बना कर एक्सपोर्ट करे और एक्सपोर्ट प्रमोशन की स्कीम बनाये और उस में इस काम के लिए सुविधा दे, तब तो आप को कोई एतराज नहीं है ?

सरदार जसवन्त सिंह : नहीं।

Shri B. D. Pande: I wanted to ask one question. The memorandum relating to the various amendments that have been proposed are there. There are some amendments to clauses 4, 5 and 13. I wanted to understand their intention. Is it their intention that certified goldsmiths should have no restrictions in regard to the sale and manufacture of new ornaments also.

Shri Bhavani Shanker A. Soni: That is not the intention at all.

Chairman: Thank you.

श्री श्यामलाल वर्मा : मुझे भी चार पांच मिनट बोलने का मौका मिलना चाहिये।

सभापति महोदय : अब नहीं मिल सकता है, आपकी एसोसिएशन में से एक को मिल चुका है। हर एक को नहीं मिल सकता है।

श्री श्यामलाल वर्मा : सराफों को तो दो दो दिन मिल गए हैं लेकिन हमें बहुत थोड़ा समय दिया गया है।

सभापति महोदय : चार घंटे दिये हैं

श्री श्यामलाल वर्मा : कुछ प्रैक्टिकल बातें मैं आपको बतलाना चाहता हूँ। आज नहीं तो कल परसों दे दें।

Chairman: If you begin to speak again, I will have to allow every hon. Member here to put questions. I do not want to re-open the whole question. I am calling the last group. The second group, the Associated Ayurvedic Pharmacies, Vijayawada has not come.

श्री अनिल बसु : आपने दो दो या ज्यादा आदमियों को बुलाया था। हमने आपसे यह फंसला किया था कि एक आदमी एक एसोसिएशन का एक प्वाइंट या कुछ एक प्वाइंट्स पर बोले और दूसरा दूसरे प्वाइंट्स पर। लेकिन अब आप दूसरे को समय नहीं दे रहे हैं।

सभापति महोदय : अब और नहीं मिल सकता है।

श्री श्यामलाल वर्मा : हम शोषित हैं, हमारी बात तो सुन ली जानी चाहिये शोषकों की तो आप सुन लेते हैं।

(The witnesses then withdrew).

IX. The Bezwada Jewellers & Bullion Merchants Association, Vijayawada.

Spokesmen:

1. Shri K. Venkateswara Rao
2. Shri Andaluri Appa Rao
3. Shri Y. Srinivasa Rao
4. Shri M. Venkatarao.

X. The Guntur Bullion & Jewellery Merchants' Association, Guntur.

Spokesmen:

1. Shri Naraharisetty Anjaneyulu Naidu
2. Sha Sogmal Punnamchand
3. Shri Nimmala Sambasiva Rao.

XI. Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad.

Spokesmen:

1. Shri Arunarthula Shankariah
2. Shri Pelala Kondaiah.

XII. The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam.

Spokesmen:

1. Shri Maddula Panduranga Rao
2. Shri V. Subba Rao
3. Shri D. Subba Rao.

XIII. All India Jewellers Association, New Delhi.

Spokesmen:

1. Shri Sultan Singh Bakliwal
2. Shri Bachoobhai Zaveri
3. Shri Bijoy Narain
4. Shri K. C. Godha
5. Shri Man Mohan Lal
6. Shri V. C. Soorana.

XIV. Saraf Association, Ujjain.

Spokesmen:

1. Shri Sejumal Parakh
2. Shri Tara Sahib
3. Shri Bansi Lal.

XV. Greater Bombay Jewellers and Bullion Dealers Association, Bombay.

Spokesmen:

1. Shri H. K. Shroff
2. Shri S. G. Pethe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis.

(Witnesses were called in and they took their seats).

Chairman: Now, you have sent memoranda to the Committee. They have all been distributed to our Members. The evidence that you give is published and distributed not only to our Members but to all Members of Parliament. It is laid on the Table of the House. If you want a particular portion to be treated as confidential, to that extent it will be kept confidential. You need not repeat what you have said in the memoranda. If any Association wants to stress any particular point, I will allow that. The problems are common. One of you can speak on behalf of all the Associations. If there is any particular Association which wants to say anything particular in addition to that, I will allow it.

Shri Sultan Singh Bakliwal: We represent All India Jewellers Association, New Delhi. We have some problems which may not have been touched by any other Association. We may be given a chance to pose our problems.

Chairman: One of you may speak on behalf of all the Associations. Afterwards I will allow others five or ten minutes.

Shri Sultan Singh Bakliwal: May I make a submission? I represent All India Jewellers Association. Some of our Members may leave Delhi today because they have been waiting since yesterday. We were scheduled to be called yesterday morning. I may be allowed to speak first.

Chairman: All right. You will have to come on Monday to answer questions. It may be either you or somebody else on your behalf.

Shri Sultan Singh Bakliwal: My submission is that the present Gold Control Bill, when we went through it, reminded us of another control which was introduced four or five years ago. That was pertaining to the export of beryl. There is a mineral called beryl. The Government brought in control about four or five years ago on the export of beryl. This was

done on the advice of the Atomic Energy Commission people because it is somehow associated with uranium which is a very precious mineral for Atomic Energy. Because emerald which is also a form of beryl also came under this category, so there was a ban put on the export of emerald as well. We approached the Government and made representations. We were called and the Government was kind enough to make a relaxation. The thing is this. Emerald is a very costly form of beryl. Nobody can ever think of extracting uranium from such a costly mineral. I am only drawing a comparison here. Emeralds are exported by us. Even though emeralds, like gold are not found in sufficient quantity in India although we export it worth some crores per annum. They are included in the export of precious stones and Gold Jewellery which is 13 crores per annum. This control had come and had the Government not realised the mistake that was made, export of Emeralds would have extremely been harmed. In the same manner, I speak about the export of gold jewellery. Now, one can export emeralds upto 100 tolas in one parcel. The Government met its point of view because it had the control—the control is there—and the trade was also facilitated because of this facility and the amendment met the trade's point of view also. Here are some of our suggestions. In the same manner, our submission is that there may be control in our primary gold in all forms. The gold that is held in our country is in the form of non-ornaments (mostly primary gold). Certain individuals holding lakhs of rupees worth of gold are hoarding not as ornaments. Even when you say that gold is being smuggled and all that, most of this may be used for such purposes or any other purposes.

It was suggested by the former Finance Minister that if the Gold Control Order was brought, the prices would go tumbling down and it will not be profitable for the smuggler to bring in gold. Our experience has

shown that when the Gold Control was brought in, whatever the prices of the gold were, they have shot up further. It was also said that most of the foreign exchange that was earned on account of the foreign tourists coming over here. In addition to earned by other ways, was not coming to our exchequer. It would have been a very nice thing to have been achieved. All Nationalist people would have supported the Government in this regard. But our submission is that this Gold Control has neither succeeded in arresting the gold smuggling nor the prices of gold have gone down, neither it has helped the foreign exchange earnings.

Recently, a meeting of the Tourists Advisory Council was held in Srinagar wherein it was reviewed that the tourists traffic to India has increased to manyfold. Our foreign exchange earnings from that source should have increased? Because of this, our foreign exchange earnings should have also gone up. It is estimated that the Tourist traffic, same has gone up by 70 to 80 per cent whereas the statistics available showed that the foreign exchange earning from this increased only by 15 per cent, which clearly showed that the Gold Control Order has not been successful, in this respect as well as the drain of foreign exchange continues. When it was started, it was felt that the scheme, if operated, will save in more of foreign exchange. In this connection, in India, we have various types of people engaged in the gold business. I shall suggest that there should be three types of categories for licenses to be given:—

- (1) For jewellers and people who deal in gold ornaments with negligible gold content and ornaments set with precious gems and meenakari jewellery (which are also exportable and are liked by tourists as well).
- (2) Goldsmiths or dealers dealing in gold ornaments set with

imitation stones, or only plain gold ornaments.

We have done exports worth lakhs and lakhs of rupees. If controls are enforced, most of the trade will not thrive. India had export trade worth anything like Rs. 4 to Rs. 5 crores per annum in jewellery and precious stones a few years ago.

Chairman: Now what is your estimate?

Shri Sultan Singh Bakliwal: Now it comes to Rs. 13 crores per annum.

Chairman: So, it has increased.

Shri Sultan Singh Bakliwal: Not because of gold jewellery. There is no separate figure for the export of gold jewellery. But, we have the figure which shows a slight increase in the export of gold jewellery and precious stones because of the fact that the tourist traffic to India has increase manyfold besides other factors. It should have been much more in the export gold jewellery if this gold control was not there. There is a scheme for export promotion under which one can export gold jewellery. But that also has certain flaws in it. We have already provided many checks and controls on a foreign tourist which harass him when he comes over here. If he visits India, he buys many things. He also makes purchases in Pakistan and other neighbouring countries of Asia. Pakistan is competing with us now in the case of jewellery. Recently, a seminar on handicrafts export was held in Delhi. I was present there. There it was reviewed that different types of handicrafts are coming up in export markets from Pakistan in competition of the Indian exporters. We are making carpets. Pakistan started copying the Persian carpets. Our people also make carpets. But we have not got all those facilities provided by Pakistan. I plead for all facilities for our jewellery. When a tourist comes to India, we offer him all types of bills, regulations, vouchers and forms. We have to prepare a voucher for the jewellery taken by him on which he

signs and fills various answers. Then, when he leaves the country, he is subjected to a check. He has to declare all his purchases. He has to keep records. After the purchases, when he leaves the Customs, he has to show them for the verification of the customs people. They are being harassed in this way. There are a lot of complaints made by the tourists to the Department of Tourism stating that they do not like controls. Whereas in Pakistan there is no such check in gold business. Most of our people employed on making artistic jewellery have gone to Pakistan and most of them have been profitably employed there. I feel that there will be a great deal of competition in this trade from Pakistan. We might even lose a lot of foreign trade. So, what I was trying to point out is that in export trade of all handicrafts (including jewellery), when our country is still the developing stage in jewellery we may be exporting more if given proper facilities for like art it cannot thrive under control. There is a particular jewellery which is called Meenakari jewellery. My submission is that these types of jewellery and objects cannot be made in anything less than 22'24 carat gold. The reason is that they cannot be done a lesser quality of gold. We have brought here samples of such object. Here is an exhibit. This is a gold enamelled box, which is decorated with diamonds. This represents Mughal period style work. Enamelling is popular in India for hundreds of years. This is demanded by the foreign tourists. I can exhibit those objects to you. I want you to compare the gold value in its contents with its sale value; and thus the amount of foreign exchange that we are able to earn in this manner. For instance, the gold contents in this may not be more than 10 per cent of the value at which these pieces will be sold.

Chairman: What does it cost?

Shri Sultan Singh Bakliwal: It will be anything like Rs. 1½ lakhs.

Shri Era Sezhiyan: Are there people to buy them?

Shri Sultan Singh Bakliwal: I shall come to that point. These types of jewellery are available in large numbers with the princes and zamindars. We are also able to sell them to the tourists. We shall also be able to sell them in future too. Therefore, what I have been saying is that these can be sold in lakhs of rupees. I hope Mr. Pande will correct me if I am wrong that such types of unsold jewellery in India (of over 14 ct. purity) with the dealers the gold contents, of which will come to Rs. 22 lakhs. The gold contents in all unsold jewellery lying with dealers are worth 40 lakhs, whereas 18 lakhs are in plain gold jewellery and 22 lakhs in artistic jewellery (including Meenakari jewellery and jewellery set with precious and semi-precious stones). What is known as Meenakari jewellery contains a lot of precious stones. Still, such collections have not been declared by the people. Instead of putting such checks, what I feel is that such types of jewellery as we are able to buy from our princes, rich houses etc. should be allowed to be sold even locally in the same form. I am talking about above 14 carat gold of jewellery. These should be allowed to be manufactured in local sales freely. In the present Gold Control Rules, there is no provision controlling the quantity of gold. It is wrongly called Gold Control. It talks about quality control only. Of course, I do not plead for the quantity to be controlled also. There should be no control on quality. There are lots of such pieces lying with the people.

Then there is the export promotion scheme under which we are allowed to export over 14 ct. jewellery therein a 50 per cent incentive. Provided incentive to the extent that out of 50 per cent, ten per cent of gold could be imported for re-making of jewellery. Jewellery of this quality, of the type which suits the demand or fashion of the people and/or various countries should be allowed to be made. This type of enamelling is popular; it is an artistic work which is not done anywhere else. Besides earning

foreign exchange, if the control is exercised on not making jewellery and articles of over 14 carat purity, such a fine heritage and craft will be wiped out.

Besides this meenakari jewellery, I would show you another example of the fine piece of work that we do. Here is a precious jewel where we have set emeralds, rubies and diamonds. Emeralds are soft stones and one cannot take risks while setting such stones in different ornaments. You can take risks when you set emeralds of Rs. 100 or Rs. 200 worth, but when it comes to the question of making a piece of jewellery with such stones worth Rs. 1,000 to Rs. 2 lakhs, say, a necklace or a ring, you have to use soft gold. This is a work which is being done since generations past. I will show you a ring of emerald which has been set in gold. In it, there are platinum parts as well. When a goldsmith has to work on such a ring, in such types of jewellery, the fraction of the gold content is negligible. This ring costs Rs. 15,000 but the gold content in it may not be more than Rs. 25. But if you restrict the work to not more than 14 carat, how can this be set? It will be very difficult for the artisan to work. He might damage the costly stone. Such stones have always been set in over 14 carat, I can quote to you parallel examples from other countries as well. In the making of precious jewellery in France, England, Germany and America, where there is some type of gold control, they still have 18 carat gold jewellery and so, why not we make that here also? After all, we have to cater to the taste of foreigners also, besides satisfying local requirements. What is the harm? Our submission is that there should be no control on the quality of gold.

Coming to import, we have suggested that as is done in the case of many other commodities, you must allow the import of gold also. Even in the textiles, you allow the import of Egyptian cotton which is not grown here. We suggest that gold should

also be allowed to be imported and made available to the trade at suitable prices.

Then, under the export promotion scheme, there is an embargo on the export of jewellery of over 14 carat whose gold content is more than 40 per cent. I can send something which is worth Rs. 100 if its gold content is not more than Rs. 40. It may be a very artistic work, but the value of the gold in it should not exceed 40 per cent of the value of the item sent. Why should there be a limit of 40 per cent when we are exporting? Suppose, it is 14 carat jewellery, even if I sell it locally or to a tourist who comes to my place, its gold content might be even 90 per cent, but then there is no objection to it. So, there are two very divergent things which must be considered by the Committee.

Shri Dahyabhai Patel: Can it be of any amount?

Shri Sultan Singh Bakliwal: Even if the gold content is 90 per cent of the total value, if it is 14 carat, I can sell it. It is very strange. There are two category of jewellery prescribed: one is 14 ct. and under and the other is above 14 ct. If a dealer exports something which is over 14 ct., the rules provide that its gold content should not be more than 40 per cent of the sale value. On the other hand, across the counter, in a counter-sale to a tourist, in case of 14 ct. and under there is no restriction on the percentage of gold in the jewel. Its gold content may even be 90 per cent. The same thing should be applied to jewellery which are above 14 ct. Why should there be a restriction beyond 40 per cent?

Then, smuggling has to be stopped. We are a very law-abiding people; we are traders who have been registered and we have licences. We suggest that there should be a strong vigilance with absolute control over the entrance to ports and the sources of smuggling should be traced. As experience has shown, even with the Gold (Control) Rules, smuggling has

not stopped. If the State Bank or the Reserve Bank or its licensed agents start selling gold, import it or make it available from indigenous sources, the lure for gold will go down. Many people in India, who were not interested in gold, have developed a great interest in gold and want to buy gold ever since these rules came in, and that is why the prices have gone up. I think a much stronger check should be provided against the drain on foreign exchange; foreign exchange should be properly controlled by the Reserve Bank. You cannot achieve all this by harassing these innocent traders by imposing that quality control measures.

I then suggest that there should be a delegation of Parliament Members, and representatives of the trade and of the Reserve Bank and Gold Administration to be sent to foreign countries and study how it is functioning there. There are Gold (Control) Rules in France, Germany, Switzerland and America and other places. If this measure had been brought into this country gradually, that would have been a different story. The people are not educated about it. You suddenly bring in a thing under the grounds of emergency. People think that when the emergency is over, this will also go away. Now, it is thought to be made a permanent measure. I suggest that there should be a Commission of Members of Parliament, with some representatives of the Gold Administration, some representa-

tives from the Reserve Bank, from the trade, etc., which should tour all over India, inspect the places where gold is refined, where jewellery is made, etc. and come to know what the practical difficulties are. These things should be examined. The Khara Committee's report is absolutely incomplete. Keeping in view all these matters, this Commission or Group should also visit foreign countries and see how they are allowing the manufacture of 18 carat jewellery. They are also aware that there is a large potential of export. We can sell our articles to tourists. There is also a large amount of local consumption. Therefore, 18 ct. and even 22 ct. gold jewellery should be there. Nobody would like to kill the craftsmanship that is there. There is appreciation everywhere for these articles. We have not reached the top as far as exports are concerned. The world export trade of jewellery and precious stones is estimated to be about Rs. 2,000 crores and India's trade is only Rs. 13 crores. Therefore, in India it is in a developing stage. We should allow it to develop and not stifle it when it has started to grow.

If hon. Members have any questions to ask me, I shall be pleased to answer them.

Chairman: Members may put questions on Monday. We will adjourn now and meet again on Monday.

(The witnesses then withdrew).

The Committee then adjourned.

Minutes of Evidence given before the Joint Committee on the Gold (Control) Bill, 1963.

Monday, the 27th July, 1964 at 09.07 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri B. L. Chandak
6. Shri Yudhvir Singh Chaudhary
7. Shri Prabhat Kar
8. Shri Kindar Lal
9. Shrimati Sangam Laxmi Bai
10. Sardar Gurmukh Singh Musafir
11. Shri Chhotubhai M. Patel
12. Shri T. Ram
13. Shri Shivram Rango Rane
14. Shri S. C. Samanta
15. Shri Era Sezhiyan
16. Shri Sheo Narain
17. Dr. L. M. Singhvi
18. Shri Balgovind Verma
19. Shri Bhishma Prasad Yadava.

Rajya Sabha

20. Shri Mahabir Dass
21. Shri B. K. Gaikwad
22. Shri I. K. Gujral
23. Shrimati Nandini Satpathy
24. Shri C. D. Pande
25. Shri Dahyabhai V. Patel
26. Shri Shiva Nand Ramaul
27. Shri V. C. Kesava Rao
28. Shri Sherkhan

29. Shri Mahabir Prasad Shukla
30. Shri Rajendra Pratap Sinha
31. Shrimati Tara R. Sathe.

DRAFTSMAN

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES EXAMINED

- I. **The Bezwada Jewellers & Bullion Merchants' Association, Vijayawada**
 1. Shri K. Venkateswara Rao
 2. Shri Andaluri Appa Rao
 3. Shri Y. Srinivasa Rao
 4. Shri M. Venkatarao.
- II. **The Guntur Bullion & Jewellery Merchants' Association, Guntur.**
 1. Shri Naraharisetty Anjaneyulu Naidu
 2. Sha Sogmal Punnamchand
 3. Shri Nimmala Sambasiva Rao.
- III. **Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad.**
 1. Shri Arunarthula Shankariah
 2. Shri Pelala Kondaiah.
- IV. **The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam.**
 1. Shri Maddula Panduranga Rao
 2. Shri V. Subba Rao
 3. Shri D. Subba Rao.
- V. **All India Jewellers Association, New Delhi.**
 1. Shri Sultan Singh Bakliwal
 2. Shri Bachoobhai Zaveri
 3. Shri Bijoy Narain
 4. Shri V. C. Soorana
 5. Shri K. C. Godha
 6. Shri Bholla Nath
 7. Shri Man Mohan Lal.

VI. Saraf Association, Ujjain.

1. Shri Sejumal Parakh
2. Shri Tare Sahib
3. Shri Bansi Lal.

VII. Greater Bombay Jewellers and Bullion Dealers' Association, Bombay.

1. Shri H. K. Shroff
2. Shri S. G. Pethe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis.

VIII. Akhil Bharata Silpa Parisramika Sangham, Kakinada.

1. Shri Nalabati
2. Shri S. L. Kantham.

I. The Bezwada Jewellers & Bullion Merchants' Association, Vijayawada.

Spokesmen:

1. Shri K. Venkateswara Rao
2. Shri Andaluri Appa Rao
3. Shri Y. Srinivasa Rao
4. Shri M. Venkatarao.

II. The Guntur Bullion & Jewellery Merchant's Association. Guntur

Spokesmen:

1. Shri Narharisetty Anjaneyulu Naidu
2. Sha Sogmal Punnamachand
3. Shri Nimmala Sambasiva Rao.

III. Andhra Pradesh Gold, Silver, Jewellery & Diamond Merchants' Association, Secunderabad.

Spokesmen:

1. Shri Arunarthula Shankariah
2. Shri Pelala Kondaiah.

IV. The Bullion-Jewellery & Diamond Merchants' Association, Masulipatam.

Spokesmen:

1. Shri Maddula Panduranga Rao
2. Shri V. Subba Rao
3. Shri D. Subba Rao.

V. All India Jewellers Association, New Delhi.

Spokesmen:

1. Shri Sultan Singh Bakliwal
2. Shri Bachoobhai Zaveri

3. Shri Bijoy Narain
4. Shri V. C. Soorana
5. Shri K. C. Godha
6. Shri Bholla Nath
7. Shri Man Mohan Lal

VI. Saraf Association, Ujjain.

Spokesmen:

1. Shri Sejumal Parakh
2. Shri Tare Sahib
3. Shri Bansi Lal

VII. Greater Bombay Jewellers and Bullion Dealers Association Bombay.

Spokesmen:

1. Shri H. K. Shroff
2. Shri S. G. Pathe
3. Shri A. B. Jhaveri
4. Shri B. S. Mahajan
5. Shri N. D. Karkhanis.

(Witnesses were called in and they took their seats).

Chairman: There are a number of Associations from Andhra. I will allow one for Andhra.

Shri Arunarthulu Shankariah: We have separate points.

Chairman: What is stated in the memorandum is known.

Shri Arunarthulu Shankariah: Our memoranda are different.

Chairman: You choose one among you as the spokesman, because the problem is the same. Your associations are all bullion merchants' associations. If there is anything extra, I will allow five minutes each. So, who will speak?—Shri K. Venkateswara Rao from the Bezdawa Jewellers and Bullion Merchants Association Vijayawada.

Shrimati Tara R. Sathe: Are they all affiliated?

Shri K. Venkateswara Rao: Yes, affiliated to the All India Sarafa Association and the Andhra Pradesh Association also.

Chairman: Are the associations from Vijayawada, Guntur and Masulipatam affiliated?

Shri K. Venkateswara Rao: Yes, Sir, they are all affiliated to the Andhra Pradesh Association.

Chairman: Then one of you can explain.

Shri K. Venkateswara Rao: Hon. Chairman and Members of the Joint Committee: I request the Chairman and Members of the Joint Committee to hear the following few sentences about the difficulties which we are experiencing.

The Bezwada Jewellers and Bullion Merchants Association is not a recent one. It has been there from 1939 when Mr. C. Rajagopalachari introduced the Sales Tax in the composite State of Madras. The membership of the Association is 70. Most of the members are manufacturing jewellers. Vijayawada is a leading city in jewellery business in Andhra Pradesh. Our yearly turnover is nearly Rs. 1 crore in jewellery business. A thousand workers were working on contract basis prior to the Gold Contrô,

Rules, under the abovesaid dealers. Every worker has been earning monthly from Rs. 300 to Rs. 1,000 with their assistance. Our Association members have been paying Rs. 1 lakh by way of Income-tax and Rs. 50,000 as Sales tax per annum before the Gold Control came into operation. Sales tax on jewellery was exempted by our State Government. Nearly 500 persons are employed as clerical staff, getting salaries from Rs. 100 to Rs. 200 per month from the above dealers.

After the introduction of the Gold Control Rules the dealers, the employees and the workers have all suffered very much.

The dealers were given one month's time to dispose of their 22 ct. gold stocks, which was quite insufficient for their disposal. Several representations were made to extend the time, but in vain. The dealers have suffered heavy losses by converting their undisposed of jewellery of precious stones and other valuable jewellery into 14 ct. The converted stock of 14 ct. is still lying without demand in the show-cases. The public has no taste for 14 ct. jewellery.

Some of our employees were thrown out of employment. The dealers are maintaining their shops with skeleton staff expecting that the Government will repeal the gold control rules. The object of the gold control is not fulfilled from any angle. Unless Government takes proper steps gold smuggling cannot be stopped. Import of gold is the only remedy to prevent smuggling. We request you to recommend the scrapping of the Gold Bill.

श्री पेलाला कौंडिया : यद्यपि मेरी मातृभाषा तेलगु है लेकिन मैं हिन्दी में अपनी बात कहने का साहस कर रहा हूँ ।

गोल्ड कंट्रोल बिल को लाने में के उद्देश्य ये थे कि हिन्दुस्तान के स्त्री और पुरुष सोना न पहनें, सोना पहनने की उन की इच्छा कम हो, सोने के भाव कम हों और

गोल्ड स्मगल्ड न हो । हम नहीं जानते कि इस बिल से गवर्नमेंट के ये उश्य पूरे होंगे या नहीं । गवर्नमेंट की नीति से हम लोगों पर मुसीबत आ गई है ।

हिन्दुस्तान में अनादि-काल से औरतें सोना पहनती आ रहीं हैं । हर एक मन्थ में स्त्री को जो मैन्सिज होती है उस का अर्थ यह है कि पंच-महापातक हो गए हैं । उनका उपशमन करने के स्त्री के लिए सोना पहनना जरूरी हो जाता है ।

हमारे धर्मशास्त्रों में लिखा है कि कन्यादान अलंकारों के साथ किया जाना "चाहिये" । इसलिये हमारे देश में कन्या का पिता "सालंकृत कन्यादान करिष्ये" कह कर जामाता को कन्यादान करता है ।

रामायण में कहा गया है कि जब हनुमान सीता माता के पास गए, तो उन्होंने हनुमान जी को चूड़ामणि दी । हनुमानजी ने पूछा कि क्या यह चूड़ामणि सच्ची है या नहीं । इस सम्बंध में एक कथा है कि एक बार अयोध्या में सीता माता बहुत उदास सी थीं । भगवान रामचन्द्र ने उनसे इसका कारण पूछा । सीता माता ने कहा कि मैंने अपने शरीर पर कई प्रकार के हीरे, जवाहरात, मणियां आदि कितने ही मूल्यवान पत्थर पहने हुए हैं, आप के पांवों में इतना महात्म्य है कि उन की ठोकर लगने से पत्थर अहल्या बन जाता है और इस स्थिति में अगर आप का पांव मेरे इन पत्थरों को लग गया, तो न जाने कितनी औरतें बन जायेंगी । तब सीता माता के लिए शुद्ध सोने के आभूषण तैयार किये गए ।

गवर्नमेंट ने स्त्रियों को वोट देने का अधिकार दिया है, दूसरे सब अधिकार दिये हैं । लेकिन अगर उन से सोने के आभूषण रखने का अधिकार छीन लिया गया, उनसे स्त्रीधन रखने का अधिकार ले लिया गया, तो उस स्त्री के बाप, भाई, बेटा, कोई भी उस को वृद्धाप्य में तज्जदीक नहीं आने देंगे । सोना के आभूषण पहनने और सोना रखने का

रिवाज पौराणिक काल से चला आ रहा है। उस का उल्लेख वेदों और शास्त्रों में भी किया गया है। इसी कारण जिस महापुरुष ने यह बिल पेश किया था, वह यह तो नहीं कह सके कि सोना मत पहनो, अपितु उन्होंने यह कहा कि चौदह कैरट का सोना पहनो, पाश्चात्य देशों में देखो कि वहाँ पर चौदह कैरट के जेवर बनते हैं, इसलिए यहाँ भी बन सकते हैं।

मैं आपको बताना चाहता हूँ कि आयुर्वेद के आरोग्य सिद्धांत के अनुसार भी सोना पहनना अच्छा माना जाता है। लेकिन चौदह कैरट का सोना ताम्बे की तरह होता है और उस का रंग काला हो जाता है। वह न तो पहनने में और न देखने में अच्छा लगता है।

गोल्ड कंट्रोल का प्रभाव यह हुआ है कि १९६२ की तुलना में १९६३ में हमारी सेल दस परसेंट भी नहीं रही है। जहाँ तक देश के हित का सवाल है, हम भी देश का भला करना अपना फ़र्ज़ समझते हैं। मैंने बचपन से ही देश के भले के लिए बहुत काम किया है। देश का भला मैं अपना भला समझता हूँ। लेकिन हम को यह देखना चाहिये कि अमुक काम से देश का भला हो सकता है या नहीं। केवल सिद्धांत की बात करते रहने से, यह कहते रहने से कि हम गोल्ड रेवोल्यूशन लाना चाहते हैं, हम आर्थिक रेवोल्यूशन लाना चाहते हैं, कोई लाभ नहीं होगा।

स्वराज्य के बाद सोने का भाव बहुत बढ़ गया है। १९२५ में सोने का भाव २० रुपये था। जब फ्रांस, जर्मनी, और इंग्लैंड ने गोल्ड स्टैंडर्ड निकाला, तो कुछ ही घंटों में वह भाव २५, ३० रुपये हो गया। अमरीका वालों ने ३० रुपये के भाव से ५० रुपये तक के भाव तक सोना खरीदा। फ्रांस ने ७० रुपये तक के भाव तक सोना खरीदा। उस समय के भाव के साब से ६ सौ करोड़ रुपये का सोना और आज कल के भाव से १५ सौ करोड़ रुपये का सोना अमरीका ने भारतवर्ष से खरीदा। जिस देश की प्रजा के पास सोना होता है,

वह देश बलवान और समृद्ध होता है। जिस देश में सोने का इस तरह से व्यापार चलता है, खुले रूप में सोने का लेन देन होता है वह देश सौभाग्यशाली होता है। १९४६ में सोने के लिए टेंडर निकाले गये थे उस वक्त तोलने पर दस रुपये का भाव गिर गया टेंडर उस वक्त निकला था। गवर्नमेंट के पास सोना था। अब भी मैं आप से अर्ज़ करता हूँ कि आप टेंडर निकाल कर सोना बेच डालें। सोने के भाव कम हो जायेंगे। अगर रिज़र्व बैंक इसको नहीं करता है तो आप इसको करके देखें। यूनिट ट्रस्ट वाली जो स्कीम है, यूनिट जो बेचे जा रहे हैं, वह भी बहुत अच्छी स्कीम है। उसके शेरों की बिक्री अब भी चालू है। हम को और दूसरे लोगों को उस में धन लगाना चाहिये। आप यूनिट ट्रस्ट को यह पावर दें कि वे इस में इनवैस्ट कर सकें तो भी मामला काफी हद तक ठीक हो जायेगा। वे सोना बेचें और इस तरह से सोने का भाव कम हो जाएगा।

सोना स्मगल हो कर कहां जाता है, इसको आप देखें। यह बड़े शहरों में ही जाता रहता है। इंदौरियर गांवों में यह नहीं जाता है। वहाँ पर एक्साइज़ वाले हम को दिन रात देखते रहते हैं, हम पर कड़ी नज़र रखते हैं, वहाँ पर सोना नहीं आता है। हम लोगों की जिन्दगी कारीगर पर और कारीगर की जिन्दगी पर निर्भर करती है। हम दोनों का सहयोग हो तभी हम दोनों जीवित रह सकते हैं। हमारा काम बहुत ही टैक्नीकल किस्म का है। छः महीने के अन्दर अगर कोई समझता है कि वह ट्रेनिंग ले कर सर्राफे की दूकान खोल सकता है तो वह भ्रम में है। पांच साल भी अगर वह इस काम की ट्रेनिंग ले तो भी यह काम उसके दिमाग में नहीं बैठ सकता। आप देखें कि इन में किस चीज़ की मिलावट हो सकती है। क्या चीज़ मिलाने से १४ कैरट बनता है। जो बहुत अनुभव प्राप्त कर लेता है वही इसको जान सकता है। अगर कोई कहता है कि निक्कल भी मिलता है तो उसकी बात पर अफसोस ही किया जा सकता है।

आप देखें कि हम लोगों की या ज़रूरत है ? यह ठीक है कि कारीगर के सहयोग के बिना हमारा काम नहीं चल सकता । उनका भी हमारे बिना काम नहीं चल सकता है । हम लोग गारंटी देते हैं, जिस भाव पर सोना देते हैं उसी भाव पर या जो भाव उस वक्त जब सोना बेचा जाता है, होता है, उस भाव पर हम सोना वापिस लेते हैं । पैसा हम लगाते हैं, ज़ेवर बना कर हम रखते हैं, सिक्कोरिटी हम देते हैं । इस वास्ते हम लोगों का भी आपको ध्यान रखना है । हम लोग दूसरा व्यापार नहीं कर सकते, अगर करेंगे तो नुकसान हो जाएगा । जो लिखे पढ़े हैं वे तो नौकरी कर सकते हैं, लेकिन दूसरे वह भी नहीं कर सकते हैं । इस वास्ते जो इंटीरियर प्लेसिस में रहते हैं, उनका भी आपको ख्याल करना चाहिये ।

जो मौका आपने दिया उसके लिए आपका धन्यवाद । लेकिन आपने समय बहुत थोड़ा दिया है और मैं चाहता था कि आप मुझे ज्यादा समय देते । अन्त में मैं इतना ही कहना चाहता हूँ कि हम लोग मर रहे हैं और हमारा ख्याल आप को करना चाहिये ।

Chairman: Now, who wants to speak on behalf of the Guntur Bullion & Jewellery Merchants' Association, Guntur?

Shri N. A. Naidu: We have already submitted a memorandum and Andhra Pradesh Association just now represented all the facts that is enough. I do not think it is necessary to say anything in addition to that.

Chairman: All right. Then we take Saraf Association, Ujjain.

श्री तारे साहिब : मैंने यह समझा था कि यहां पर अंग्रेजी में बोलना पड़ेगा लेकिन मेरे आंध्र के बन्धु ने हिन्दी में बोल कर मुझे इस बात का मौका दे दिया है कि मैं हिन्दी में अपने विचार प्रकट करूं ।

मैं आपको बतलाना चाहता हूँ कि काश्तकारों के ऊपर इस गोल्ड कंट्रोल का

क्या प्रभाव पड़ा है । हमारे यहां उज्जैन जिले में कम से कम यह प्रथा थी कि काश्तकार लोग आते थे सर्राफों के पास और अपना सोना रख कर रुपया के जाते थे और उस रुपये से खेती अपनी चलाते थे । अब परिणाम यह हुआ कि जब से यह धंधा बन्द हो गया है तब से काश्तकार लोगों को रुपया ही नहीं मिलता है । वे समझने लग गये हैं कि अब उनको ग्रेन का जो स्टॉक है वही अपने पास रख लेना चाहिये । वे अब उसको बाहर नहीं ला रहे हैं । इसका जो परिणाम हो रहा है, वह आपके सामने है । वे अनाज होर्ड करने लग गये हैं । व्यापारियों के साथ साथ उन्होंने भी होर्ड करना शुरू कर दिया है । वे समझते हैं कि आगे जब ज़रूरत होगी अनाज बेचकर रुपया हासिल कर लेंगे ।

इसी तरह से स्माल स्केल इंडस्ट्री का जो एक्सपेंशन है वह रुक गया है । पहले ऐसा होता था कि छोटे छोटे उद्योगों वाले लोग जो हैं वे सर्राफों के पास सोना रख कर रुपया ले लेते थे और उसके साथ अपना धंधा चलाते थे । अब परिस्थिति यह हो गई है कि उनको रुपया नहीं मिलता है । इस कारण से जिस परिमाण में इन उद्योग धंधों की उन्नति होनी चाहिये, नहीं हो रही है और उस में भी बाधा पड़ रही है । ये दो बातें ऐसी हैं जो मैं समझता हूँ बहुत गम्भीर और ज़्यादा कमेटी को इन पर बड़े गम्भीर रूप से विचार करना चाहिये । सरकार की नीति स्माल स्केल इंडस्ट्रीज को बढ़ावा देने की है, लेकिन यदि गोल्ड कंट्रोल की नीति के कारण उस में बाधा आती है, तो इस नीति पर फिर से विचार करने का बहुत बड़ा कारण है ।

स्मर्गलिंग के बारे में बहुत कहा गया । शासन के हाथ में स्मर्गलिंग को रोकने की बड़ी शक्ति है । अगर सरकार का प्रिवेंटिव स्टाफ बहुत ऊंचे दरजे का हो और ईमानदारी से काम करे तो स्मर्गलिंग रुक सकता है । गोल्ड कंट्रोल रूलस को जारी करने का एक

उद्देश्य स्मगलिंग को रोकना बताया गया था। लेकिन पिछले साल भर का परिणाम हमारे सामने है। अभी हाल में ही बहुत सारा सोना पकड़ा गया है। इससे जाहिर होता है कि इन रूल्स के लागू होने से स्मगलिंग पर कोई विशेष प्रभाव नहीं पड़ा है।

व्यापारियों के लिए कहा गया कि ये स्मगलर्स को मदद देते हैं। हो सकता है कि कुछ व्यापारी ऐसा करते हों लेकिन उन थोड़े से लोगों के पीछे आप सारे व्यापारी वर्ग को दोषी ठहराएं यह, आप मुझे क्षमा करेंगे, व्यापारियों के साथ ज्यादाती है।

जैसा कि ब्रांघ्र के भाई ने कहा, व्यापारियों के लिए दूसरा घंघा अपना बड़ा कठिन हो गया है। जो काम पीढ़ियों और सदियों से होता चला आया है उसको एक दो साल के अन्दर बन्द नहीं किया जा सकता न बदला जा सकता है। यह तो करीब करीब असम्भव है।

अन्त में मुझे यह कहना है कि रूल्स बहुत जल्दी में जारी कर दिए गए। अगर इनके बारे में एक्सपर्ट्स से और व्यापारियों से सलाह कर ली जाती तो हो सकता था कि वे सरकार के सामने ऐसे सुझाव रखते कि जिससे शासन का उद्देश्य भी पूरा हो जाता और किसी को नुकसान भी न होता। शासन को एक मिलाजुला कार्यक्रम अपने सामने रखना चाहिए था।

यह जाहिर है कि सरकार ने जो यह कदम उठाया है यह इंडस्ट्रियल प्रोग्राम की उन्नति के लिए बाधक है। इसका शर्माफ लोग विरोध नहीं करते। श्रौचोगीकरण के लिए तो पैसा अवश्य चाहिये। लेकिन इसके लिए मार्ग दूसरा हो सकता था। यह जो मार्ग अपनाया गया है इससे सरकार का एक भी उद्देश्य पूरा नहीं हुआ है। हमने साल भर में देख लिया है कि न तो स्मगलिंग रुका है, न होर्डिड सोना बाहर आया है, न गोल्ड सैंड्स को जनता ने विशेष रूप से अपनाया है और

जनता को सोने के प्रात मोह भी कम नहीं हुआ है। बल्कि अब चूँकि बन्दी हो गयी है इसलिए अच्छे सोने के जेवर बनाने का ब्लैक मारकेट और शुरू हो गया है।

पता नहीं सरकार ने सुनारों और शर्माफों के बीच किस भावना से भेद किया है। लेकिन इसका कोई सुपरिणाम निकलने वाला नहीं है। न सुनार अकेला काम कर सकता है और, न शर्माफ बिना सुनार की सहायता के अपना काम कर सकता है। इस भेद से घंघे को नुकसान ही होगा। शासन ने इससे क्या फायदा सोचा है इसका स्पष्टीकरण स्टेटमेंट आफ आवजेक्ट्स एंड रीजन्स में भी नहीं दिया गया है। यह भी एक विचारणीय बात है।

इससे ज्यादा मैं आपका समय नहीं लेना चाहता हूँ। अगर कुछ पूछना हो तो मैं हाजिर हूँ।

Chairman: Which is the next Association?

Shri Sultan Singh Bakliwal: Before that, may I request your permission for one of our representatives to go round and show these samples of jewels?

Chairman: Yes, he can go round.

Who is the spokesman for the Greater Bombay Jewellers and Bullion Dealers Association, Bombay?

Shri N. D. Karkhanis: I represent them.

Chairman: How many associations are there in Bombay?

Shri N. D. Karkhanis: 33 or 34.

Chairman: How many members have you got in your Association?

Shri N. D. Karkhanis: We have about 700 members. We have not come here to oppose the Gold Control Bill merely for the sake of opposition. We assure you that so far as our patriotism is concerned and so far as our anxiety to stop smuggling is

concerned, we are second to none in this assembly. We have come here to say something about the Bill because we honestly feel that some of its provisions are both illegal and *ultra vires*. Some of the provisions will work great hardships and some others will work great hardships in future, though not at present. We, now, propose to deal with some of the provisions of the Bill.

May I point out to you that many public leaders, including some in the ruling party, have said unequivocally that the Gold Control Rules framed under the Defence of India Rules have failed. They have mis-fired and it is the considered opinion of all the members of my Association, and I think of all other associations as well, that the Gold Control Rules are not found to be adequate to stop smuggling. Indeed gold smuggling has increased since these rules were promulgated. The price of gold has also risen up. The price now is twice the international price. So, smuggling has increased, price has increased and worst of all a feeling of frustration has come over the society with the introduction of 14 ct. gold.

Chairman: The price has increased because the smuggling is now checked.

Shri N. D. Karkhanis: I will come to that aspect.

Shri Rajendra Pratap Sinha: You say that smuggling has increased and the price also has increased. How is it? There is a contradiction.

Shri N. D. Karkhanis: There is no contradiction. I will deal with that aspect.

Shri Dahyabhai V. Patel: Let the witness first of all depose his evidence. Afterwards, you can cross-examine him.

Shri N. D. Karkhanis: I am grateful to you. These Gold Control Rules which are designed to stop smuggling, to bring down the price of gold and to popularise 14 ct. gold have mis-fired. People in our country dislike

14 ct. gold compared to people who take to 14 ct. gold in the other countries. Speaking individually there is no harm if you use 14 ct. gold. People living in cities may not object to 14 ct. gold. But, here, the Bill is affecting 400 million people. You have to look to the sentiments of those people, not of those who live in cities like Bombay, Madras and Calcutta. It is those people who have attachment for 22 ct. or pure gold or primary gold whatever you may call it. You cannot wean them out from their attachment to the pure gold by a stroke of pen. It is only by educative process that you can popularise 14 ct. gold. Therefore, all these objects of the Gold Control Rules framed under the Defence of India Rules have failed.

Are you going to perpetuate those very rules by enacting this legislation which will affect 40 crores of people against their will? I submit that in a democracy law should be received by the public. Law is the expression of the will of the people. You cannot force law against the will of the people. If law is not given a response, if law is not given a reception by the public, disrespect for law grows. And no greater injury can be caused to democracy than disrespect for law. Respect for law is the very foundation of democracy, and if that respect is undermined by any rules or regulations I submit it is a greater injury than the injury which you want to remove. For the purposes of stopping smuggling and bringing down prices you are introducing a legislation which will injure the pillars of democracy. Apart from the fact that the prices are going up and smuggling has not stopped, the Bill is not appropriate and it is out of propriety.

My second submission is that the Gold Control Rules are in existence. The country is passing through a psychological revolution on account of the crisis that has come over the country. This crisis is the emergency which the President of our country has declared. Some of our fundamental rights have been suspended. Dur-

ing this psychological crisis are you going to introduce a permanent legislation on the same lines which are obtaining at present, namely, the Gold Control Rules? Where is the hurry? May I respectfully submit to this House that the proper method would be to find out public opinion by the appointment of a high-powered committee, so that public opinion may be probed into and legislation on the lines of the will of the people may be promulgated? It is just like the appointment of the one-man commission headed by Mr. Justice Tek Chand about the prohibition policy of the Government. That Commission was appointed at the fag end of prohibition—at least so far as Bombay was concerned. Mr. Justice Tek Chand had not even made his report when prohibition was practically scrapped by the Chief Minister by enlarging the scope of permits and other things. This was the case of belated appointment of a commission. If the Commission had been appointed earlier, possibly prohibition would have been in a different form. I submit that prohibition would have been a successful experiment if only a commission had been appointed. I submit very respectfully for your kind consideration a recommendation to the Parliament that a committee may be appointed, a committee consisting of experienced men in the trade, a committee consisting of members of this honourable body, a committee consisting of economists of the country. They should go and find out. Nothing will be lost if such a committee is appointed, because the Gold Control Rules are there. They can be tightened. Under the Gold Control Rules there are certain provisions which are rather loose and they have been tightened up in the present Bill. I shall deal with them. If you like, you can widen the scope of the Gold Control Rules and make them more tight. You can try to see if they can be worked out. Meanwhile a committee can start work. It can go to the villages. As Mahatma Gandhi said, the population of India speaks through its villages, not from Bombay, Calcutta

and Delhi. Let them go and find out the public opinion, and I have no doubt—if my instructions are correct—that they will find that public opinion is overwhelmingly against the introduction of the Gold Control Bill.

With these words I shall point out how gold smuggling can be stopped. I submit that it is common knowledge that whenever Government declares a commodity to be rationed or to be scarce or to be controlled by price, the commodity goes underground. And the moment it goes underground, smuggling in that commodity starts, which necessarily brings in the greater evil of corruption. You remember what Mahatma Gandhi said about food control and rationing in 1948, a few months before he left us desolate. He said that the evil of corruption is very great and it is greater than the evil of food shortage. A few people may be affected, hundreds of people may be affected, by food shortage, but if you introduce controls, corruption will increase and there will be a tendency to hoard. That is human tendency. You cannot stop human nature. You cannot control human nature by legislation. The tendency to hoard during food control is in every country, not only in India. Indians are not less moral than any other nationals in any other country. That is a human tendency, and corruption grows. As Mahatma Gandhi has said, the vice of corruption is worse than the misery and suffering of food shortage, because it is corrupting the whole body politic not only for the present but for the future as well. Therefore, the moment you say that 'you cannot get your gold' there is a tendency to keep and preserve it, and not touch that gold. And it goes underground. And when the tendency to keep gold arises, smuggling goes on. Smuggling cannot be stopped by this legislation; it can be done only by tightening the machinery of the preventive police. May I submit that smuggling is usually done at the ports, at the places where our frontier meets the frontiers of other countries? It may be,

in Bombay when Portuguese Goa was there smuggling used to be done from Goa side; it may be that in Calcutta it is from Burma and Rangoon side; and it may be that in Amritsar the Pakistan border is there and there may be smuggling, and on the Rajasthan side there may be smuggling. You tighten your machinery at those places, search the people, let the police and customs officials be more vigilant, and smuggling can be stopped.

The other suggestion I would like to make for stopping smuggling is the awarding of punishments. The punishment which is meted out to these persons should be exemplary. You cannot stop blackmarketing and hoarding in foodgrains if the case goes on for two years and at the end of it you find that a small fine is imposed on the person. Nothing is gained by a smuggler being caught or by a blackmarketer being caught or by a hoarder of foodgrains being caught and brought to the court. The method of dealing with these smugglers is so defective that smuggling will not be stopped.

I submit the provisions of the Gold Control Bill are inadequate to stop smuggling and the rising prices.

Sir, I shall now deal in a nutshell with a very pernicious provision in the Bill. One of the pernicious provisions in the Bill is the wedge put between the jewellers and the certified goldsmiths. Formerly the goldsmiths and the jewellers, the dealers the bullion merchants were carrying on a homogeneous trade. Now by the introduction of this Bill there will be a class—the Government is splitting up this industry into two sections. One is a section which is a favoured section of goldsmiths who are being rehabilitated, who are being given the privilege of preparing and polishing and intermeddling with ornaments of more than 14 ct. gold, and the other is the class of jewellers who are not to touch even to such gold. The homogeneous relations between the goldsmith and the jeweller are bound to suffer as you are now creating two

sections where formerly it was one homogeneous whole. The two sections will now be antagonistic to each other. It will be something like a labour dispute between the employer and the worker. An industry which was homogeneous will now go, and the tendency is growing and will grow amongst the goldsmiths to take the whole trade to themselves. No love will be lost between them and these provisions will therefore work a greater hardship. I see no reason why jewellers in particular should not be allowed to repair the ornaments containing 22 ct. gold or something more. Why should there be this classification? Apart from the legal aspect, these are discriminatory provisions which are obtaining under the Defence of India Rules and have been challenged before the Bombay High Court as being repugnant to the provisions of the Constitution. This provision should, therefore, be looked into not merely from the legal aspect. Are you splitting up the business community too and creating two sections which will remain antagonistic just like splitting the clerks and the lawyers and giving them independent status, so that it will not be clerk plus lawyer but clerk versus lawyer.

I go to clause 6(2) which says that no person who is a dealer, whether licensed or not, shall carry on business as a dealer in the same premises in which he or any other person carries on business as a money-lender or banker involving the hypothecation, pledge, mortgage or charge of any gold. I submit that the restrictions which are put on dealers and jewellers are so unreasonable that they offend article 19(1)(g) of our Constitution. Parliament has power to legislate and put restrictions on fundamental rights of carrying trade or business. But it is also well settled that those must be reasonable, well guided and must be for the purposes of the Act. There is neither rhyme nor reason here. Consider a city like Bombay. There are multi-storeyed buildings where people are

having small cubicles. How is it possible to have separate premises by a stroke of the pen. Where will they go? You have to rehabilitate almost all jewellers now. Government is rehabilitating goldsmiths; it will have to rehabilitate gold merchants and jewellers now. Legislation should not impose a restriction which is not reasonable and which will work extreme hardship to the jewellers. What harm is there if a money-lender carries on his business in the same premises. Actually, it should be in the same premises because if a jeweller has prepared an ornament, he knows its value; he knows its gold content, it is he who can assess its value.

Now, the drafting is bad. Many times the courts have said that our drafting of legislation is bad. Why should such drafting be there?

The word 'premises' has not been defined. I am, let us say, carrying on dealer's business on the ground floor of a multi-storeyed building. Will the 8th floor be construed as the same premises? You have to define the word "premises". It is no use passing legislation hastily. Why this haste? The Government has already got the Gold Control Rules for the time being.

I now come to 6(3): No. pawnee who is not a dealer shall sell any gold pledged with him on the failure of the pawnor to redeem such gold. That would affect the contract between the parties which is governed by the Contract Act, unless you say: "notwithstanding anything contained in the Contract Act".

Chairman: That point has been made already.

Shri N. D. Karkhanis: I will not labour on that further. I go to clause 13, which creates a class of favoured persons—self-employed goldsmiths. The difficulty here is two-fold. It is only certified goldsmiths who can polish or repair gold ornaments of more than 14 carats. A jeweller or a

dealer cannot polish them. These people have only to sell 14 carat gold ornaments which are not at all liked by people. You know, Sir, that 14 carat is now the word which has come into the dictionary: whatever is not genuine is now called 14 carat. The selling of unpopular 14 carat gold ornaments is the only business that would be left to these jewellers. Government feels, in other words, that jewellers are not a wanted class. They are ruining jewellery trade and they are creating a new class of certified goldsmiths or self-employed goldsmiths. They are crushing down one class and allowing the other to come up.

Chairman: They are actual workers.

Shri N. D. Karkhanis: We are actual workers. It would be wrong to say that jewellers are middlemen or jewellers are trading upon others activities. I submit that jewellers are the persons who are like trustees, who are technical men and are not persons who merely sit at the counter and sell ornaments. Say, for instance, I go to Mr. Pethe's shop and get the ornaments. The generations I have been going to that shop. This is due to the trust and confidence created by them. Jewellers create this confidence which is so vital for the trade.

Chairman: You have mentioned this point earlier.

Shri N. D. Karkhanis: I am bringing in another argument. These jewellers are like the trustees. Say, for instance, I have been going to that shop for generations. I do not know who the artisans are and who the goldsmiths are. I get ornaments from them. I have faith in them. That faith is the most precious thing. You are depriving a class which is like the trustee of the people. You are throwing people to the goldsmiths who may be innumerable in number and in whom they may have no faith at all. Is it desirable to disrupt the society like this? I submit that this

will create hardship not only to jewellers who are like the trustees but also the consumers in general. Take, for instance, Pethe Jewellers shop in Bombay. I have faith in him. Now you ask me not to go to that shop but to go to the certified goldsmith. What will be the effect? My relationship with him, the trust which I repose in him or which he reposes in me will become fruitless. I submit that this will disrupt the whole business.

Now I shall come to the other sections which are still more important. Section 17 deals with the definition of ornaments.

Chairman: You want to restrict only to gold ornaments and not to diamonds?

Shri N. D. Karkhanis: I will not deal with the topic of diamonds. The definition of the word 'ornament' is defective. It is such that would render any man's reputation at stake by possessing a wrist watch or a fountain pen containing some gold element. We are considering the Bill as it is. The definition of the word 'ornament', as it is in the Bill, is so defective that anything can come within its ambit. That definition will have to be amended.

Section 17 has to be looked at from another point of view also. It gives the power to the Central Government to pass an order at any time it likes in respect of any person or class of persons owning ornaments. In other words, it means that the Central Government reserves to itself the power to bring into the ambit of the Act any class of persons at any time or any person at any time. I feel that this power is also discriminatory unless the power is well guided and there is nexus with the object of the Act. Now, for instance, the Central Government may say that 'X' or 'Y' or 'Z' should declare his ornaments. I submit that the Central Government

should not have this power. If such a power is given to them, it will be discriminatory. Why should only 'Y' declare ornaments? Why not 'X' also be asked to declare ornaments? Why only one class of persons should be asked to declare ornaments? Why not all classes of persons should be made to declare ornaments? Therefore, unless the order is general or unless the classification is reasonable and has a nexus with the object of the Act—it will be *ultra vires*. These are the two criteria which the Supreme Court has prescribed for the legislation not being *ultra vires*. There must be nexus between the object of the Act and the legislation and then the discrimination must be reasonable. If both the things are lacking or any of the two things is lacking, then the piece of legislation will be struck down by the courts as being violative of the Fundamental Rights guaranteed by Article 14 of the Constitution of India. I fear that section 17 may well be struck down. I do want that it should be struck down. But I say that it should be a very comprehensive section which would arm the executive with wide powers. Let wide powers be given to the executive consistently with the Fundamental Rights that have been guaranteed by the Constitution, that is, the right to carry on business or trade and the right to have equality before law.

Then I come to section 18 and that is the prince of all sections. This is regarding the powers which have been given to the Gold Administrator. Section 18 says:

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

And sub-section 3 says:

"The Administrator may by general or special order authorise such person (including any officer or authority subordinate to a State Government) as he thinks fit to exercise all or any of the

powers exercisable by him under this Act . . .”.

Now, this power of delegation to the Administrator is bad in law. You cannot delegate all your powers. Under the Sales Tax Act of the Delhi State, the Commissioner of Sales Tax has been given the power to delegate his authority but he cannot delegate all his powers. What does it happen here? The Central Government says that there will be an Administrator and the Administrator says, “I may not work. I will create another man who will do all my duties.” In other words, the Administrator usurps the powers of the Central Government. Therefore, guidance must be there in the section as to which powers can be delegated by the Administrator. The Administrator cannot be given in law the powers of the Central Government from which he derives his own authority. Therefore, I submit, this provision is illegal and unconstitutional.

Then, I come to section 21(2). It says:

“The Administrator, so far as it appears to him to be necessary or expedient for securing the equitable distribution and availability at fair prices of gold and ornaments, may by order published in the Official Gazette,—

(a) regulate the prices at which any gold or ornament may be bought or sold . . .”.

Now, Sir, you consider the very wide powers given to the Administrator. One individual in the country is given the power to regulate the price of gold by issuing any order. There is nobody to guide him. Can that be done? Should that be done? Leaving aside the legality of the section, should you give unlimited powers to one individual which will affect 400 millions in this country. Or, is it desirable that the order should be passed by the Central Government? I submit that the proper provision should be that the Central Government may by order regulate the prices of gold. The power should be vested

in the Central Government and I submit that such a legislation should be placed before Parliament so that Parliament may have scrutiny of what the Central Government is doing. The Gold Control Bill is a very vital Bill. I submit that the Government is not visualising it. I am very sorry to say so. The Government is not visualising the far-reaching effects of this Bill. This Bill is going to effect not only the jewellers, not only the bullion merchants but it is going to affect 400 millions of people in this country. Are you going to pass such a Bill in hurry and give the entire powers to one individual? I submit it would be most unjust to arm the Administrator with such wide powers.

Now, I come to section 26. It reads:

“Any person authorised by the Administrator in this behalf may—

(a) enter and search the establishment of a dealer or any refinery;

(b) seize any gold in respect of which he suspects that any provision of this Act has been or is being, or is about to be contravened, . . .” etc.

I submit this provision again offends article 19(1)(g) of the Constitution. May I invite your attention to two cases. There was a similar provision under the old Income-Tax Act, 1922 contained in section 37(2). There the power was given to the Income-Tax Officers to search the premises of anybody on an authorisation from the Commissioner. Even there an authorisation from the Commissioner was necessary.

Dr. L. M. Singhvi: Can you cite any case?

Shri N. D. Karkhanis: There are two cases, I think, one is reported in 1962, AIR. That case *Surajmal Nagarmal vs. Commissioner of Income-Tax, Calcutta* and the other is *Senairain Doongarwal vs. Commissioner of Income Tax, Assam*. In the first case the Calcutta High Court held that the power given to the Income Tax Officer to search the premises with an

authorisation issued by the Commissioner—although the Commissioner may not have recorded the reasons in writing—is *intra vires*. In other words, they held that the order was justified. The matter then went to the Supreme Court, where ultimately the appeal was withdrawn by Surajmal.

Chairman: What is the Supreme Court decision?

Shri N. D. Karkhanis: There the appeal was withdrawn. In the other case the Full Bench of the Assam High Court struck down by a majority of two against one sub-section (2) of section 37 of the Income Tax Act, 1922. That matter is now pending before the Court. There are many other cases on this point. What the courts have held is that if there is a restriction which is not reasonable, then that restriction will offend the provisions of article 19(1)(g). To use the language of the courts, any power which is naked and arbitrary and unguided must be struck down. Naked and arbitrary power of the executive should be struck down as unreasonable. I submit that section 132 of the Income Tax Act, 1961 read with rule 212 of the Income Tax Rules, 1922 provides and prescribes a certain procedure under which the Commissioner has to record his order in writing and give his reasons. That provision in the Income Tax Act should be copied here. There are similar provisions in section 49 of the Bombay Sales Tax Act. Under that section reasons have to be recorded in writing as to why the premises are to be searched. But here the Administrator can go and search the premises of any person without any proper enquiry and without applying his mind. That power is arbitrary. How can it be known whether you have exercised your mind or not, whether you have exercised your reasons or not. Only a written order can prove that you have given thought to the matter. Therefore, clause 26 of this Bill offends article 19(1)(g) of the Constitution because it gives extremely wide powers to the administrator. He

can go and search any premises anywhere without there being anything to show that he has exercised his mind. It is said in law that every man's house is a castle to him. That is a proverb which has been accepted by all. You cannot violate the sanctity of my house unless there is something reasonable to prove that I have committed an offence. See the provisions of the Criminal Procedure Code. There, before a search takes place, an authority from a Magistrate has to be taken. Even if the party is a thug or a thief, the Police cannot go and search his house unless the Police is armed with an authority from the Magistrate and an enquiry is made. That gives sanctity to the home of an individual. Let not the homes and houses in India be at the mercy of this Gold Administrator.

Dr. L. M. Singhvi: After the conclusion of the evidence, I would request you to ask the witness to explain some of the recommendations that have been made in this memorandum which have not touched upon the Bill itself and its reconstruction.

Shri N. D. Karkhanis: I have not had the privilege of having the recommendations. I will be grateful if I get them.

There is another provision which is still worse. There you will see how the Administrator is given powers which even a Police Officer does not have. This is sub-section (4) of section 26. It affects the liberty not only of the jewellers and bullion merchants. It affects the liberty of every person in this country. I will read out sub-section (4):

“When any such officer as aforesaid is about to search the person referred to in sub-section (3), he shall, if such person so requires, take such person to the nearest gazetted officer authorised by the Administrator or to the nearest Magistrate”.

See the next sub-section:

“Any officer authorised by the Administrator in this behalf may,

if he suspects that any person has contravened, or is contravening or is about to contravene any provision of this Act, detain such person and take him to a gazetted officer . . .”.

This is a power given to a delegate of the Administrator. I am quite sure that one Administrator for the entire sub-continent like India will have to appoint hundreds of such officers and each is himself a Gold Administrator. He can detain any person if he suspects and take him to any gazetted officer. Mark the word 'gazetted officer'. He need not be a Magistrate. The gazetted officer may not be a judicial officer at all. Head of a Department is a gazetted officer, or even a railway officer is a gazetted officer.

Shri Prabhat Kar: What is the provision in the Customs Act?

Shri N. D. Karkhanis: I shall refer to that. If the provision there is also the same, then that provision will offend our fundamental rights.

Shri Prabhat Kar: It is already in force. It was passed two years ago.

Shri N. D. Karkhanis: These things are now coming to light.

Chairman: Do you want them to be taken before a Magistrate?

Shri N. D. Karkhanis: Certainly, and they cannot be detained like that.

Chairman: Every arrest or every search is against fundamental rights.

Shri N. D. Karkhanis: I am not saying that the power of detention should not be given. What I am submitting is that the power given is such that he can take him to a railway officer who is also a gazetted officer . . .

Dr. L. M. Singhvi: Or possibly to a veterinary doctor.

Shri N. D. Karkhanis: Now I come to sub-section (8) which says:

“Any officer authorised by the Administrator in this behalf may, if he has reason to believe that

any person has contravened, or is contravening or is about to contravene, any provision of this Act, arrest such person . . .”

In sub-sections (4) and (5) the words used are 'detained officers' and in sub-section (8) the word used is 'arrest'. I submit that this is bad drafting. These sub-sections have not been properly drafted. In sub-section (8) power is given to arrest a man and produce him before the magistrate within 24 hours. This power should not be delegated to any person the Administrator likes. There should be a cadre of persons appointed for this purpose and they should have some judicial training before they can arrest a man. They should be trained.

Then about samples of gold I need not detain you on this point.

Then I go to clause 30, sub-clause (5). See the scheme of this Bill—“The Central Government may, of its own motion or on application made etc.” The scheme of the Bill is that if an order of confiscation or penalty is passed by any officer to whom powers are delegated, an appeal will lie to the Administrator; and against the Administrator's orders a revision will lie to the Central Government. That is all. If I may use the words of the High Courts and the Supreme Court, the provision is just one of “going from Caesar to Caesar”. There is no point in this. If an order is passed by an Administrator's nominee, there is no point in my going to the Administrator because he is his own creator, and I am being asked to go from Caesar to Caesar. Where is the judicial aspect in it? And we go in revision to the Central Government. In revision, if I am right in my submission, you cannot consider questions of fact which have been decided. In revision only points of law can be agitated. The revisional court will only look into the legal aspect whether any law has been violated or misused. Therefore the Central Government can say, “Yes, this is the

finding of fact both by the Administrator's nominee and by the Administrator, we refuse to look into the facts. Is there any question of law which you want to urge?" And I am out of court. Therefore this provision is meaningless. It is only an apology for an appeal. Give me the power of going in appeal, a right of going in for revision, which will enable me to get substantial justice, which will satisfy my conscience that I have been heard and that a judicial decision has been given. It is no use having a legislation which has a semblance of that provision. I submit that this provision is not very fair to the citizen.

I submit for your consideration another aspect of it. Consider the other provisions of analogous Acts. Under the Income-tax Act there is a tribunal which decides all questions of fact and all questions of law, and there is a reference to the High Court on questions of law. When the tribunal was established in 1941, the Government was considering the propriety of establishing a tribunal, because we were copying the English Acts. In the English Act there is no tribunal at all; there are the various Commissioners, the High Court and Court of Appeal and the House of Lords. Our Government wanted to copy the French pattern of introducing administrative tribunals. That was one of the first experiments made in 1941, and that experiment has been found very successful. The tribunals have been found to be doing excellent work. Therefore . . .

Chairman: You want that tribunal here?

Shri N. D. Karkhanis: Yes. In the Income-tax Act there is provision for a tribunal. There is a similar provision in the Sales Tax Act. There is a similar provision in the Industrial Disputes Act and in the Foreign Exchange Regulation Act. Wherever the jurisdiction of the High Court is done away with, you find there is a judicial tribunal or a tribunal exercising quasi-judicial powers. And the latest experiment which has been introduced

by our illustrious Finance Minister is the introduction of a tribunal in the Company Law section. So you have a tribunal for Income-tax, you have a tribunal for Company Law, you have a tribunal for industrial disputes. And for gold control which is affecting even every villager in this country there is no tribunal. There is an executive officer. You go from one executive to another; you go, as I said, from Caesar to Caesar and try your luck. Is it a provision which you would like to recommend in this Bill? This provision should be modified.

Chairman: The villager will never go, he has no gold.

Shri N. D. Karkhanis: Sir, you know the villages more. I do not claim to know more about villages than hon. Members here. Of course I was born and bred up in a village as almost every one of us has been. The towns have sprung up only recently. In the old days even Delhi was only a small town.

But if I can feel the pulse of the people, the villagers are now conscious of their right of getting justice. Therefore this provision should be considerably modified.

Then I will come to the sentiment about 14 ct. gold. Government has stated many times in its communiques and in the Khera Committee report that there is a craze for 22 ct. gold which is not national, which is anti-national, and that in other countries people are having ornaments of 14 ct. gold or even less than that. The Khera Committee Report is with me. It says that Government may introduce gold of a carat content which may be even less than fourteen. I submit there is no rhyme or reason why Government should have picked up fourteen carat content. Why not fifteen or eighteen? If 14 ct. content gold is not found to be so popular, let there be a popular brand.

Chairman: What is your suggestion?

Shri N. D. Karkhanis: I submit 22 is not bad.

Shri B. R. Bhagat: Then what is gold?

Shri N. D. Karkhanis: 22 ct. is not pure gold.

If you want, you can restrict or you can put a ceiling on the quantity of gold. Restrict the quantity of gold, do not restrict the quality because there is a sentiment about the quality. 14 ct. gold is not wanted and it has become a popular word in the dictionary that whatever is not genuine is 14 carat. Therefore it is not acceptable to the masses. If I am wrong in my submission, please find out what the public wants.

My last request is this. No harm will be done to Government if Government waits for some time and carries on its gold control policy through the Gold Control Rules under the Defence of India Rules, and appoint a committee, a high-powered committee to find out public opinion. Do not thrust a law against the will of the people. In a democracy law is the expression of the will of the people.

Sir, that is all that I have to say. I am grateful to you for the patience with which you have heard me. I have no words with which I can express my gratefulness.

Shri B. K. Gaikwad: May I know from Mr. Venkateswara Rao the number of workers working under them, their income on an average per month?

Shri K. Venkateswara Rao: About a thousand workers are working under the jewellers and their average income varies between Rs. 300 and Rs. 1000 per month.

श्री बी० के० गायकवाड़ : श्री पेलाला कोडेंया, क्या आप हिन्दू धर्म को मानते हैं ?

श्री पेलाला कोडेंया : जी हाँ ।

श्री बी० के० गायकवाड़ : क्या सोना शर्द्रों को भी बेचा जाता है ?

श्री पेलाला कोडेंया : सब को बेचा जाता है ।

श्री बी० के० गायकवाड़ : क्या यह मनु स्मृति और दूसरे हिन्दू धर्म-शास्त्रों के खिलाफ नहीं है ?

श्री पेलाला कोडेंया : नहीं है । अगर होता तो भगवान् कृष्ण यह क्यों कहते,

“चानुर्वर्ण्यं मया सृष्टं गुणधर्मविभागशः”?

Shri B. K. Gaikwad: There are 33 associations in Bombay whom you are representing. There are 700 members. How many workers are there in these 33 associations?

Shri N. D. Karkhanis: About 2,000 workers.

Shri B. K. Gaikwad: We want to remove the attachment to gold and so we have introduced this Bill. Suppose this Bill is taken back, will India be in a position to remove this attachment to gold from the minds of the people?

Shri N. D. Karkhanis: I do not think that attachment for gold can be removed by legislation. If you want to restrict the possession of gold, you must put a ceiling on the quantity and not on quality.

Shri B. K. Gaikwad: Eighty per cent of the people do not buy gold at all. How can you say that 400 million people are affected by this Bill? How many people of these 400 million buy gold?

Shri N. D. Karkhanis: I cannot give these statistics. Most of these people who live in villages, every household, may have gold worth Rs. 5 or 10. But a large portion of gold is purchased by persons who have ample surplus money, the capitalist class and those may be of only a few houses. I will invite your attention, in this connection to a question posed by Government and the answer given by Government itself in this pamphlet issued by Government.

Q "How many persons are likely to be affected by the gold control Bill".

A "Apart from goldsmiths themselves, the only persons who have been or may be affected by the rules are members of the upper middle class."

Now, if that is correct, why do you force a Bill upon me, who do not belong to the upper class or upon 80 per cent of the people, as the hon. Member there, says, who are unable to buy gold.

Chairman: Do you agree with that Government answer?

Shri N. D. Karkhanis: Partially.

श्री महावीर दास : मेमोरेण्डम में कहा गया है कि मैनी पर्सनज हव कन्ट्रिड सूसाइड। क्या ज्वेलरज और बुलियन मरचेण्ट्स में से किसी ने सूसाइड किया है ?

श्री पेलाला कोंडेंया : नहीं। कारीगरों ने किया है।

श्री महावीर दास : आपने कहा है कि सोना सब [से] बड़ा धन है और आप ने इस संबंध में धार्मिक ग्रन्थों के भी उद्धरण दिए हैं। क्या यह सच नहीं है कि ऋषियों मुनियों ने कहा है कि विद्या ही सब से बड़ा धन है ?

श्री पेलाला कोंडेंया यह सच है। विद्या भी सब से बड़ा धन है।

श्री महावीर दास : अगर चौदह कैरट गोल्ड ही समूचे हिन्दुस्तान में चालू रहे और मार्केट वैल्यू ठीक हो जाए, तो फिर लोगों के लेन देन करने, गिरवी रखने और जरूरत के समय रुपया लेने देने में क्या रुकावट होगी ?

Shri N. D. Karkhanis: If people take to 14 carat gold, it will indeed be a good thing. The question asked is: if people take to 14 carat gold will there be any difficulty? There will be none. But the real question is: will people take to 14 carat gold? It is a hypothetical question. To

assume that people will take to 14 carat gold, I submit, is not correct.

श्री महावीर दास : चौदह कैरट पर कोई कन्ट्रोल नहीं है। न तो ज्वेलरी पर है और न ही गोल्डस्मिथ पर। अगर चौदह कैरट का प्रचलन हो जाए तो फिर क्या चौदह कैरट की वैल्यू है इस में लेन देन हो सकता है या नहीं हो सकता है ?

Shri N. D. Karkhanis: The people have tried that experiment. The answer is given by the public. They have rejected the 14 carat gold ornaments.

श्री महावीर दास : यह कहा गया है कि गोल्ड आदमी के रोजाना काम काज के लिए बहुत महत्वपूर्ण है। मैं जानना चाहता हूँ कि फूड आर्टिकल्ज में गोल्ड आर्टिकल्ज भी हैं क्या ?

Shri N. D. Karkhanis: There should be no objection at all. There will be legal objection to some of the provisions. There will be some hardship for carrying on business of jewellery and gold and money-lending. Generally, there will be no objection.

श्री शिव नारायण : चौदह कैरट का कानून अगर पास हो जाएगा तो आप सब क्या इस बिजनेस को छोड़ देंगे। आप चाहते हैं कि अधिकारियों को जो अधिकार दिए गये हैं उनको कुछ ढीला कर दिया जाए, क्या यह सही है ?

Shri N. D. Karkhanis: ढिलाई नहीं चाहते हैं। The powers should be given. But that should be guided by somebody. There should be powers. The powers should be exercised. The powers should be exercised judicially.

श्री शिव नारायण : जो लोग फारेन कन्ट्रीज में जाते हैं और कुछ दिन वहाँ रहते हैं, वे जब वापिस आते हैं तो क्या उनको सोना अपने साथ लाने में कोई दिक्कत है या उसमें उनकी सरकार क्या मदद करे कि जिससे स्मगलिंग बन्द हो ?

Shri Sultan Singh Bakliwal: The question that the hon. Member has put is a relevant one. It is not only the question of people who go abroad. Firstly, the people who go out of India are given a very limited foreign exchange which is not sufficient to make purchases of gold jewellery and even if they wanted to bring in gold, there will be lot of difficulties. Also, side by side with these people, there are non-resident Indians who are residing in foreign countries say for the last 10 or 20 or 30 years. Now, they also want to come back to India. I was wanting to add this point to my evidence that I gave the other day. But since the time was very limited I could not touch on this point. We can tap that big source. Hundreds of Indian are wanting to come back to our country. There are really some Indian people who want to bring in their life savings in terms of gold. The Government should not only welcome it but encourage such things. Gold worth lakhs and crores of rupees will come over to India if permission was given to them. I would suggest that a limit should be fixed, there should be a limit fixed above which tax or duty should be levied. Suppose there is a non-resident Indian who wants to come back to India and he wants to bring in gold. We can exempt him, say, upto a limit of 500 or 5000 grams of gold in the form of ornaments and also exempt him upto a certain amount of primary gold. On the rest, we can levy a duty. Some such thing could be done. Now there are all the difficulties. I would suggest that it should be done. We may exempt him upto a certain limit and levy duty on the rest. Besides the people who go abroad on a visit, there is also the question of non-resident Indians living in foreign countries.

Shri V. C. Kesava Rao: It was stated that only one month was given to dispose of the gold ornaments. May I know whether your bullion merchants or dealers were able to dispose of them within one month or has anything been confiscated by the Government?

Shri K. Venkateswara Rao: They were given only one month's time and several representations were made to Shri Morarji Desai but all in vain. We have converted all the articles into 14 carat gold and it is all lying idle.

Shri V. C. Kesava Rao: I want to ask the spokesman of the Bezwada jewellers and Bullion Merchants Association whether in 1½ years they have manufactured any 14 carat gold ornaments and, if so, what is the position in their sale.

Shri K. Venkateswara Rao: We are manufacturing it. But there is no sale at all.

Shri N. D. Karkhanis: We are not going to give up the business. We are trying our luck. Even a dying man lives on hope. Hope is immortal. We hope that the legislation will be a reasonable one.

श्री शेर खां : हमारे मुल्क में हर एक आदमी को अपना धंधा करने की आजादी दी गई है। आप किस हद तक महसूस करते हैं कि इस कानून से आपको जो हक दिया गया है धंधा करने का उसमें यह मददगार होगा या दखलअन्दाजी करेगा ?

श्री तार साहिब : सर्राफों का जो धंधा है वह एक विशेष प्रकार का धंधा है। सभी को अपना अपना धंधा करने का अधिकार है, जैसा आपने कहा है सर्राफों को भी अपना धंधा करने का अधिकार है और उस धंधे में किसी प्रकार की कोई दस्तअन्दाजी नहीं होनी चाहिए। ज्यादा से ज्यादा यह हो सकता है कि अगर थोड़ी बहुत रेस्ट्रिक्शन लगाने की जरूरत महसूस हो तो लगा दी जाए लेकिन धंधे पर कुठाराघात नहीं होना चाहिए।

श्री शेर खां : आप गोल्ड कंट्रोल बिल के हक में हैं कुछ तबदीलियों के साथ ?

श्री तार साहिब : यह बिल हम चाहते ही नहीं हैं। इसकी किसी प्रकार की आवश्यकता नहीं है। साधारण सर्राफ की यही राय है। अगर कंट्रोल लगाना है तो क्वालिटी के ऊपर न लगाकर के क्वांटिटी पर लगाया जा सकता

है। सराफों का जो मूलभूत अधिकार है अपना धंधा करने का वह खत्म नहीं कर देना चाहिए। उनका धंधा साल डेढ़ साल से करीब करीब बैठ गया है।

Shri Sultan Singh Balikawali: I would like to add something to what has been said. It is not that we want to put restriction on quantity. We would not want restriction to be put on the quantity of ornaments or some thing. There may be restriction on primary gold in the form of bars, coins or sovereigns or some such things but not in the form of ornaments.

Shri Rajendra Pratap Sinha: I would like to know whether the jewellers and sarafs could carry on their trade if gold smuggling is stopped.

Shri N. D. Karkhanis: Yes and I assure you that our associations will help the Government in stopping smuggling. Nobody wants smuggling at all.

Shri Rajendra Pratap Sinha: I want you to appreciate that the production of gold in this country is very small. Probably it is only 3,000 ounces or so—I do not know. Secondly, we are not going to import gold through proper channel. The only import that is taking place is through smuggling. If that smuggling is stopped, will you have enough gold to keep you engaged in this trade?

Shri N. D. Karkhanis: The gold that is smuggled does not necessarily circulate amongst all the masses. Smuggling is the pastime of the rich, not of the poor.

Shri Rajendra Pratap Sinha: I do not understand this point.

Shri N. D. Karkhanis: Government have said times without number that there is enough gold in the country. The quantity of gold is said to be about 4,000 crores of rupees. Why then import it through smuggling? We will do without smuggling.

Shri Rajendra Pratap Sinha: The relaxation or concession given to goldsmiths is only in respect of repairing

ornaments. It is not expected that they will make fresh ornaments. Do you think that there is enough repair work or remarking work, that this relaxation should be extended to jewellers also?

Shri N. D. Karkhanis: I do feel so. I say that there is enough work that can be shared by both jewellers and goldsmiths.

Shri Rajendra Pratap Sinha: Take the case of any standard shop. Before the Gold Control Order, what was the percentage of original work and what was the percentage of repair work?

Shri N. D. Karkhanis: May I say that this is a very difficult question which cannot be answered without statistics? That is exactly the reason why I suggested that you should appoint a Committee to answer all these questions. Let them make proper enquiries.

Shri Dahyabhai V. Patel: I would like to know from these people representing various organisations whether their Government have ever asked for their advice before they introduced the Gold Control Order as to whether this was likely to succeed, or what type of measure they should take?

Shri N. D. Karkhanis: I am instructed to say that so far as Bombay city is concerned, not one was consulted though we expected that we would at least be consulted.

Shri Dahyabhai V. Patel: Shri Bakliwal is a resident of Delhi and I think you are connected with some of the big jewellers and their association. Were they consulted?

Shri Sultan Singh Bakliwal: Our Association was not consulted.

Shri Tara Sahib: So far as Ujjain is concerned, our association also was not consulted.

Shri Dahyabhai V. Patel: Shri Karkhan's is a lawyer. Do you know any lawyer being consulted on this matter?

Shri N. D. Karkhanis: No practising lawyers have been consulted. But there must be legal advisers in the Ministry who might have advised the Govern-

ment. But no practising lawyers have been consulted as far as I know.

Shri Dahyabhai V. Patel: Since the Government's intention in introducing this order is primarily to save foreign exchange, do you think that if some of the suggestions that you have made here are implemented, this objective can be achieved?

Shri N. D. Karkhanis: One of the plausible suggestions made is to have an export promotion drive. The persons who export should be allowed to import a proportion of the foreign exchange they earn in the form of gold. That will ease the situation. I see no reason why import of gold is taboo to the Government. Why should it be considered as a metal which can never be imported?

Shri Sultan Singh Bakliwal: May I add a few words?

Chairman: You have already given your views.

Shri Dahyabhai V. Patel: They represent different organisations. And they may have different views on the subject. Let him also explain.

Shri Sultan Singh Bakliwal: As far as foreign exchange earning is concerned, I represent an organisation whose member's foreign exchange earning is the largest so far as exported gold jewellery is concerned. Gold jewellery trade centres as far as export is concerned are Delhi, Bombay, Agra, Jaipur and possibly a few other stray places in the South and Calcutta. As far as foreign exchange earning is concerned, I think there is something faulty with the Reserve Bank. Recently there was a meeting of the Department of Tourism. Their report says that foreign exchange earnings that should have come to India by way of increased tourist activities have not come. It is their view that by legislation such as adding controls and checkings we are trying to discourage tourists coming to India. Already there are a number of forms to be filled in by

them right from the airport. If they come to our store and purchase something, we have to put so many questions to them for which they have to provide answers in the forms and vouchers. Side by side we have to see and realise the facilities that are being given to them in the neighbouring countries. Pakistan is our biggest competitor in every handicrafts including jewellery. If we follow what other countries are doing, our foreign exchange earnings also will go up.

Chairman: Do you want free export of jewellery?

Shri Sultan Singh Bakliwal: When people come from abroad why not they purchase our jewellery? We will get foreign exchange. The foreign money can be deposited in the banks as they are doing.

Shri Dahyabhai V. Patel: Is it a fact that after the introduction of the Gold Control orders many Muslim artisans have migrated to Pakistan and therefore the manufacturing trade has been affected severely?

Shri Sultan Singh Bakliwal: Many of the Muslims artisans have not only gone to Pakistan but they are going to Middle East Countries. We do not want India to be relegated to a wage-earning country only. In this respect a suggestion was made by a certain foreign country from whom we import diamonds, emeralds and other things. When we go into the international market we pose as merchants. But the fact is that we do not have enough raw material in India. They made the suggestion whether we would be agreeable to work in bonded workshops, that is they provide the precious stones raw material and our men work there....

Chairman: The question was whether Muslims artisans have migrated to Pakistan. Say 'yes' or 'no'.

Shri Sultan Singh Bakliwal: I was trying to give a parallel example.

Chairman: One question, one answer.

Shri Sultan Singh Bakliwal: Yes, Sir, they have migrated not only to Pakistan but to the Middle East.

Shri Dahyabhai V. Patel: Do you think they are being given more facilities in Pakistan and the Middle East and, if so, could you say what are the type of facilities offered there?

Shri Sultan Singh Bakliwal: Yes, I can give you an example of my own concern. We had a workman employed by us. His social status might not have been much, not more than Rs. 20,000. Now he is a prosperous jeweller in Karachi, worth Rs. 10 lakhs. There are no restrictions for his working.

Chairman: Has Pakistan given better facilities? That is the question.

Shri Sultan Singh Bakliwal: Yes, Sir. And they have prospered.

Shri Dahyabhai V. Patel: I have asked him to elaborate it. He might be allowed to do so because it would be recorded in the proceedings and would be available to Members.

Chairman: But he is not a Pakistani national.

Shri Dahyabhai V. Patel: On this subject he knows much more than many Members.

Shri Sultan Singh Bakliwal: Sir, I have statistics not only about Pakistan . . .

Chairman: What are the facilities offered there?

Shri Sultan Singh Bakliwal: There is no carat control. He gets more work; he gets more local work and more foreign work.

Shri Dahyabhai V. Patel: The purpose of my question is to draw the attention not only of this Committee but of Parliament to the fact that the gold control officers do not seem to have been properly advised. So I was asking for this information for the benefit of Parliament and the big officers. I hope you will allow me and co-operate in this.

Chairman: He has given the answer.

Shri Dahyabhai V. Patel: Do you think that stricter control on foreign exchange is going to help us?

Shri Sultan Singh Bakliwal: Certainly.

Shri Dahyabhai V. Patel: How do you think it will help?

Shri Sultan Singh Bakliwal: I would again like to give the same example and I would quote Government's own Department of Tourism. If we have a stricter control on foreign exchange the foreign exchange earnings should have come to us. But they have not come to us. There is some big gap, something wrong definitely with our way of handling foreign exchange. And that should be tightened. And that would definitely bring in the foreign exchange.

Shri Dahyabhai V. Patel: Can you elaborate about the foreign countries where this control has been introduced and where it has worked successfully?

Shri Sultan Singh Bakliwal: If you are talking about other foreign countries, when they introduced gold control it was a gradual control. Their foreign exchange earnings have been much larger and have been increasing every time. If a foreigner or anybody wants to make something in the gold jewellery they do not put all these quality restrictions. Therefore their foreign exchange earnings are much more.

Shri Dahyabhai V. Patel: Do you think the distinction that is being made between the self-employed goldsmith and the jeweller is helping either the trade or the self-employed goldsmith? Is the self-employed goldsmith in a position to manufacture and sell articles that earn much foreign exchange?

Shri Sultan Singh Bakliwal: Not at all. This is true not only of this but of other handicrafts. I will exhibit this bracelet for your view. You must study the work that goes into its making. It has to pass through five or six hands; the casting has to be done, the

setting of the stone, the polishing, the enamelling, so many processes it goes through. No self-employed goldsmith can do all these things alone. It may be that a crude thing may be done in a village by a single goldsmith which will not be liked not only by a foreigner but even our own persons living in cities. It has to be done by so many hands, and none of them can do it alone. It is we who provide the designs and all the other facilities and secure the order. They cannot exist without us. As Shri Karkhanis says, it is through our goodwill that they get the order. For instance, you would go to your jeweller and give your order, you would not trust a goldsmith you have never known.

Shri Dahyabhai V. Patel: Do you agree with him, Mr. Karkhanis?

Shri N. D. Karkhanis: Yes, I do. I entirely agree.

Shri Era Sezhiyan: Regarding the memorandum submitted by the Bezwada Jewellers and Bullion Merchant's Association, in page 2, section (iv) it has been stated that "an amount of Rs. 47 crores for goldsmiths and Rs. 200 crores for dealers will be required for the rehabilitation programme which could be utilised for any other better purpose". May I ask how they arrive at these figures of Rs. 47 crores and Rs. 200 crores? Are they fancied figures or have any calculations been made?

Shri K. Venkateswara Rao: Recently the Director of Industries, Andhra Pradesh informed us that they are going to give Rs. 1 crore for the rehabilitation of jewellers as a first instalment.

Shri Era Sezhiyan: I want to know how the figures have been arrived at. Have you made any calculation of the number of goldsmiths to be rehabilitation and multiplied it by the amount of rehabilitation benefit to be given, or are they fancied figures?

Shri K. Venkateswara Rao: We were informed by the Director of Industries, Andhra Pradesh that they are going to give so many crores in a period of

five years to jewellers, small dealers and goldsmiths.

Shri Era Sezhiyan: These figures are given by the Director, you mean?

Shri K. Venkateswara Rao: Yes.

Shri Era Sezhiyan: Could you give the reference, by whom it was given?

Shri K. Venkateswara Rao: No. We told him that we are not going to take the rehabilitation scheme. We said, "First repeal the Gold Control Bill, then we will look for rehabilitation".

Shri Era Sezhiyan: Where did you get these figures from? Were they given by the Government of Andhra or by the Central Government?

Shri K. Venkateswara Rao: He told us that in five years the Government of India will spend Rs. 47 crores for goldsmiths and Rs. 200 crores for dealers for the rehabilitation schemes.

Shri Era Sezhiyan: Who said that, the Director in Andhra?

Shri K. Venkateswara Rao: Yes.

Shri Era Sezhiyan: We will check it up.

Shrimati Tara R. Sath: Mr. Karkhanis, you said that the definition of the word 'ornament' should be comprehensive. Will you say what addition of words you would suggest for that purpose?

Shri N. D. Karkhanis: Instead of additions I would suggest subtractions, because I want it to be restricted to ornaments which adorn the body, not articles which can be termed as ornaments but which are not really adornments on the body.

Shrimati Tara R. Sath: You mean gold medals etc.?

Shri N. D. Karkhanis: The wearing of mangal sutra of ladies, especially in the Decan and Gujarat, is considered as a sacrament. It is really not an ornament but a matter of necessity. It should always be excluded and the gold content in the mangal sutra should be allowed to be anything which the lady wants.

Shrimati Tara R. Sathe: You mean the mangal sutra alone or the chain also? You mean the mani and mangal sutra?

Shri N. D. Karkhanis: Among Hindus it is mangal sutra. Among others it is the wedding ring. These are not really ornaments in the sense of being personal adornments. They are really a part of the rituals. No marriage can be complete until the mangal sutra has been tied by the husband around the wife's neck. That is a tie which is perpetual, which goes for seven births as the puranas say.

Shrimati Tara R. Sathe: Will you suggest some quantity for the mangal sutra?

Shri N. D. Karkhanis: My suggestion is that a committee should be appointed to tour all parts and find out the sentiments of ladies as to what should be the minimum quantity or maximum quantity.

Shrimati Tara R. Sathe: As sarafs they should be able to say the quantity which is required.

Shri S. G. Pethé: A minimum of three tolas would be required. The ladies would be able to judge it better but we feel that a minimum of three tolas would be required for mani and mangal sutra.

श्रीमती तारा आर० साठे : मैं श्री पेलाला कोंडेंया से कुछ सवाल पूछना चाहती हूँ। आपने यह कहा है कि गवर्नमेंट चाहती है कि स्त्रियाँ सोना न पहन और स्त्री धन न रखें। गवर्नमेंट यहाँ नहीं जाती है कि कोई सोना न पहने और स्त्री धन न रखे। लोगों के पास जो जेवर हैं, गवर्नमेंट उनको नहीं लेना चाहती है। वह तो यह कती है कि नए जेवर बनाये जायें, वे चौदह कैरेट के बनाए जायें। तब आप इसका विरोध क्यों करते हैं ?

श्री पेलाला कोंडेंया : औरतें तो चौदह कैरेट के जेवरों को छूनी भी नहीं हैं।

श्रीमती तारा आर० साठे : हम लोग तो पहनते हैं।

श्री पेलाला कोंडेंया : मैं आप को एकसंख्यन मानता हूँ। लेकिन हमारे देश की साधारण औरतें, गांवों की औरतें, उसको नहीं छूती हैं।

श्रीमती तारा आर० साठे : वैं कितने कैरेट के जेवर चाहती हैं ?

श्री पेलाला कोंडेंया : आन्ध्र में तो वे २४ कैरेट के जेवर चाहती हैं।

श्रीमती तारा आर० साठे : आप लोगों ने औरतों को जो जेवर बना कर दिये हैं, क्या वे २४ कैरेट के ही होते हैं, कम के नहीं होते हैं ? क्या वे सब २४ कैरेट के हैं ?

श्री पेलाला कोंडेंया : मेरे वचन से १९३० तक तो २४ कैरेट के जेवर ही बचे जाते थे। बाद में अच्छे रंग के लिए २२ कैरेट के जेवर बनाये जाने लगे।

श्रीमती तारा आर० साठे : बीस साल पहले औरतें २४ कैरेट के जेवर पहनती थीं, लेकिन अब तो वे २२ कैरेट और १८ कैरेट के भी पहनती हैं न ?

श्री पेलाला कोंडेंया : १८ कैरेट के नहीं, २२ कैरेट के पहनती हैं। वह भी इस लिए कि २२ कैरेट का रंग अच्छा होता है।

श्रीमती तारा आर० साठे : धार्मिक कामों के लिए जो सोना इस्तेमाल होता है, क्या वह हमेशा २४ कैरेट का होता है, कम नहीं होता है। क्या रिलिजस फंक्शन के लिए सब २४ कैरेट का सोना लेते हैं या कम भी लेते हैं ?

श्री पेलाला कोंडेंया : पिंड-दान के लिए कम का सोना भी लेते हैं। पैसे वाले २२ कैरेट का भी लेते हैं।

श्रीमती तारा आर० साठे : इसका मतलब यह है कि धार्मिक विधियों के लिए कम कैरेट का सोना भी इस्तेमाल किया जाता है ?

श्री पेलाला कोंडेंया : पिंड-दान के लिए कम का भी चरता है।

श्रीमती तारा आर० साठे : मैं

श्री. दाकलीवाल से कुछ पूछना चाहती हूँ। उन्होंने ६ कैरट का कंगन दिखाया। उसकी मजदूरी कितनी लगती है? उस के मुकाबले में २४ कैरट के कंगन की मजदूरी कितनी होती है?

Shri Bakliwal: I can say, if I am permitted, that what the hon. Member herself is wearing is more than 14 carat.

Shrimati Tara R. Sathe: That is not the question. If the Chair permits we will go into that question, again. I am talking specifically about these ornaments. You say that the labour on this is Rs. 300.

Shri Bakliwal: An average Indian family would not like to spend so much on labour charge on such impure gold. This is just a sample so that you can see the colour. If some family wants to sell this at a time of distress, it will all go waste.

Shrimati Tara R. Sathe: The labour charges on 9 carats which you have taken around and the 22 carat ornaments will be the same?

Shri Bakliwal: The labour charges will be the same.

Shrimati Tara R. Sathe: How many such pieces, as the ones which you have shown us, were exported by you?

Shri Bakliwal: No statistics are available. There would have been hundreds of such pieces which were manufactured here and which were exported from Delhi, Jaipur, Agra and most of the cities in the north.

Chairman: You can give a rough figure. How much will it come to in terms of money? How much did you export?

Shri Bakliwal: About us personally it might have been about 20-30 pieces. Their value may be about two lakhs or one lakh.

Shrimati Tara R. Sathe: If you cannot give figures of export, can you give us the percentage of these things which were exported compared to the local consumption?

Shri Bakliwal: In India it is becoming fashionable. Many Indian people have also started buying these things. It is very difficult to give percentages because it may be 10 per cent in one season or it may be ninety per cent in another period.

Shrimati Tara R. Sathe: It is very important to know that.

Chairman: But he says he is not able to give that.

Shrimati Tara R. Sathe: You know now that the certified goldsmiths can remake the ornaments from the old ones which we take to them and they can make the ornaments of higher purity than of 14 carat gold. I want to know what do you feel would happen if that facility which is given to the goldsmiths is taken away. Now they are permitted to do all these things. If the Government compels them to make ornaments of only 14 carat gold, what will be the situation? Will this Act be a popular one?

Shri Sultan Singh Bakliwal: As I submitted earlier, my answer to that is that this facility which is being given to the goldsmiths should not be taken away from them but that it should also be extended to jewellers.

Shrimati Tara R. Sathe: Will the 14 carat gold ornaments be popular

Shri Sultan Singh Bakliwal: I am for the removal of quality control.

Shri S. G. Pethe: 14 carat gold ornaments will not be popular at all.

Shrimati Tara R. Sathe: When the Gold Control Order was passed and before another amendment was passed, there were 14 carat gold ornaments available everywhere in the market. What is your experience of the period between the passing of the Gold Control Order and the subsequent amendment?

Chairman: Earlier witnesses have said about this.

Shrimati Tara R. Sathe: Nobody has mentioned about this.

Chairman: They say, ornaments of 14 carat gold are not being sold.

Shrimati Tara R. Sathe: Now, you said that some of the Muslim artisans have left for Pakistan because of this Gold Control Order. You being the Secretary of the All India Jewellers Association, will you be able to tell us how many of them have left on this ground?

Shri Sultan Singh Bakliwal: Well, it is very difficult to say precisely how many of them have left because most of the workmen may not have been employed by me. Some may have been employed by someone else and some may be self-employed.

Shrimati Tara R. Sathe: You being the Secretary of the All India Jewellers Association must know the figure.

Shri Sultan Singh Bakliwal: I have not got the precise figures. I can only tell you that their number is quite large and the number will increase. Many more will migrate.

Shri Dahyabhai V. Patel: Can you give examples of those who have gone as to whether they are doing well in Pakistan?

Chairman: What is the number?

Shri Sultan Singh Bakliwal: To my knowledge, I know of at least 300 to 400. It is those who are top quality workmen like of which you will never have them here. In all, their number may be in thousands who have left for Pakistan.

Shri Dahyabhai V. Patel: What were they worth here and what are they worth there?

Shri Sultan Singh Bakliwal: May I answer it?

Shrimati Tara R. Sathe: The other day you had shown us the box that you had manufactured and you said that it will give us more Rs. 1-1/2 lakhs if it is sent abroad. May I know to which country it can be sent? Supposing the Government wants to export it, may I know which is the country to which it could be sent?

Shri Sultan Singh Bakliwal: I may tell you that our Indian exports of jewellery have been mostly restricted to Western countries, America and

Middle-Eastern countries. There may be other countries also. It is very difficult to predict export markets for such artistic products. There may be buyers in Germany and France who may like to buy them or in any other country.

Shrimati Tara R. Sathe: You manufactured these boxes before the Gold Control Order was passed. So, there must be something in your mind to send it to some country. We want to have more light on this.

Chairman: Give the names of the countries.

Shri Sultan Singh Bakliwal: They are Western European countries, Middle-Eastern Countries and the United States of America.

Shrimati Renuka Devi Barkataki: The other day it was mentioned that before this promulgation of the Gold Control Order, the value of exports of jewellery increased from Rs. 4 crores to Rs. 13 crores. May I know what is the amount of decrease in exports after the promulgation of this Gold Control Order?

Shri Sultan Singh Bakliwal: Perhaps, it has not been clearly understood. What I mentioned was the total export of precious jewellery, diamonds, precious stones and all that. There are no separate figures available for gold jewellery alone. There was a break-up prepared by the All India Handicrafts Board sometime back about the exports effected monthwise. There was a small fraction of a loss in jewellery item. But compared with the increase in the tourist traffic, we must have had a larger sale.

Shrimati Renuka Devi Barkataki: I am asking what is the decrease in the export of jewellery after this promulgation.

Shri Sultan Singh Bakliwal: There is some decrease. But I cannot give the precise value.

Shrimati Renuka Devi Barkataki: May I know whether there is any control on platinum?

Shri Sultan Singh Bakliwal: It is licensed.

Shrimati Renuka Devi Barkataki: You are satisfied with that.

Shri Sultan Singh Bakliwal: Not at all. Somebody said there may start Platinum smuggling. It is selling at about Rs. 350 a tola. It is a costly metal in place of gold. Many people would like to make jewellery in platinum. There is already a big demand.

Shrimati Renuka Devi Barkataki: What is the reason for decrease in exports? Is it because of Gold Control Order or platinum control or is it because of the decrease in the tourist traffic.

Shri Sultan Singh Bakliwal: Because of the Gold Control Order, there is the distress selling. Many of the foreigners have known that our Government has introduced gold control. So, they want to press us to sell the things to them. A word has gone around that the Indians want to get rid of these things because there is the gold control in their country. Take, for instance, the boxes that we had manufactured. Previously, he knew that I could sell these things to an Indian *maharaja* or somebody else. Now he knows that the only course left to me is to export. So, he knows we will do distress selling. They can dictate the prices to me. Well, I may sell a thing or not but that will be a loss.

Shrimati Renuka Devi Barkataki: Now, Mr. Karkhanis said that smuggling in this country has increased and he also said that the price of gold has increased.

Shri N. D. Karkhanis: The Government says that smuggling has increased.

Shrimati Renuka Devi Barkataki: Where have they said?

Shri N. D. Karkhanis: I cannot give the extent of the increase in smuggling. It is a common knowledge that the smuggling has increased considerably. Smuggling is a menace

to the economy of our country. This information should be collected by the Committee. The information given by my friends is all a hazy one. You meet the masses and see the things and then come forward with a comprehensive Bill.

Shrimati Renuka Devi Barkataki: There are two aspects of the matter. One is the bringing of the gold into this country and the other is the putting of that gold into the economy of our country. Would you kindly tell me which are the main agencies who are helping in putting this smuggled gold into the economy of our country?

Shri N. D. Karkhanis: As I said earlier, smuggling is a luxury of the rich people and the desparate people.

Shrimati Renuka Devi Barkataki: Who are rich people? You are also rich and I am also rich.

Shri N. D. Karkhanis: I mean those people who can afford to invest money. For instance, gold worth several lakhs of rupees is purchased outside and it is smuggled into our country. You must have the spare money to purchase that amount of gold in the foreign countries.

Shrimati Renuka Devi Barkataki: So, the gold is purchased by rich men who have got the black money or who have got accounts in foreign countries.

Shri Sultan Singh Bakliwal: It is those persons who have surplus money, either black money or whatever it is and those who have money in foreign banks who indulge in this.

Shrimati Renuka Devi Barkataki: One thing is not clear to me. Whatever black gold or white gold or yellow gold is there, this will come to the market and to the bullion merchants.

Shri N. D. Karkhanis: When gold is smuggled, it is not distributed necessarily to all the people and to the public. It does not necessarily go into the market or to the jewellers or bullion dealers. Large quantities of

gold are stored by those who can afford to store. It is these people who are rich who can afford to indulge in this business.

Shrimati Renuka Devi Barkataki: In Bombay, we heard, somebody brought gold in a ship and it was brought in some cell and given to some bullion merchants.

Shri N. D. Karkhanis: These are all rumours.

Shrimati Renuka Devi Barkataki: You are the persons who can tell us how black jewellery comes into our economy.

Shri N. D. Karkhanis: It is difficult to say whether such gold has come to the market. It might have come or might not have. That is why I suggest that you should appoint a Committee to make an enquiry.

श्री बी० एल० चांदक : अभी आपने ६ कैरट का बंगल दिखाया और आपने कहा कि ६ कैरट का और १४ कैरट का जेवर बनाने में बराबर मजदूरी लगती है। अगर ऐसा है तो १४ कैरट का जेवर क्यों पापुलर नहीं हो सकता। आप कहते हैं कि १४ कैरट का जेवर कोई नहीं लेना चाहता। लेकिन जब मजदूरी बराबर है और बनाने में कोई दिक्कत नहीं है तो ये जेवर क्यों पापुलर नहीं होंगे ?

Shri Sultan Singh Bakliwal: I will answer that question. The colour of the gold that may be achieved is different. Secondly, it is very hard to work upon. Then, it does not look attractive or so alluring. Many people in India purchase ornaments to face bad days and for selling in times of distress. They do not like to invest in this gold the resale value of which is very little. Suppose I buy ornaments worth Rs. 2,000/-, the percentage of labour cost will be much larger in the case of 14 ct. gold than in the case of better quality gold.

श्री बी० एल० चांदक : अभी आपने कहा कि उनके बनाने की मजदूरी बराबर होती है ।

श्री सुलतान सिंह बाक्लीवाल : मैंने परसेटेज की बात कही है। अगर अच्छे सोने का आप एक जार का जेवर बनवायेंगे तो उस पर अगर ३०० मजदूरी लगेगी, तो १४ कैरट के पांच सौ के सोने की मजदूरी उतनी ही हो जाएगी ।

श्री बी० एल० चांदक : आप तो पहले धातु का जेवर बनाते हैं, काम तो उसके ऊपर बाद में करते हैं। मैं पूछना चाहता हूँ कि जहाँ तक धातु का जेवर बनाने का सवाल है, क्या १४ कैरट की और २२ कैरट की मजदूरी समान है ?

श्री सुलतान सिंह बाक्लीवाल : जो लोग जेवर खरीदते हैं उनका विचार इनवेस्टमेंट का भी होता है। १४ कैरट के जेवर में मजदूरी ज्यादा होने से अगर उसको फिर से बेचा जाए तो कम पैसा मिलेगा ।

श्री बी० एल० चांदक : मेरा सवाल यह है कि चीज के बनाने में मजदूरी में क्या फर्क है ।

Shri S. G. Pethe: In the case of ornaments studded with stones, etc. it is likely that we may require only inferior type of gold because it is hard. But in the case of ornaments without any stones, we always like to have better gold and ladies, in general, prefer to have that gold only.

श्री बी० एल० चांदक : जब लेडीज उनको ही प्रिफर करती हैं तो आप कम कैरट के गने क्यों बनाते हैं। जब आप बनाते हैं तो विक्रते भी होंगे, लोग उनको खरीदते होंगे। ऐसा है न भी तो ६ कैरट और १४ कैरट के जेवर बाजार में हैं ।

Shri S. G. Pethe: In general ladies buy ornaments made of gold only.

Chairman: All these questions have been answered. Why repeat?

श्री बी० एल० चांदक : आप कहते हैं कि क्योंकि चोग १४ कैरट का जेवर पसन्द नहीं करते, इसलिए क्वालिटी कंट्रोल हटा लिया जाए चाहे क्वांटिटी कंट्रोल रहने दिया जाए। आपका मतलब यह है कि बाजार में ६ कैरट और १४ कैरट का भी जेवर रहेगा और २२ कैरट का भी, लोगों को जो रुचि हो वह खरीदें, न कि कंट्रोल किया जाए ?

श्री सुलतान सिंह बाकलीवाल : हमने कुछ पुराना जेवर तोड़ कर यह बना लिया है। यह हमारी दुकानों में सजा है। अगर नहीं बिकेगा तो फिर इसको तोड़ देंगे।

श्री बी० एल० चांदक : जो साहब उज्जैन से आए हैं उन्होंने कहा है कि पहले देहात के लोग सोना गिरवी रख कर रुपया लेजाते थे। क्या यह अब कानून से बन्द कर दिया गया है।

श्री तारे साहिब : अब काश्तकार लोग बहुत कम आते हैं।

श्री बी० एल० चांदक : क्या यह चीज कानून से बन्द कर दी गयी है ?

श्री तारे साहिब : हमारे पास रिकार्ड हैं। उनसे आप देख सकते हैं कि इस कानून के बाद काश्तकार लोगों ने हमारे यहाँ आना बन्द कर दिया है।

श्री बी० एल० चांदक : क्या ऐसा कानून के कारण हुआ है, क्या कानून से इसको बन्द किया गया है ?

श्री तारे साहिब : अब काश्तकार इसलिए नहीं आते कि उनको डर है कि शायद हमारा सोना चला जाएगा, या शायद वह सोने को जाँच करने से डरते हैं, इसलिए उनका आना बन्द हो गया है।

Shri Balgovind Verma: Which type of control would you prefer on gold—quality control or quantity control?

Chairman: They do not want any control.

Shri Tara Sahib: That is correct. But between the two, we shall accept quantity control. And it is for the Government to decide, after consultation with the traders, as to how much quantity should be restricted. But we request the Government to consult us on the point. That is what we want.

Shri Balgovind Verma: If it is quantity control, what according to you should be the quantity?

Shri Tara Sahib: We cannot answer this question off-hand here. That is why we suggest that a Committee should be appointed to go through similar questions.

Shri Balgovind Verma: You are opposed to uncontrolled powers being given to Excise Department?

Shri N. D. Karkhanis: Not to Excise Department. We are against the wide powers being given to the Gold Administrator. We do not know what he will do. He can appoint any person or any number of persons to do this work.

Shri Balgovind Verma: Why are you opposed to that? Are there cases of harassment?

Chairman: He has explained it in detail.

Shri B. R. Bhagat: He says that he moves from Caesar to Caesar.

Shri Balgovind Verma: You have just now said that you are opposed to gold smuggling.

Shri N. D. Karkhanis: Of course. Everybody amongst us is.

Shri Balgovind Verma: What concrete suggestions would you make to remove this nasty business?

Shri N. D. Karkhanis: It may be considerably diminished by tightening the machinery of the police and customs and by giving incentive to import gold in the export promotion

drive. These are two very workable things.

Chairman: He has explained already.

Shri Balgovind Verma: To an earlier question that was put we did not get a proper reply. I hope you will enlighten us as to how the smuggled gold gets into the market. Who are the intermediaries?

Chairman: How can they say that?

Shri Balgovind Verma: They are intimately connected with the business and the gold passes through their hands.

Shri N. D. Karkhanis: To presume that we know is to presume that we are accomplices.

Chairman: It is not a fair question.

Shri Balgovind Verma: Goldsmiths say that they are the only persons who should be authorised to manufacture ornaments and there should be direct relationship between them and the consumers, and the sarafs who act as middlemen aggravate the situation; they exploit the goldsmiths as well as the consumer and as such they do not fit in a socialistic pattern of society.

What do you say to this?

Chairman: They have explained it.

Shri N. D. Karkhanis: We are not middlemen.

Chairman: They have explained that they employ so many goldsmiths and also give them some percentage.

Shri Balgovind Verma: The representatives of the goldsmiths insisted..

Chairman: You have heard both sides, you may come to your own conclusions.

Shri N. D. Karkhanis: We are not middlemen. The dealers are men like trustees: they supply the materials, provide all the facilities and they work as trustees.

Shrimati Nandini Satpathy: The Andhra Pradesh Gold, Silver, Jewellery and Diamond Merchants Association have mentioned that the farmer is investing his surplus in gold and so the prices of other commodities are rising. How many farmers in this country possess gold?

Shri K. Venkateswara Rao: The farmers buy gold every year after their harvest. That is what they used to do.

Chairman: Every farmer?

Shri K. Venkateswara Rao: Generally farmers.

Shri Bachooobhai Zaveri: I can give one example of Rajasthan where Ganganagar has donated gold twice to the National Defence Fund, perhaps the largest amount that has been donated anywhere in the whole of India. Ganganagar is famous for its granary.

Shrimati Nandini Satpathy: They must be big farmers.

Shri Bachooobhai Zaveri: There is no definition of 'farmers'.

Shrimati Nandini Satpathy: Then, they have said that if this Bill is not passed they will help the Government in checking smuggling. Before the promulgation of this order why did they not help the Government in checking gold smuggling?

Shri N. D. Karkhanis: We have never said that we will not help the Government if the Bill is not withdrawn. We are always helping the Government, and we shall continue to assist the Government. The Government is our own government. I only wanted to say, let not a hasty piece of legislation be introduced. Government can bank upon our co-operation always. But we do not want our trade to be crushed by a hasty legislation. That is all that I said.

Shrimati Nandini Satpathy: The next thing is, goldsmiths are not very well paid people as we have understood from some of their represen-

tations. Why not they be benefited if some new jobs are given?

Shri N. D. Karkhanis: Fix wages. The benefit of Minimum Wages Act can be extended to them. Why split up the business and separate them and pitch them one against the other?

Shrimati Nandini Satpathy: Do they get any fixed charges from you?

Shri N. D. Karkhanis: You can fix minimum wages. Recently they have fixed minimum wages in the beedi industry. In every trade you can do it.

Shrimati Nandini Satpathy: I think the goldsmiths get from you the money for their days work, is it not?

Shri N. D. Karkhanis: I said we pay them on piece work. I do not know what they have said. But the Bill as it has been drafted, as it is being placed before Parliament and before you splits up the business. We are not against goldsmiths. They are a part and parcel of our trade. They are the life of the trade and we are the soul. Let the body and soul be together.

श्रीमती लक्ष्मी बाई : आपने फरमाया है कि १४ कैरेट की ज्वैलरी ग्राम लोगों में पापुलर नहीं है लेकिन क्या आपको मालूम है कि आजकल पड़ी लिखा लड़कियां अधिक शुद्धता के वजनी जेवर पहनने के बजाय कम शुद्धता के हलके लेकिन अधिक आकर्षक व डिजाइनदार गहने ही पहनना पसन्द करती हैं ? आपका इस बारे में क्या मत है ?

Shri N. D. Karkhanis: 14 ct. gold is no gold at all. That is what the people say.

Shrimati Sangam Laxmi Bai: You said the ladies are not coming out, nowadays everybody goes in for cheap gold....

Chairman: All this has been thrashed out.

Shrimati Sangam Laxmi Bai: All right, I will ask another question. They say, withdraw the Bill. They

have every right to oppose the Bill. But have they the right only to come and ask "withdraw the Bill"? Is it not their responsibility to find out how smuggling is done and help the Government in checking it? Everybody has a right as well as a responsibility.

Chairman: They have said that they are always ready to co-operate.

Shrimati Sangam Laxmi Bai: They should feel their responsibility also.

Chairman: Any new point?

Shrimati Sangam Laxmi Bai: Then I want to ask a question of Mr. Konadaiah. He said that their business has gone down after the Gold Control Order. But I see many marriages in Andhra Pradesh and every girl is getting as much ornaments as in the past. Who are helping them to get those ornaments? Is there any devil to bring it in the bazar?

Chairman: The answer is simple: the Gold Rules are observed more in the breach than in the observance.

Shrimati Sangam Laxmi Bai: Who is doing it?

Chairman: Everybody is doing.

श्री पेलाला कोंडेया : जहां तक हमारे सम्बन्ध है हम तो लाइसेंस डीलर्स हैं और हम १४ कैरेट से अधिक शुद्धता के जेवरात बना नहीं सकते हैं और परिणाम यह होता है कि हमारे पास बहुत कम आर्डर्स आते हैं क्योंकि १४ कैरेट जनता में पापुलर नहीं है। लेकिन जैसा मैंने कहा कि यह चौदह कैरेट पर अमल नहीं होता है और लोग १४ कैरेट से अधिक शुद्धता के जेवरात आउट वर्क्स से बनवाते हैं। अलबत्ता कम आमदनी वाले लोग अपनी पत्नी को सैटिसफाई करने के लिए १४ कैरेट के अर्थात् कम शुद्धता के सस्ते जेवर बनवा लिया करते हैं और बड़े बड़े लोग शादियों आदि के अवसर पर जब किसी को उपहार देना चाहते हैं तो कम शुद्धता की २० रुपये में सोने की अंगूठियां प्रेजेंटेशन

के लिए बनवा लेते हैं लेकिन जिनको भगवान ने पैसा दिया है और बनवाने में समर्थ हैं वे अपनी बीबियों के लिए १४ कैरट के गहने नहीं बनाते हैं अपितु वे तो २२ कैरट के गहने ही उनके लिए लेते हैं ।

श्रीमती लक्ष्मी बाई : आपने कहा कि एक मंगल सूत्र बनवाने के लिए तीन और साढ़े तीन तोला सोना चाहिए तो क्या इससे कम में मंगलसूत्र बन ही नहीं सकते हैं ?

श्री पेलाला कोडेंया : हलके मंगल सूत्र भी बनते हैं । गरीब लोग मंगल सूत्र बनवाते वक्त उसमें हल्दी का टुकड़ा बांध देते हैं और जो लोग एफोर्ड नहीं कर सकते, बहुत गरीब हैं उनको वहाँ २ रुपये वाला सस्ता मंगलसूत्र भी चलता है । हमारे यहाँ मंगल सूत्र जिसको मांगलियम कहते हैं गरीब लोगों के लिए कम से कम दो ग्राम का होता है । लेकिन जैसा मैंने बतलाया है आमतौर पर मंगलसूत्र २२ कैरट के सोने में होता है और वह मामूली तौर पर मंगलसूत्र मय चैन के तीन तोले के अन्दर पहनते हैं । और इसलिए यह तीन तोले में बनता है ।

Shri Prabhat Kar : I think there is no difference of opinion on the fact that inducement to smuggling is due to the fact of high price which is prevailing in India. It has been said that smuggling could only be done by persons who have got enough foreign exchange concealed. Reference to gold worth Rs. 7 lakhs being smuggled was made and he said that it was not necessarily that this gold would come to the market. If gold, smuggled gold worth Rs. 7 lakhs was not to go into the market, the purpose of smuggling is lost; that man will never get 14 lakhs. So, smuggled gold must come to the market to get the profit of smuggling. It comes to the market through one of the many agencies known to them. That is why the question has been put: which particular agency puts in that gold into the market?

Chairman: They have said what they wanted to say on this question. Thank you gentlemen.

Shri Bakliwal: On behalf of all of us I thank you for giving us a patient hearing.

(The witnesses then withdrew)

Shrimati Renuka Devi Barkataki: He has said that Government has declared that smuggling has increased. Have they declared it so?

Shri B. R. Bhagat: We have not said so.

Chairman: We will now hear two witnesses they have come from a long distance and they will not take much time. We have about an hour and so we can give them an opportunity.

VIII. Akhila Bharata Silpa Parisramika Sangam, Kakinada

Spokesmen

1. Shri Nalabati
2. Shri S. L. Kantham

(The witnesses were called in and they took their seats)

Chairman: We have your memorandum. Now, the evidence that you give is public and it will be printed and laid on the Table of the House. You need not refer to the points contained in the memorandum. If you have anything to add, you may do so.

Shri Nalabati: We think it is better to remove gold control because in our experience it is like a blind eye.

इस समय १४ कैरट भी चलता है और २० कैरट भी चलता है । इससे फ़ायदा क्या है ? इसका फ़ायदा थोड़े से सैल्फ़-एम्प्लायड गोल्डस्मिथ्स उठाते हैं । अगर रूल्ज को ढीला करने और रिलेक्सेशन देने के बजाये अगर रूल्ज को कुछ टाइट कर दिया जाता, तो अच्छा होता । इससे हमको भी फ़ायदा नहीं है और गवर्नमेंट को भी कोई फ़ायदा नहीं है । वर्कर्स यह धन्धा भी करना चाहते हैं और दूसरे धन्धे भी करना चाहते हैं । हम चाहते हैं कि उनका रीहैबिलिटेशन किया जाये ।

We are for a rehabilitation scheme. We want workers' co-operatives, co-operative schemes will be good to the people.

In Andhra Pradesh Rs. 30 lakhs was distributed, Rs. 500 to each of us. There are 67,000 families in Andhra Pradesh in 20 districts. That amount should not be recollected from these workers. We objected to that being done but the State Government says that it was the directive of the Central Government to distribute these amounts only as loans. We want only small-scale industries and cottage industries and we want to utilise public money for permanent rehabilitation. But that was not agreed by the State Government. Recently, on the 13th of this month, I a member of the rehabilitation committee, sat in the Industries Minister's room and made a point of dissent and said that once again the next allotment of Rs. 35 lakhs should be utilised not for loans but for permanent rehabilitation.

श्री गायकवाड़ : स्वर्णकार जो हैं उनकी गिनती अभी बढ़ नहीं गई है ?

श्री नलबाटि : जी नहीं ।

श्री गायकवाड़ : जो आपको लोन दिया था बिजिनेस करने के लिए, उस में क्या अड़चन है ?

श्री नलबाटि : वह काफ़ी नहीं है । वह रुपया जो दिया गया था वह खर्च भी हो गया है ।

श्री गायकवाड़ : कितना रुपया दिया गया था ?

श्री नलबाटि : तीस लाख दिया गया था । आंध्र प्रदेश में ६७,००० फैमिलीज हैं ।

श्री गायकवाड़ : एक एक जिले को कितना दिया गया है ?

श्री नलबाटि : एक लाख एक डिस्ट्रिक्ट को ।

श्री महाबीर दास : एक लाख एक डिस्ट्रिक्ट को मिला । हर एक डिस्ट्रिक्ट में कितने आदमियों को मिला ?

श्री नलबाटि : हर एक डिस्ट्रिक्ट में दो सौ आदमियों को मिला । एक को पांच सौ रुपया ।

श्री राजेन्द्र प्रताप सिन्हा : आर्. फाइनेंस एंड रिहैबिलिटेशन कमेटी के मेम्बर हैं, यह आपने कहा है । आपने जो सजेशन सरकार के सामने रखी थीं, उसमें आपने क्या कहा था कि आपको किस तरह की इंडस्ट्रीज में लगाया जाए ? आप कैसी इंडस्ट्रीज चाहते हैं लगाना और किस तरह की मदद सरकार से चाहते हैं ?

Shri Nalabati: It is quite akin to the skilled worker, just like, carpentry, blacksmiths, etc. Take, for instance, timber which is very cheap in my place. We can utilise the potentiality of about 50 persons in that field. If you take small-scale industries, we can utilise 100 persons there.

श्री राजेन्द्र प्रताप सिन्हा : स्माल स्केल इंडस्ट्रीज को बढ़ावा देना सरकार का लक्ष्य है । उसके लिये तरीके भी बने हैं । हर एक डिस्ट्रिक्ट में एक एक अफसर भी है । ये न केवल आपकी बल्कि दूसरों की भी मदद करते हैं । इसमें क्या रुकावट है कि आप इंडस्ट्री खड़ी नहीं कर सकते हैं ? आप डेफिनिट क्या सरकार से चाहते हैं ? कौनसे डेफिनिट स्टेप सरकार ले ?

श्री नलबाटि : हर स्टेट में एक गोल्ड कंट्रोल अफसर है, हमारे यहां भी है । जब दस्तकारी खोलनी होती है तो अफसर लोग खास कर आंध्र प्रदेश में वह चाहते हैं कि दो दिन में या एक हफ्ते में काम चालू हो जाए लेकिन दस्तकारी चालू करने में छः महीने या एक साल भी लग जाता है । हमको कर्शानरों की मदद चाहिये, फाइनेंस की मदद चाहिये,

और भी जो मदद हो सकती है, सरकार हमारी करे ।

श्री राजेन्द्र प्रताप सिन्हा : क्या आपने इसके बारे में कुछ सरकार को लिख कर दिया ?

श्री नलबाटि : जी हां ।

श्री राजेन्द्र प्रताप सिन्हा : क्या आप उसकी एक कापी भेज सकते हैं ?

श्री नलबाटि : भेज सकते हैं ।

श्री राजेन्द्र प्रताप सिन्हा : भेज दीजियेगा ।

श्रीमती लक्ष्मी बाई : आपने अपने मेमोरेंडम में पांच प्वाइंट रखे हैं जिन में से एक बंजर जमीन आपको दी जाए, यह भी है ? आप बंजर जमीन क्यों चाहते हैं ? अगर आप इंडस्ट्री लगाये तो एक दो महीने में उत्पादन शुरू हो जाएगा लेकिन अगर आप बंजर जमीन लेंगे तो छः महीने तक उत्पादन ही नहीं होगा और इनवैस्टमेंट भी आपको बहुत करना पड़ेगा और तकलीफ भी आपको बहुत होगी ।

श्री नलबाटि : कुछ जिलों के लोग बंजर जमीन मांगते हैं । हम अलग अलग भी और सहकारी ढंग पर भी काम करना चाहते हैं । चूंकि कुछ लोगों ने इसकी भी मांग की है इस वास्ते हमने बंजर जमीन देने की मांग भी अपने मेमोरेंडम में की है ।

श्रीमती लक्ष्मी बाई : यह पैसा आप को कहां से मिलता है ?

श्री नलबाटि : स्टेट गवर्नमेंट से मिलता है सेंटर स्टेट को देता है ।

श्रीमती लक्ष्मी बाई : स्टेट गवर्नमेंट आपको डायरेक्टली देती है या सेंटर देता है फिर स्टेट गवर्नमेंट देती है ?

श्री नलबाटि : सेंट्रल गवर्नमेंट ने स्टेट को तीस लाख रुपये दिये थे और अब पैंतीस लाख दिये हैं । वह पैसा अभी बांटा नहीं गया है ।

श्रीमती लक्ष्मी बाई : आपको क्या मालूम कि एक पिता के जो दो बच्चे होते हैं उन में से एक गोल्डस्मिथ का काम करता है, एक का कारपेंटरी करता है, एक कुछ और करता है ?

श्री नलबाटि : जी हां ।

श्रीमती लक्ष्मी बाई : तो पांच हजार के बजाय, बीस हजार इनकी संख्या कैसे हो गई ?

श्री नलबाटि : ६७,००० फैमिलीज आंध्र प्रदेश में हैं ।

As per Government list, it is 3½ lakhs which is not correct. They included all the carpenters, blacksmiths etc. The number of people working on gold will be 67,000 families only.

श्रीमती तारा आर० साठे : अगर गवर्नमेंट की तरफ से मदद मिल जाए तो क्या आप कोओप्रेटिव सोसाइटीज बनायेंगे ?

श्री नलबाटि : जी हां, जरूर बनायेंगे ।

Chairman: So, that is all.

(The witnesses then withdrew)

The Committee then adjourned.

Minutes of Evidence given before the Joint Committee on the Gold (Control) Bill, 1963.

Monday, the 10th August, 1964 at 09.02 hours.

PRESENT

Shri S. V. Krishnamoorthy Rao—*Chairman.*

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvīr Singh Chaudhuri
9. Shri M. M. Haq
10. Shri Prabhat Kar
11. Shri P. G. Karuthiruman
12. Shri Kindar Lal
13. Shri H. V. Koujalgi
14. Shrimati Sangam Laxmi Bai
15. Shri Mathew Maniyangadan
16. Shri Jashvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Sheo Narain
23. Dr. L. M. Singhvi
24. Shri Balgovind Verma
25. Shri Bhisma Prasad Yadava
26. Shri T. T. Krishnamachari

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral

30. Shrimati Nandini Satpathy
31. Shri C. D. Pande
32. Shri Dahyabhai V. Patel
33. Shri Shiva Nand Ramaul
34. Shri V. C. Kesava Rao
35. Shri Sherkhan
36. Shri Mahabir Prasad Shukla
37. Shri Rajendra Pratap Sinha
38. Shrimati Tara R. Sathe

DRAFTSMAN

Shri S. P. Sen Varma, *Special Secretary, Legislative Deptt., Ministry of Law.*

Shri K. K. Sundaram, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri Rama Rau, *Deputy Secretary, Minister of Finance, Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES EXAMINED

- I. Shri S. S. Khera, *Secretary, Cabinet Secretariat.*
- II. Shri P. C. Bhattacharya, *Governor, Reserve Bank of India.*
- III. *Mysore Rajya Saraf Sangh, Hubli.*
 1. Shri G. S. Tenginkai
 2. Shri Bhagavandas Dahaji
 3. Shri G. T. Rathod.
- IV. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*

I. Shri S. S. Khera, *Secretary, Cabinet Secretariat.*

II. Shri P. C. Bhattacharya, *Governor, Reserve Bank of India.*

(Witnesses were called in and they took their seats)

Chairman: Today Mr. S. S. Khera, Cabinet Secretary, and Mr. P. C. Bhattacharya, Governor of the Reserve Bank, have come here.

Mr. Khera and Mr. Bhattacharya, the evidence you give will be treated as public. Even if you want anything to be kept confidential, it will be circulated to our Members.

You have given us a report about the working of the Gold Rules. Some of our Members wanted to put some questions to you. First of all, do you want to add anything to the report?

Shri S. S. Khera: I have nothing to add to the report itself.

Chairman: We shall take up the witnesses one by one. Let us take up Mr. Khera first. If any of the Members want to ask any questions on the report, they may do so.

Shri B. K. Gaikwad: I want to ask one thing. If the gold trade is handled by the Government itself, will it be possible or not?

Shri S. S. Khera: So far as I am concerned this is a matter outside my purview. My connection with it is limited to the matters which we dealt with in the Informal Group on Gold Control, and the terms of reference of that are given there. I do not deal with gold control as such.

Shri C. D. Pande: The Finance Minister is the proper person to reply to this question.

Chairman: He will be with us throughout the discussions.

Shri Prabhat Kar: It has been said by various witnesses that this gold control, particularly this quality control, has had an adverse effect on the rural credit which is generally being used by the small traders and others for pawning their gold and getting money. Have you had any such idea, because according to the report there is not very much regarding this that you could find out? Have you got any precise data to tell us, because according to many of the witnesses that we have had the opportunity of examining, this has affected the poorer section; the richer section are not so much bothered about it. So, could you tell us what is exactly the precise thing you could find out, apart from what is given in the report?

Shri S. S. Khera: So far as I am concerned, my association with this matter ended with the submission of this report. However, I have just been, in the last two or three days, visiting some of the poorest parts of the eastern districts of U.P. I have no precise data whatsoever; but I can, if the Committee so desires, give a

very very general impression which I gathered in the field. But I must beg the question immediately by saying that I have not got any precise data.

Shri Prabhat Kar: Can you give us an idea as to how it is going to affect?

Shri S. S. Khera: I have just visited Basti, Gonda, Gorakhpur and parts of Barabanki. And from any odd people I questioned, the general impression I gathered was that the actual cultivator is so desperately poor that he does not seem very much interested in gold at all; what he wants is seed, fertilizer, some facilities for digging wells, and his mind does not appear to consider gold as a relevant factor at all. However, this is a very, very general impression. One of them did say:

सोने को मुक्त से हटा दीजिये। इससे सबका भला होगा।

Shri Tridib Kumar Chaudhuri: In the forwarding letter you have said that the 14 ct. element in gold control should not be changed. That has been your opinion. Now looking to the long term objective of a sound policy and also taking into consideration the actual position in the market—I do not know if the committee has met as a committee—would any of them be prepared to revise this part of the recommendation?

Shri S. S. Khera: The only revision which was necessary and was made, if you will kindly see, was almost immediately after the main report was submitted on the 14th September. There was a minor revision made on the 29th of September to which I am wholly a party. It was a comparatively short term palliative measure. Since then, as far as I recollect, this group has not met again as a group nor has the occasion arisen. You have referred to my letter of transmittal. I would submit that everything that is stated in that letter stands as a whole and not in its individual part, as a society we in this country must really come away from gold; in other words I take my stand on what Gandhiji has said; there is no other

alternative. We must give up the attachment for gold ornaments.

Shri Tridib Kumar Chaudhuri: Taking into consideration the known facts about the smuggling of gold and the value of the rupee in the near-eastern and south-east Asian markets and other pertinent facts, did you feel, individually or as a committee, that the 14 ct. rule has had any effect on reducing smuggling?

Shri S. S. Khera: I think it had an effect; it certainly appeared to have an effect for some time. I think we said so somewhere or the other. The measure of time in this case should be in terms of years—not in months. Whereas there may be ups and downs in smuggling, the recommendations which we made, when fully implemented will over the years certainly act as a very severe restraint on smuggling.

Dr. L. M. Singhvi: Do you think it is possible to introduce a phased programme of gold control rather than have an abrupt legislative enactment? That is to say, you introduce certain provisions now and people get used to it; after a while the next stage is taken up.

Shri S. S. Khera: If it is to be too gradual, it increases administrative difficulties. Similarly, if it is too abrupt, it makes it difficult for administrative purposes. But where is the line to be drawn between abruptness and gradualness? I believe that each step taken must be sufficiently radical. Thirdly, I also believe that there must not be too many steps. The sooner we put an end to gold altogether as a lure for the purpose of ornament, the simpler will it be for administration.

Dr. L. M. Singhvi: You have mentioned in the report that it should also aim at general acceptability at each stage if its success has to be enduring. How do you achieve this acceptability at each stage unless you can have successive gold control policy by stages?

Shri S. S. Khera: If I may go back to the most important point which was in my mind and which is bound to be in the minds of other people also, it is a social reform, a social revolution that must be achieved. I may also draw your attention to a historical fact where an extremely abrupt social step was taken in terms of gold ornaments. In the Punjab, when I was young, gold became completely unfashionable in the early twenties and any Sikh member here will bear me out. Gold simply disappeared from the Sikh families. I believe abrupt social reforms are possible. I use the word 'abrupt' because you used it. I think gold can be made very unfashionable provided everybody makes up his mind to treat it as unfashionable.

Dr. L. M. Singhvi: You say that the basic contradictions are to be found not in the gold control policy but in the fact that there has been a lack of concerted political support to the gold policy. Would it be correct to say that the evidence before this committee was quite overwhelming in support of this proposition?

Shri S. S. Khera: We were taking life as we found it and the fact remains that there is a very mixed attitude to the whole business of gold. I have a certain attitude to gold; my colleague, Mr. Bhattacharya for instance, has another. It is like that. I am bound by my attitude but I am affected by the attitude of my friend. So, this must be taken in the light of the personal attitude as well as the very mixed attitude which exists.

Dr. L. M. Singhvi: Did the Committee have an occasion to form any impression or to come to any precise statement in respect of the clandestine transactions of gold after the introduction of gold control and, if so, what were those impressions?

Shri S. S. Khera: We did not make any lengthy or detailed survey. If you will notice, it was not a Committee but it was an Informal Group which was set up on the 4th or 5th

September and it submitted its report within a matter of days. It dealt with such data as was immediately available. In the nature of things, a quick report was necessary. Therefore, we did not make a detailed survey.

Dr. L. M. Singhvi: It has been stated in the Report that the response to legitimate complaints of thousands of unemployed goldsmiths was inadequate and was somewhat tardy. I would like to know the kind of evidence you had before you at that time and what would you do to improve the machinery as to whether you think that the programme of rehabilitation of unemployed goldsmiths is capable of being implemented in terms of administrative feasibility and also in terms of available resources for the purpose.

Shri S. S. Khera: We were certainly impressed with the fact to which your attention, I think, was drawn, that a good deal more had to be done for the poorer self-employed goldsmiths. My reply to the second part of your question would be that here again I am bound by my own social attitudes. Our best workers today ranking with any goldsmith that you could produce are the girls who are working in the electronics and other modern industry and I would like you to see what these fine workers are doing. They could be producing fine gold ornaments of highest craftsmanship, but are doing very high class craftsmanship work in our new industries, which is where the past traditions of Indian craftsmanship are proving valuable. There is no limit to the employment which a really good craftsman could find. I would invite you to visit some of these workshops where the work of the finest kind is being done. It is a fine craftsmanship work, finer than anything that we know of for instance, in zari work. That is where I would put these unemployed goldsmiths. However, that is a personal attitude, I confess.

Dr. L. M. Singhvi: Did the Committee have an occasion to form an estimate of the resources required for an adequate and satisfactory rehabilitation of unemployed goldsmiths?

Shri S. S. Khera: No. We were working purely by rule of thumb; We were limited by the time at our disposal.

Dr. L. M. Singhvi: Were any instances brought to your notice through which it became clear that the machinery for rehabilitation was not only tardy but was very non-cooperative in terms of giving loans or in terms of giving any other rehabilitation grant, that it took a long time and, generally, it did not behove any response from the unemployed goldsmiths?

Shri S. S. Khera: I find it difficult to answer this question. We did not make any detailed survey.

Dr. L. M. Singhvi: No instances were brought to your notice?

Shri S. S. Khera: I do not recall any specific instance. On the other hand, I do believe that there was a particular picture before us that there were procedural delays and obstacles like that. But I really cannot recall any specific instance. I wish I could but I can't.

Dr. L. M. Singhvi: Would it be correct to infer, as I think we would be entitled to infer from the reading of the report, that the machinery for the enforcement of gold control was neither effective nor equitable and, if that is so, would you say in what terms it was not effective and not equitable?

Shri S. S. Khera: Have we said that in our report?

Dr. L. M. Singhvi: I would draw your attention to page 6 of your Report. In para 13(c) you have stated:

"the lack of adequate machinery for effective and equitable enforcement of the Control."

I infer that this means that, as a matter of fact, the machinery for the enforcement of gold control was neither effective nor equitable.

Shri S. S. Khera: We did not make any detailed inquiry but we certainly had an impression that the machinery needed tightening up.

Dr. L. M. Singhvi: In the letter that you wrote to the Minister, it has been mentioned that you had given anxious thought to the possibility of changing either wholly or even in part the 14 carat element in the gold control. We would like to know the reasons for this conclusion.

Shri S. S. Khera: It is an expression of opinion and we certainly thought that over the long term this was so.

Dr. L. M. Singhvi: Were there any such things to come to the conclusion that the Government's regulation may be changed from using 14 carat gold to any higher percentage of gold, like, 18 carat or 20 carat or 22 carat?

Shri S. S. Khera: In several countries, the 14 carat type gold is the standard which is used there. Secondly, it is well-established that the next higher standard is 18 carat, so that from 14 carat we would have to move to 18 carat rather than to say 15 or 16 carat. 18 carat is a bit close to 22 carat, and we thought that it would be really . . .

Dr. L. M. Singhvi: 18 carat is as far away from 14 carat as it is from 22 carat.

Shri S. S. Khera: But 14 carat is much farther away from 22 carat, twice the distance away from 22 carat than 18 carat is.

Dr. L. M. Singhvi: Were any instances brought to your notice of technical difficulties in making 14 carat gold ornaments or certain kinds of ornaments used in India?

Shri S. S. Khera: Again, my own view was, and my own view continues to be, that with a little assistance and

a little new knowledge and training, it is possible to make as attractive 14 carat ornaments as 18 carat ones. In fact, I believe that the poor wearer of gold is very often cheated, and is often wearing a lower carat gold ornament than he thinks it is. I do not personally see any particular technical difficulty in making 14 carat gold ornaments, if a person decides to work on it.

Dr. L. M. Singhvi: The Informal Group used the evidence of the decline in the seizures of gold as the basis for concluding, for the time being, that it was a significant decline in the extent of smuggling. However, since the time the report was made, there have been larger seizures of gold. Would you be justified in coming to the conclusion that the same yardstick which was used by the Informal Group at that time for judging that there has been a reduction in the extent of smuggling could be used now proving that there has been a rise in the extent of smuggling?

Shri S. S. Khera: In order to answer your question, I believe that I would need to make a more scientific statistical analysis. I should like to ask a number of questions; for instance, are the seizures fewer and larger, and what is the pattern of seizures. Are there fewer and larger seizures? What kind of people are being caught? There are a number of other questions. However, when we made our report, we did not make any analysis but I would certainly suggest that analysis be made.

Dr. L. M. Singhvi: From the replies that you have given the inference is that there should be a more detailed and precise study before we can formulate a proper policy. Would that be a correct inference to arrive at?

Shri S. S. Khera: No. The correct inference to arrive at is that detailed, scientific statistical analysis and study should at all times be a continuing process. Any legislative, social and economic steps that you take must be

taken in the course of such studies as it is possible to make. I do not see a direct link between them and the need for a thorough going study before anything is done because no study can be completely through going.

Dr. L. M. Singhvi: Would it be correct to say that so far as the number of unemployed goldsmiths are concerned, so far as gold hoarding is concerned and so far as the statistical analysis of the incidence of smuggling is concerned there are no reliable figures available to us today for formulating an informed legislative policy?

Shri S. S. Khera: If legislative policy is to be formulated only upon statistical analysis, that is one thing.

Dr. L. M. Singhvi: Not only statistical but a general analysis also.

Shri S. S. Khera: I believe that legislative action must be formulated upon other things too. I would certainly not hesitate to formulate legislative action on the basis of my visit to the eastern districts of U.P. in the last three or four days. I can produce no statistics but I could produce draft legislation to meet a particular socio-economic situation.

Dr. L. M. Singhvi: We would like to know how you would meet the danger eventually of the possibility of smuggling into India of 14 ct. bars of gold to which a brief reference has been made in the report of the informal group?

Shri S. S. Khera: Vigilance and preventive measures must be taken and must continue, whatever you do legislatively or otherwise, because these have to be directed not only towards gold but other things too; there may be a shift by smugglers to diamonds or narcotics or to other things. In my view the overnight linking of preventive and vigilance measures with legislative action can become quite unreal. I think the vigilance

and preventive measures must proceed apace of their own.

Dr. L. M. Singhvi: It appears from your report that at the time of making the report the amount of non-ornament gold declared under the provisions of the Gold Control Order was of the order of only Rs. 8.15 crores in terms of the international price of gold. It appears therefore that it is right to infer that there has been extensive non-declaration. What would you suggest to secure a more adequate declaration and to formulate such policy to incorporate such provisions that there would be an adequate declaration of gold?

Shri S. S. Khera: I can only go back to my basic attitude, which is personal to me, namely, put an end to gold.

Dr. L. M. Singhvi: How? That is the question.

Shri S. S. Khera: By doing perhaps a number of things. Let no one wear any gold at all. Let everyone round this table discard gold here and now. If you are wearing a gold watch, put it on the table. If your watch has a gold bracelet, put it on the table. If you are wearing a gold ring, put that on the table too. If there is a party at Rashtrapati Bhavan, let everyone who wears a gold ornament be checked and be invited to take it off and put it down. Tackle your family by saying that it is unfashionable, disgraceful, immoral to wear gold. As I say, I am committed to a basic social stand which I do not wish to press upon you; but I do not see any real escape from it.

Dr. L. M. Singhvi: After all administration and policy formulation has to be based in terms of feasibility.

Shri S. S. Khera: Administratively I could administer that very effectively.

Dr. L. M. Singhvi: With consent and not by coercion?

Shri S. S. Khera: With consent. Public social opinion and leadership provides a powerful sanction.

Dr. L. M. Singhvi: What would you suggest in terms of better control over refineries and has any instance been brought before the committee that even the licensed refineries could conceivably be a basis of undermining your operation of the Gold Control Act?

Shri S. S. Khera: I find it difficult to answer that. I do not really have enough knowledge. Perhaps some other member of my committee could answer it.

Dr. L. M. Singhvi: I would like to know whether there is any relation between rural credit and gold control. There is a mention of this in your report but it has not been elucidated.

Shri S. S. Khera: It is not a quantitative mentions. If I may again repeat what I have just now said that I have just been to the poorest district in eastern UP and any questions that I asked were answered in the same way by the poorer ones, namely, "Put an end to gold; we are not interested. We want seed, fertilisers and water." These are the three things that they want.

Dr. L. M. Singhvi: But the country does not consist of that class alone, though it is in a very large number.

Shri S. S. Khera: Unfortunately, they are the ones that need the greatest attention.

Dr. L. M. Singhvi: In terms of any supplementary measures which may be adopted for strengthening gold control, is it at all feasible, as was suggested before this Committee by some witness, that enough gold is imported into this country to kill the lure of gold and smuggling for ever because of the yawning gap between the international and the internal price?

Shri S. S. Khera: There is a view and it has been expressed many times that the Government should import gold. I have absolutely no view on this at all.

Shri Dahyabhai V. Patel: Shri Khera, you said that you based your conception of gold control on Gandhiji's ideas.

Shri S. S. Khera: Not of gold control but of gold.

Shri Dahyabhai V. Patel: Is that the only thing that you have taken from Gandhiji or have you taken anything else also? Have you heard his views on control?

Chairman: We are not concerned with that. We are concerned only with gold.

Shri Dahyabhai V. Patel: I protest. The witness has made bold to make a statement with Gandhiji's name. I am entitled to refute it.

Chairman: You may refute it.

Shri Dahyabhai V. Patel: Have you read Gandhiji's view on control?

Shri S. S. Khera: All I know in a very humble way is a little booklet which I have taken the opportunity of bringing with me. As an old bureaucrat, I must confess, that it would be presumptuous of me even to mention Gandhiji's name; as it is presumptuous not only for bureaucrats but for almost all of us.

Shri Dahyabhai V. Patel: But you did it.

Shri S. S. Khera: But I did it and my specific reference is to the little booklet which the group had its attention drawn to. Here it is.

Shri Dahyabhai V. Patel: You have had no occasion to read Gandhiji's view on controls and what they breed? They breed corruption etc. in their wake and a machinery of this type of Government officers is to be entrusted

with this type of control. You recommend this to us? And your recommendation is based on your visit to the three eastern districts of UP without consulting the people who have been in the gold trade? Have you ever sought the advice of people who have been in the gold trade as to whether this type of control could be enforced and would be successful?

Shri S. S. Khera: I must confess I have no personal relationship with the gold trade at all nor do I know much about it except in relation to my work on the committee.

Shri Dahyabhai V. Patel: As the Government officer entrusted with the task, did you think it worthwhile making enquiries from the people in the trade, who should know better?

Shri S. S. Khera: I am not entrusted with that task. It is in the able hands of my friend, Mr. Pande.

Shri Dahyabhai V. Patel: You did not think it worthwhile to ask any persons in the gold trade whether this type of control can be useful or can be enforced?

Shri S. S. Khera: We consulted the Chairman of the Gold Control Board and there is a reference to it in our report.

Shri Dahyabhai V. Patel: You did not think it worthwhile consulting any of the associations in the country.

Shri S. S. Khera: As I have submitted, any consultations and any material which we referred to is clearly stated in our report.

Shri Dahyabhai V. Patel: There is no reference to any consultation with the trade. You consulted only the four eastern districts.

Shri S. S. Khera: The four eastern districts have no relationship whatsoever with the report of the group, which was made in September last year. I was referring to the visits I just made in the last few days.

Shri Dahyabhai V. Patel: Don't you think that this lure for gold increases when there is lack of faith in the currency?

Chairman: It is a question of opinion. You may have one opinion and he may have another opinion. You are not asking for any information, but for his opinion.

Shri Dahyabhai V. Patel: He is supposed to be an expert.

Shri S. S. Khera: I am not an expert on gold.

Shri Dahyabhai V. Patel: Before you made your report, did you try to gather information about the prices of gold in the international market, the price in India, the price in Pakistan and the value of the Pakistan rupee and the Indian rupee?

Shri S. S. Khera: The prices of gold and the value of the rupee are published.

Shri Dahyabhai V. Patel: Are you aware that the Pakistan rupee has today a higher value in the international market than the Indian rupee, while the reverse was the position a few years ago?

Shri S. S. Khera: I have no idea. I do not think it has a higher value, but I would not like to commit myself to a statement on this.

Shri Dahyabhai V. Patel: Did you think it worthwhile asking some of our missions abroad or the financial officers who go abroad for instance in Hong Kong, about the value of the currency and the price of gold because there is a clear indication of the free market conditions prevailing there?

Shri S. S. Khera: I am not sure I have followed the question.

Shri Dahyabhai V. Patel: Did you not think it worthwhile making enquiries of the price of gold and the value of the Indian rupee *vis-a-vis* other currencies?

Chairman: We are not concerned with the value of the Pakistan rupee here.

Shri Dahyabhai V. Patel: We are concerned with the relative value of the rupee. If inconvenient questions are shut out, I cannot ask any question. You have been interfering at every stage and I protest against it.

Chairman: Your questions have to be relevant.

Shri Dahyabhai V. Patel: I think this is the most relevant question on gold.

Chairman: I do not agree with that.

Shri Dahyabhai V. Patel: The witness said that the craftsmen in gold do very intricate work and he was enamoured of the work done by young girls. May I know whether this type of work can be done as a cottage industry that the goldsmiths can do in their own home? Could that type of work you suggested—the electronic workshops—be done at home by the goldsmiths?

Shri S. S. Khera: I was expressing myself in a very general way. I believe it can be done as a cottage industry. The Japanese do it very well as a home industry.

Shri Dahyabhai V. Patel: Have you seen it done anywhere even in the most advanced countries?

Shri S. S. Khera: I have heard it is being done in Japan. The Japanese experts who come here tell us so.

Shri Dahyabhai V. Patel: Have you made any effort to do it?

Shri S. S. Khera: As I said, I am not in charge of administration of gold; my friend, Mr. Pande is. My

association with this is limited to heading an informal group which was set up on the 5th September last year and which submitted its report in the same month.

Shri Dahyabhai V. Patel: Have you tried to find out why there is so much smuggling of gold which is undetected?

Chairman: The next witness will be able to answer that better.

Shri Dahyabhai V. Patel: I will repeat my questions to him and some more also. Are you aware that many of the smugglers are protected by people in high authority? Have you tried to find out the truth or otherwise of this?

Shri S. S. Khera: I should like to have one name.

Shri Dahyabhai V. Patel: You do not know the name?

Shri S. S. Khera: If I knew the name, you would hear it from me, instead of my hearing it from you.

Shri Dahyabhai V. Patel: That only shows that you people live in ivory towers.

Shri S. S. Khera: I seek your protection, Mr. Chairman.

Chairman: Order, order. That is not fair.

Shrimati Tara R. Sathe: About rehabilitation of goldsmiths, you have said that either they should stick to their goldsmithy or take assistance from Government for rehabilitation. Don't you think there are some goldsmiths who work partly as goldsmiths and partly they have some other business to do to earn their livelihood? If Government give assistance, they do not allow them to have the licence. Thereby I think many goldsmiths are inconvenienced, because they cannot afford to earn their livelihood only from goldsmithy.

Shri S. S. Khera: I take it your question is, what about those goldsmiths who are unable to opt for one or the other and who want to continue part-time as goldsmiths and also get assistance. I think that is a very real problem.

Shrimati Tara R. Sathe: You have taken the family as the unit. In some cases the father will be a goldsmith and the son may be employed in some factory.

Shri S. S. Khera: That is a real problem and we should attend to it. Perhaps my colleague, Mr. Pande, would be able to answer that.

Shrimati Tara R. Sathe: Don't you feel that the assistance given by the Government is not sufficient, because since the time the gold control order was passed, they had no occupation and they had to spend that money for their livelihood. So, there was no money left for them to rehabilitate themselves in any other business.

Shri S. S. Khera: That is a matter of implementation. My friend Shri Pande will be answering that question.

Shrimati Tara R. Sathe: On page 25 of the report you have said that the Administrator should be an Additional Member of the Central Board of Revenue. If that is the case, what do you think about the judicial powers which have been given to the Administrator? There is no such arrangement made in this Bill. What do you feel about this? What is your opinion?

Shri S. S. Khera: The Administrator, as part of the Revenue Board, would constitute part of the judicial process.

Shrimati Tara R. Sathe: Most of the powers are given to the Administrator here.

Shri S. S. Khera: In the same way that most powers are given to the Board of Revenue in the ordinary revenue law. The Administrator is the head of the gold administration. He would have a staff below.

Shrimati Tara R. Sathe: The appeal is to be made against the Administrator. Judicial powers are also vested in him.

Shri T. T. Krishnamachari: In the report itself they have not provided for any appellate body.

Shrimati Tara R. Sathe: What is your opinion about it? He has not said anything about the judicial powers vested in the Administrator.

Shri T. T. Krishnamachari: They were not asked about it. No opinion need be asked for.

Dr. L. M. Singhvi: No opinion can be asked for? I beg to differ with this ruling.

Chairman: We can form our own opinion. It is not necessary to ask him.

Shrimati Renuka Devi Barkataki: In the report you have said there is not enough publicity and propaganda among the public and mobilisation of public support for this measure. With all that, do you think that the Gold Control Bill will be successful and it can be a permanent measure?

Shri S. S. Khera: I think gold control will be increasingly effective. The effectiveness will not come suddenly, but it will come over a period of time. This has to be measured in years, not in months.

Shrimati Renuka Devi Barkataki: Besides this report that you submitted to the Government of India, have you suggested any other step to gear up the administration in this context?

Shri S. S. Khera: I have not separately submitted anything in connection with the gold control.

Shrimati Renuka Devi Barkataki: My friend asked you a question about the powers vested in the Administrator. You could not give any opinion on that. But one thing you can say. Do you agree that if the rehabilitation work of the Administrator is separated from his administrative work, the Administration of this measure can be made more effective? Now he has to look after rehabilitation of goldsmiths along with his own administrative work. Would you agree that the rehabilitation part should be taken away from him?

Shri S. S. Khera: I must confess, I have not given this question any thought and it would need to be given thought before I could answer this question.

Shrimati Renuka Devi Barkataki: We are going to discuss this tomorrow clause by clause. You are an expert in this matter and that is why I put this question to you.

Shri S. S. Khera: I would need to consult several of my colleagues on administrative matters before I could express any opinion on this point.

Shrimati Renuka Devi Barkataki: Do you think that these vast powers given to the Administrator are justified?

Shri S. S. Khera: I think it would be a good thing to invest large powers on a single Administrator.

Shrimati Renuka Devi Barkataki: On page 6 of the report you have stated that there is lack of concerted political support for the gold policy, and that the party in power has not given due importance and due publicity to this measure. Would you kindly let me know whether the party in power in this country has ascertained the views of the public and whether you have taken the Cabinet decision as the party's view? Again, probably you would not be able to answer.

Shri S. S. Khera: I find it is extremely difficult to answer.

Shrimati Renuka Devi Barkataki: You are one of the senior most members of the Government. You can at least tell us whether any other agency is there to ascertain the views of the public, other than the party in power?

Shri S. S. Khera: I think there are many agencies other than the party in power.

Chairman: The hon. Member must know it better.

Shrimati Renuka Devi Barkataki: Do you think that the working of the Gold Control Rules, since their promulgation last year, has achieved any of their proclaimed objectives?

Shri S. S. Khera: Shri Pande is concerned with the working of the Rules. He is the Administrator and his Ministry is in a very good position to answer that point. I have not made any enquiry or investigation of how the Rules have worked. I believe they have worked by and large with the measure of success which one could expect. But the results would take years.

Shrimati Renuka Devi Barkataki: Do you feel that putting another complex and restrictive measure such as the Gold Control Rules in the statute book, Government will be able to improve the present economic condition of the country as well as to retain its currency value?

Shri S. S. Khera: I cannot answer that.

Shrimati Renuka Devi Barkataki: My last question refers to the survey you conducted in the four districts of U.P. You ascertained the views of the public there and you said that they wanted fertilisers, and so on. May I take it that they comprises of the larger population of this country?

Shri S. S. Khera: They are larger part of the public.

Shrimati Renuka Devi Barkataki: May I take it that you have agreed to this Bill in the larger interests of the country?

Shri S. S. Khera: I have not agreed to any Bill. I am a Government servant.

Shrimati Renuka Devi Barkataki: What is your personal view?

Shri S. S. Khera: My personal attitude may be a wrong attitude, but personally I am against gold.

Shrimati Renuka Devi Barkataki: If you agree to this Bill in the larger interests of the country, do you think that the number of people who want gold is less than those who do not want it?

Shri S. S. Khera: I was not speaking in terms of number and I hope the record will show it. I was speaking about the pressing problem of the large poorer sections of our people.

Shri Rajendra Pratap Sinha: At the time when you made the report the internal price of gold was not rising and therefore you thought that there was a decrease in the demand of gold and also probably there was decrease in the smuggling activities. Now that the price of gold has shot up, are you inclined to believe so?

Shri S. S. Khera: The prices obviously reflect the demand. As a very general statement I think that is true. But they may also reflect partly the difficulty and danger of passing it on. And it may be less available.

Shri Rajendra Pratap Sinha: A certain rise in the prices of gold—of course it has been stated in your report also—may be in sympathy with the general rise of prices; but it may also be—as you said just now that the cost of smuggled gold has gone up—that it has risen because there is a good deal of demand.

Shri S. S. Khera: Or a shortage of supply.

Shri Rajendra Pratap Sinha: May-be; but if the demand was not there, it would have no effect on the prices.

Shri S. S. Khera: Obviously, as I said, in a general way prices in my view reflect the demand. They also reflect a number of other things. One of the other things they reflect is the supply.

Shri Rajendra Pratap Sinha: What I am trying to visualise is that the main purpose of this Gold Control Order was to lessen the demand. It appears to me that there we have not succeeded. During the marriage season and at other times probably the demand for gold went up.

Shri S. S. Khera: It is a matter of opinion and judgment. My own judgement would be that there has been less demand and less supply. But if the lessening of the demand is less than the lessening of the supply, the prices would go up.

Shri Rajendra Pratap Sinha: Another aspect of the question I would like to know. In your report the inference you have drawn is that the smuggling activity has gone down, as you could infer from the statistics of the prices. Do you still believe that the smuggling activity has gone down, or the smugglers have found out ways and means of smuggling gold further in spite of the difficulties placed in the disposal of the gold under the Gold Control Order, after your writing your report?

Shri S. S. Khera: I think you will recall that I attempted to answer a very similar question. And the answer, as far as I intended to make it, was that it is difficult unless you make a more scientific statistical analysis; and I mentioned some of the questions which I would like to ask in making the analysis—the pattern of the seizures, specifically whether there are fewer or larger kinds of people who are dealing with it. Without a thorough-going analysis I think it would be difficult to say whether there is more smuggling or less smuggling.

Shri Rajendra Pratap Sinha: You have mentioned in your report that if there are difficulties in the disposal of the smuggled gold, the quantity of smuggling may go down. After this relaxation in the remaking of the old ornaments of the same purity as the ornament was, do you think that this has opened a loophole for the absorption of the smuggled gold?

Shri S. S. Khera: If you kindly refer to the supplementary report which we made a few days after making the main report, we conceded the necessity of this as a temporary measure. We did this with our eyes open. We knew that in doing so we had to balance the possibility of loopholes with the achievement of greater relief to the goldsmiths and others. It had to be a judgment on balance, and for what it is worth that is what it was. Having opened a loophole, my frank answer would be, I do not know. But we certainly made this recommendation with our eyes open—I certainly had my eyes clearly open when I said that there was a possibility.

Shri Rajendra Pratap Sinha: Throughout your report you have sustained one idea, that we must reduce the lure of high-purity ornaments—that means gold, but the greatest demand is for ornaments. From the general knowledge that we have of our own society I have a feeling that as a result of this relaxation high-purity gold ornaments are being made on a very large scale. Obviously they will be from smuggled gold. So the twin purposes you have recommended in your report, namely of suppressing the lure of high-purity ornaments and also making it more difficult for the smuggling of gold, have been largely defeated by this relaxation. Do you agree with this?

Shri S. S. Khera: As I said, I am quite unable to answer the question, because I do not know. But if that is so, then I think we should go back

to the original recommendations which we had made, namely, we should limit everything to 14 ct. gold

Shri Rajendra Pratap Sinha: Mr. Khera, you are a very responsible officer of the Government of India, and I draw your attention to the recent statement of the Prime Minister in which he has said that we should not only work on paper but we should try to know the facts as they are, whether in the society or in the market, and he advised us that we should go round and purchase things for ourselves to know the facts. And you know what that experience has revealed. Both you and I live in this country, we have knowledge of the market, of the social conditions and all that. I am also a responsible member of the society, being a Member of Parliament. You are a very responsible officer, equally responsible as ourselves. So we have knowledge of what things are going on. What is your personal experience, I would like to know, during the last marriage season. My experience has been that large quantities of ornaments of high purity gold were made by these goldsmiths under the garb of remaking the old ornaments. That is my information and knowledge. Do you share it?

Shri S. S. Khera: I have no information on this. I would like to share any information. Unfortunately, I have not been intimately associated with any marriages during the last season but I would be most concerned to know if this were a fact.

Shri Rajendra Pratap Sinha: In para 37 you say that what is required is appropriate and adequate administrative machinery to implement the system by a vigorous attempt to detect violations and to punish those which come to light. Are you satisfied now, after your recommendations in this report, that administrative machinery has been set up properly to achieve the ends that you had in view.

Shri S. S. Khera: As I was saying earlier, I am not operating the gold control and I have not made any detailed enquiry. I have a very general impression that the gold administrator has done as well as any one could. These are questions of detail which the gold administrator may be able to answer.

Chairman: Thank you Mr. Khera.

Dr. L. M. Singhvi: Sir, I would first of all pose the same question as I posed to Mr. Khera, about the use of gold of a purity higher than 14 carats. Was it considered feasible by this Committee? Was there any difficulty in incorporating a provision which may enable goldsmiths to use 18 cts.?

Shri P. C. Bhattacharya: As you would have noticed this committee consisted of people representing the various aspects of the administration. Some enquiries were made by the Ministry of Finance regarding the difficulty that was alleged to be encountered by the goldsmiths for the use of 14 carat gold ornaments and the answer that we got was that there was really not much difficulty. It is true 14 carat gold was a bit harder. But we are aware that jewellery is mounted with stones or pearls and the gold that was being used all these days in this case was 14 carat. The question of 18 ct. was considered.

I would like to make a general statement before I answer this specific question. We were aware that there is a tremendous hankering for gold in our country for good or for bad. That is a social custom. But then we are faced with this problem: where do we get the gold from? We do not produce much gold in this country; only a very little quantity, 200,000 ozs. or something like that. From 1958 onwards, this is also going into the Government coffers. There is thus no internal supply of gold to meet the people's demand. The people's demand however had not abated. The conse-

quence was; internal prices became almost double the official price, outside. So, smuggling went on increasing and this point has been worrying us very much. It is a point to be considered not only from the point of view of people's desire for gold but from the point of view of our entire Plan, the assistance that we have been getting for the execution of our Plan etc. The question is naturally asked that if you are spending 40 crores, 50 crores and 60 crores to finance smuggling, how are you going to have your Plan executed? In fact, one view is this: If really gold is considered to be such an essential thing which the people think they should have, let us have official import of gold. But of course we may have to spend then 100 crores a year. What the effect of that would be on our Plan or the foreign exchange position is something which has to be understood. It does not require much arithmetical knowledge to understand that if we are to spend 100 crores on import of gold in each year, it will have a very serious repercussion on our Plan and other programmes. Apart from that, if we are to import gold worth 100 crores in order to meet the wishes of the people here, the rest of the world would legitimately ask the questions—they have been asking that question even when gold is being smuggled—"You are talking of development, Plan, etc. Is this the development that you are trying to pursue? If you put gold into your ornaments, does it serve any economic purpose? Does it lead to any development? If so, what is that development?" A long-term policy for gold has therefore to be a reduction in the desire of the people to use gold, a reduction in the demand for gold. I think this understanding is very essential for the consideration of the whole problem. Unless in the long run, the demand for gold goes on decreasing, there is no way to stop smuggling. The Gold Control measures are all administrative props to a policy. The policy has to be a reduction in the demand for gold. It is in that context, I would like to answer your question.

The 18 carat gold was not something new. It was being used mostly for making ornaments, except for some items like Kundan 18 carat or 20 carat is the range in which jewellery is usually made. I should not say jewellery because it would include pearls, etc. We had to think of some way to reduce the demand for gold. This 14 carat idea was to try to reduce the demand for gold. The argument was that if you prescribe 14 carat, even assuming that the demand for the time being does not go down, still the use of gold would be reduced to the extent that 14 carat replaces 18 carat. The more important argument was that if 14 carat really is introduced, then perhaps there would be a certain amount of aversion to the use of gold ornaments because we know that 14 carat gold is something which people would not like to wear generally. That was the main point which influenced the Committee in advising that 14 carat should be adhered to and we should not go up either to 18 carat or 22 carat.

Dr. L. M. Singhvi: In the informal group's report it has been acknowledged that there has been widespread aversion to the use of 14 carat gold. It has also been recognised in the postscript to this report that the earlier proposal to permit goldsmiths to make 14 carat ornaments only was not likely to result in any significant volume of employment for the simple reason that without spending considerable sums of foreign exchange on the import of gold, it would not be possible to supply even 14 carat gold to the minimum extent necessary to create some impression on employment. Thirdly, it has also been conceded in paragraph 21 of the report that we must reckon with the danger of gold being smuggled in the form of 14 carat bars. In view of these three considerations, would you say that either you have to eliminate the use of gold altogether including the use of ornaments made in 14 carat gold or that it is possible to continue with 14 carat gold and yet hope for the success of the gold control policy?

Shri P. C. Bhattacharyya: That is a matter as to how you want to do it. If we really want to do away with this import of gold—whether it is being done officially or through smugglers does not make any difference to the foreign exchange expenditure that is involved—there is no other way of doing it but to reduce the demand. The direction of policy has to be that more and more impediments have to be put on the use of gold. At the same time it has to be supported by public opinion. People must accept that we cannot afford to use gold because we have not got the wherewithal to get the gold. If publicity is done in this direction and public opinion is created in favour of this view, then in due course of time, probably in 50 years or so, we will succeed. The economic policy of this country, in my opinion, requires that consumption of gold should be completely cut off.

Dr. L. M. Singhvi: It has been pointed out in the report of the informal group that the gold policy like any other policy designed to bring about desirable changes should have general acceptability to make it a success. Was the Committee called upon to consider the success at the stage at which they considered the operation of this measure and if it was, what was their impression or inference or conclusion?

Shri P. C. Bhattacharyya: The Committee took the view on the basis of evidence as was available upto that point that smuggling had been reduced. There were two pointers for that conclusion. One was that the number of seizures was comparatively less. The second pointer was that free market exchange rate for the Indian rupee had improved considerably.

Dr. L. M. Singhvi: The extent of unemployment among goldsmiths also led you to think that the policy had succeeded?

Shri P. C. Bhattacharyya: I do not think we have any statistics of extent

of unemployment. Naturally there was a great agitation by the goldsmiths. They said that they were being unemployed. That of course really related to the extent of the rehabilitation measures which the State Government, were asked to undertake and which probably were not undertaken as speedily as they might have been undertaken.

Dr. L. M. Singhvi: I would like to draw the attention of the witness to this particular portion of paragraph 40 on page 13 of the report of the informal group which says:

"As a matter of fact, this unemployment amongst goldsmiths is in a way an indication of the success of the gold policy".

I am trying to put it not in an embarrassing way. But it is a fact that the extent of unemployment was used as an index of the success of the gold policy.

Shri P. C. Bhattacharya: Yes, the Committee did take the agitation of the goldsmiths as an evidence that smuggling has gone down, the lack of availability is there and therefore they were unemployed. To what extent they were unemployed, I do not know.

Dr. L. M. Singhvi: May I know whether the Committee also considered the number of successful prosecutions during this period for smuggling, and did the Committee make an effort to relate to the success of the gold control policy? Otherwise the conclusion would be that we were punishing the goldsmiths rather than the smugglers who deserved to be punished.

Shri P. C. Bhattacharya: The period was too short really to have any such information. After the promulgation of the Gold Control Order and the time when the Committee met, I think it was six to seven months only. But, Sir, if I may say so—I hope you are not going to accuse me of heartlessness or anything like—but the point

is, if there is no gold there is bound to be unemployment among goldsmiths. And if you accept that the economic policy of the country requires that there cannot be any gold imported and therefore we should stop or try to stop the smuggling as much as possible, then its consequences have to be faced, and that is why the question of rehabilitation of goldsmiths comes up and that is where we thought that more emphasis should be laid on the speeding up of the rehabilitation measures and trying to take them away to other fields of activity.

Dr. L. M. Singhvi: I appreciate that the Committee has used the context of the decline in the number and quantum of seizures of gold as an indication of the fact that the gold control measure had to that extent succeeded. I would like to put this to you; in view of the fact that these figures have been somewhat reversed and the quantum of seizure has increased according to certain reports we have, would you either say that this test was not correctly applied in the report, or that this test if applied to the present situation would lead to the conclusion that as a matter of fact the gold control measure has contributed in a way to the smuggling or to the rise in smuggling? Only two conclusions are possible.

Shri P. C. Bhattacharya: I would not accept that conclusion. I would certainly agree with you that all the available evidence again indicates that even though smuggling had been reduced immediately after the introduction of gold control, there is no doubt that smuggling has increased again. The smuggler must have found out some way of getting round some of these controls. But I do not think one can say that that is attributable to the gold control measure. The gold control measure is really intended to control smuggling. Formerly the

control of smuggling was at the customs point. The view was taken that unless you supplement the check at that point by a check or distribution internally of the gold that is coming in, his check on smuggling would not be as effective as one would like to have it. And the whole concept of the gold control measure was to provide for supplementary measures of check on internal distribution, internal refining, internal use of the gold in order to buttress the efforts of the customs people who are supposed to stop the smuggled gold at the port of entry. Therefore, I would not certainly say that the gold control measure has contributed to it. In spite of the gold control measure this thing has happened. But I would say that this has happened because the demand has not gone down. Ultimately it is the demand.

If I were to go a step further, I would say that the demand has not gone down because of the fact that, in view of the uncertainty of the gold control, people do not seem to have any faith that this might go on, because of there being a lot of opposition. And no propoganda has been made, no publicity has been made, and therefore there is no machinery at the moment existing which can really tell the people squarely, "you cannot have the gold, please reduce your demand for gold". That has not been done, and that is one of the most important points which should be taken up in my view and that of the Reserve Bank. And if that were done, perhaps this situation would not have arisen.

Dr. L. M. Singhvi: Therefore it would be correct to say that the rise or decline in the seizures of gold does not furnish us with any dependable index of the success or otherwise of the gold control measure. Would it be correct to say that?

Shri P. C. Bhattacharya: No. I would say that the measure is only an aid to the policy. The measure by itself cannot reduce the demand of

the people. But if you accept that the demand of the people should be reduced or brought down by propoganda by publicity and all that, and if you also accept that during the period—it will take a long time—therefore during that period we have to take all possible measures to reduce the quantity of smuggled gold, we have to put in these obstacles at various places. That is the whole concept of the system that has been introduced.

Dr. L. M. Singhvi: In this report it has been recommended that the Government should reiterate firmly its policy of gold control and that it means to stand by it in a serious, earnest manner. Would you say that the fact that this policy has not been reaffirmed or the fact that there has not been adequate publicity in respect of this measure has hindered the cause of gold control during this period?

Shri P. C. Bhattacharya: I have no doubt about it.

Chairman: The Bill is before Parliament.

Dr. L. M. Singhvi: That is not the point, Sir. I would very respectfully submit that those Members who give their utmost attention to the matter before the Committee and prepare their questions earnestly, diligently, with a complete reference to relevance should not be interfered with. I operate, subject to your jurisdiction entirely in my own right. After all, I want to ask in reference to a particular assumption made in the report. The witness has to say something about it. We have every right. You may rule it out of order. But if you do so, it would be entirely inconsistent with the normal procedure followed in Select Committee and it would cease to be useful.

Chairman: I am not ruling it out of order. He will answer it.

Dr. L. M. Singhvi: Unnecessarily the chain is broken.

Shri P. C. Bhattacharya: May I ask for the question to be repeated?

Dr. L. M. Singhvi: If the Chairman is pleased to permit the question, I would like to know whether, in view of the recommendation made by the Informal Group that the policy on gold control should be reiterated emphatically and it should be stated that the Government means to stand by it, and that such reiteration should be supplemented by widespread publicity, and in view of the fact that there has been a measure of uncertainty in respect of this measure in the period since the Informal Group met and made this recommendation to the date when the matter came up before Parliament, this has hindered the objectives of the gold control in any noticeable measure.

Shri P. C. Bhattacharya: I think it has partially. Because of one thing which has not been done, due to the various steps that have to be taken in putting this statute in the statute-book, that is Parliament's consideration and all that, that thing has resulted in no active steps being taken for any publicity being given to the desirability of curtailing the demand for gold. And to that extent I would say it has.

Dr. L. M. Singhvi: Coming to the question of employment, or unemployment created by the gold control measure, I would like to have the considered view of the witness. I would like to know, in respect of the employment potential that we can conceivably and in economic terms create, whether it is not a fact that we are already confronted by a backlog of unemployment and that the additional unemployment that has been created as a consequence of this measure therefore cannot in terms of economic realism be dealt with in an adequate measure. What is the view of the witness in this respect?

Shri P. C. Bhattacharya: This whole question of unemployment and the

necessity for rehabilitation had been gone into by the then gold control board and the view they took was that this was not a problem which was not capable of being handled.

Dr. L. M. Singhvi: Would it be correct to say that the attraction for gold is also impelled in a large measure by a desire for security, particularly, against the danger of inflation?

Shri P. C. Bhattacharya: That is certainly one factor. But there is no alternative except between the curtailment of this desire and economic development.

Dr. L. M. Singhvi: Have you come across a conclusion of a study made by an economist who is the head of the department of commerce in Allahabad, Mr. Agarwal, who says that the value of our currency has decreased in the last 20 years to 17 paise in a rupee?

Shri P. C. Bhattacharya: I have not read that article. But obviously prices have gone up and the value of the currency is less to that extent. That is a different problem that is to be handled in a different way. To say that, because of that, we should allow people to use gold or hoard gold for the purposes of security is like throwing the baby with bathwater.

Dr. L. M. Singhvi: Your policies of small savings and insurance are defeated by the spiral of inflation. Is it not true?

Shri P. C. Bhattacharya: We are always for price stability.

Dr. L. M. Singhvi: Would you undertake the extent to which there has been a decline in the value of a rupee during the last 20 years?

Shri P. C. Bhattacharya: I have not got the figures with me just now. What you say may be right; its value has gone down.

Dr. L. M. Singhvi: I hope an indexed gold bond scheme was considered by the committee. It is a bond which is tied to the index of prices so that the persons who surrender their gold would have the security of getting whatever increase in prices might be there. What were the various pros and cons in accepting that proposal?

Shri P. C. Bhattacharya: I have got the point. It was considered that such a step is nothing different from a devaluation of the rupee. Obviously, we did not want to take any steps which would mean that the rupee has been devalued. Assuming that the prices vary, it means you will have to pay more rupees at that time. That shows the devaluation of your currency.

Dr. L. M. Singhvi: So that it would be right to conclude that in twenty years the rupee has come to the value of only 17 paise.

Shri P. C. Bhattacharya: Other currencies have probably gone down much more than our currency. Therefore, one cannot come to quick conclusion.

Dr. L. M. Singhvi: On page 27, you say:

"In general, legislation on a permanent footing could be initiated in an atmosphere of reason which the immediate problem of rehabilitating of goldsmiths has been tackled in right earnest".

You would concede that the problem of rehabilitating the unemployed goldsmiths has not been tackled adequately yet. Would it be right for the Committee to suggest that legislation should be postponed till it is done?

Shri P. C. Bhattacharya: If you ask my opinion, I feel that it would be very unfortunate if you were to delay the adoption of what is really justified on other very important considerations on this one ground. It is not that the unemployment problem of goldsmiths is incapable of solution.

We should have this measure; we should have vigorous steps to tackle with their unemployment problem.

Dr. L. M. Singhvi: What you say now runs counter to the conclusions reached in the committee, namely: "The question as to the appropriate time for initiating the legislation will have to be gone into carefully."

Shri T. T. Krishnamachari: As a matter of fact, the very idea of rehabilitation will only arise if there is gold legislation. The one follows the other. Anyway, we will argue it out in the Committee.

Dr. L. M. Singhvi: I would like to know whether the witness is aware of a large order for jewellery placed by the USSR from India on one of the Indian firms which had supplied these gold ornaments?

Shri P. C. Bhattacharya: Arrangement exists for the manufacture of gold jewellery for export. This is done under the supervision of the customs and the Reserve Bank, gold is allowed to be imported for this purpose under a bonded system. I would not be surprised if there has been such a deal but I do not know the details of this particular deal.

Dr. L. M. Singhvi: What is the impact of gold control measures on banking and on credit generally? Have these adversely affected the rural credit in a substantial measure?

Shri P. C. Bhattacharya: So far as farmer's credit is concerned, we had some reports at that time that it may have affected the amount that they could take from any Commercial bank. But we took two steps at that time. One of the things which we promote is the co-operative bank financing of agriculture, we thought we should give a push to that idea. We alerted the co-operative banks through our agricultural credit department so that whoever wanted credit could get what otherwise he could have got by pledging ornaments and jewellery.

So far as the trader is concerned, I think a certain amount of restriction did take place. But if that trade was in respect of commodities, again there is no reason to think that he could not have got similar credit if he pledged that commodity, rather than gold.

Dr. L. M. Singhvi: Don't you think that it would be much better to centralise refining of gold with the Government for more effective implementation of this policy?

Shri P. C. Bhattacharya: That may be the next phase of the gold control.

Dr. L. M. Singhvi: Do the Government have sufficient resources, equipment and preparation for centrally refining gold?

Shri P. C. Bhattacharya: Our Minis can do it.

Dr. L. M. Singhvi: As is mentioned in paragraph 78 of the report of the informal group, did the Committee particularly consider the problem in some States where the pawnbrokers cannot sell unredeemed ornaments and jewellery, but they could be sold only through auctioneers recognised by appropriate authorities? Was the Committee able to come to any conclusion regarding the existing anomaly in the State Acts under which pawnbrokers cannot sell the jewellery?

Shri B. D. Pande: I shall answer that question. This position applied to the State of Madras and a few others in South India where there is a Pawnbrokers Act and where there is a specified system of sale of pledged ornaments through recognised auctioneers. We have issued necessary exemptions and the administrative details have been settled in consultation with the Government of Madras and other States so that the problem has since been solved. They have now prescribed that ornaments upto a certain value will be sold under the supervision of a certain class of revenue officers; if they are above that

value, they will be sold under the supervision of the District Collector and if they are of still higher value they will be sold under the supervision of a Member of the Board of Revenue of the Madras Government. This is intended to take care of the interests of the pawner.

Dr. L. M. Singhvi: According to the report of the informal group certain figures have been used to come to the conclusion that the cost of rehabilitation would be about Rs. 20 crores. The informal group goes on to say: "We would however, strongly urge that even an initial cost of rehabilitation much in excess of this figure would be justified....". I have two questions to pose to the witness on this point. One is, what would be such enhanced or augmented estimate of the initial cost of rehabilitation? Secondly, does the witness think that it is really possible to divert the goldsmiths to other trades in an adequate and satisfactory manner? One of the difficulties explained to us is that they are not callings to which they are accustomed, and therefore they are unable to take to them.

Shri P. C. Bhattacharya: No estimate obviously was made about the enhanced expenditure. The estimate that was made was the figure given in the report as the estimate of rehabilitation. This particular sentence was really intended to emphasize that the matter is of such importance and stake that instead of 20 crores, even if we have to spend Rs. 40 crores, the Government should not feel any qualms about it.

Dr. L. M. Singhvi: The Committee thought that rehabilitation was necessary for about one lakh persons and it is on that basis you have arrived at your figure.

Shri P. C. Bhattacharyya: The Reserve Bank as such cannot give any estimate. The Gold Control Board which was existing at that time did make such an estimate about the number of goldsmiths. The Secretary of

the Gold Control Board visited various States and he discussed this matter with the State Chief Ministers and other people and did get some estimate.

Chairman: He wants your estimate.

Shri P. C. Bhattacharya: We have not made any estimate.

Chairman: Can all the goldsmiths be rehabilitated? He wanted to know that point also.

Shri P. C. Bhattacharya: Yes, except probably the old goldsmiths who cannot be rehabilitated because they cannot change their profession. In such a case, if this scheme is really to be effective you might think of some measure of long-term relief for them, and not merely rehabilitation. The word 'rehabilitation' includes relief also.

Dr. L. M. Singhvi: Has the Reserve Bank got an estimate of the gold hoarded in the country? Would witness tell us about the *modus operandi* of those who purchase gold intended for India? I am only referring to a matter which was referred to by the witness at the inception. If the information is not against public interest, we would like to know this.

Shri P. C. Bhattacharya: So far as the total estimate of gold is concerned, I think we have supplied some figure to the Committee which has been circulated. It was something like 4,000 crores. If it is possible to have a precise estimate of smuggled gold, it would be able to give a more accurate estimate.

Dr. L. M. Singhvi: Could you give us the basis on which these calculations were made?

Shri P. C. Bhattacharya: We had sent a note to the Finance Ministry which I understand has been circulated to the Committee. The method of estimate has been very clearly stated there.

Shri Dahyabhai V. Patel: Continuing from the last question, the note has been circulated. But I find in the foot-note that it does not represent the official estimates. Do the official estimate and the estimate of the Reserve Bank differ in this matter?

Shri P. C. Bhattacharya: By official estimates what we meant were estimates prepared on the basis of definite statistical information that is available. In this case there is no definite statistical information available. It is an estimate based on guesses from various sources.

Shri Dahyabhai V. Patel: Is it not consistent with the public interest to let us have your estimate, leave alone the sources of your information, of gold stocks? Will you kindly let us have it?

Shri P. C. Bhattacharya: That is the estimate we have made. Our Economic and Research Division has worked out the basis of various statistics and has given that figure. There is no other figure available in the country.

Shri Dahyabhai V. Patel: You were present when I asked the previous witness about our country's currency, Pakistan's currency as well as the free market currency. He claimed to have some knowledge. You seem to have more knowledge. Will you kindly enlighten us as to the value of the Indian rupee to-day, Pakistani rupee to-day and the free market currency in the world today? How far has it depreciated and how far has the Pakistani rupee gone up?

Shri P. C. Bhattacharya: I do not think that our currency is weaker than Pakistani rupee. But, as I said earlier, there is no doubt that in the free market, there is a quotation of the Indian rupee which has gone down below the official rate.

Dr. L. M. Singhvi: Would you kindly request the witness to give us at a later date some official study

of the extent or incline in the value of the rupee because this is a question on which we would like to have information; this is very closely linked up with the Gold Control measures.

Shri T. T. Krishnamachari: No international comparison is made. This is a question which depends on the availability of the rupee or the other currencies. For instance, I had been to London two weeks back. There, the people remit money required from time to time in sterling. They are prepared to pay 20 or 21 for it. It all depends upon the availability and the demand. I know as to how the currency value goes down. Some people are wanting to remit in sterling to people to India. Then, the value goes down. If demand goes up the value goes up. The other aspect of it—the internal value—that the value of the rupee is going down depends upon the availability of foreign exchange and the demand that would be created. Estimates are made from time to time comparing the demand, the security and the value of the sterling in each country and they would be available. But, I do not think that we have made any assessment ourselves. But, this factor that the value of the rupee has gone down is something which is dependent on the demand of the people and not on the increase in the value of the rupee.

Shri Dahyabhai V. Patel: In view of what the hon. Finance Minister has said, may we have the study not only of the value of the rupee outside but on the unappreciable value of the rupee in India for the use of the Committee for the last few years?

Shri T. T. Krishnamachari: The point is that so far as Gold Control Bill is concerned, I am perfectly aware—the hon. Member may put any question in this regard—that some studies are made and presented in the budget from time to time. It is quite possible that some economist like Mr. Aggarwal of Allahabad University or somebody else, might have said that it

is not correct. whatever studies have been made by Government, if available, will be placed before this Committee.

Shri Dahyabhai V. Patel: It would be helpful to us if it is made available before we give our report.

Shri T. T. Krishnamachari: I do not know whether it would be possible. I do not also see how the Gold Control policy is linked with the value of the rupee.

Shri Dahyabhai V. Patel: The gold control policy is, I believe, connected with the value of the rupee.

Shri T. T. Krishnamachari: I do not know. The Government may have some idea probably. It will collect some statistics and supply the same to the Committee.

Shri Dahyabhai V. Patel: I hope the Government will give this information.

Shri T. T. Krishnamachari: I won't commit myself. But, if anything is available, Government will make it available to the Committee.

Shri Dahyabhai V. Patel: You were present when I asked the previous witness some questions. Mr. Bhattacharya also asserted that they have a method by which they find out the sources and the methods employed by the smugglers. Can you enlighten us as to why these smuggling operations go on at this rate? Whether the smugglers are attracted to certain high-ups and the people here in Delhi assist them? What is the use of talking about these? What measures have they taken to counteract them?

Shri P. C. Bhattacharya: I did not say that I knew the sources and the methods of smuggling. But I only said that we have information as to how much gold can be assumed to have been purchased for diversion to

these areas. As you know, London is the world's practical monopolist in gold market and from that market, we do get information about purchases by people who are supposed to be connected with the smuggling trade. Of course, they have nothing to do particularly with India. They are supposed to buy gold for the Asian market. They buy a certain quantity of gold regularly. A considerable part of that comes to India. This is the estimate on the basis of which we proceed. How it is smuggled, I am afraid, I have not got any information.

Shrimati Tara R. Sathe: In reply to the hon. Member's question, he said that some private party has got orders to take away gold from U.S.S.R. I want to know as to whether any private party is allowed to export jewellery which contains gold of 14 carat?

Shri P. C. Bhattacharya: They can make any type of ornaments that are wanted by foreign countries.

Shrimati Tara R. Sathe: Is the private party allowed to export gold jewellery which contains more than 14 carat?

Chairman: For export, there is no restriction of quality.

Shri P. C. Bhattacharya: They are allowed to import gold. There are ten or twelve authorised parties who are allowed to import gold and make export of jewellery of whatever carat they want. The only thing is that they have to work under the supervision of the Reserve Bank and the Customs and they have to give periodical accounts to show that all the gold they imported has been exported.

Shrimati Tara R. Sathe: All the orders were obtained from other countries. Those figures will have to be given to the Government. Without the knowledge of Government, there will be no exports of any gold ornaments. Is it not?

Shri P. C. Bhattacharya: That is true. At least from these 10 or 12 people, information will come to us.

Shrimati Tara R. Sathe: When the hon. member was referring to some person, he did not mention the name. It must be through the Government. That is what I feel. Is it not?

Shri P. C. Bhattacharya: I do not know of this order.

Chairman: He gave the answer.

Shrimati Tara R. Sathe: I wanted to know whether there is any change, it is known to the Government or not.

Shri P. C. Bhattacharya: It must be known to Government.

Shrimati Tara R. Sathe: On page 28A in the postscript, you have recommended that in order to help the unemployed goldsmiths, they should be allowed to re-make the old ornaments with a purity of not less than the original. Original purity of gold in most of these cases is more than 14 carat. So, don't you think that there is every chance for the goldsmiths to mix smuggled gold in the process of re-making those ornaments?

Shri P. C. Bhattacharya: Yes, that is true. In fact, that is what the Committee apprehended. This may be a sort of a relaxation which would go against the very purpose of the Gold Control. But this was intended to meet a specific situation and if that situation has been met, I would personally be very happy if this is done away with.

Shrimati Tara R. Sathe: You did not prescribe the specific period. But you said only about minimum period. What was that period you had in your mind?

Shri P. C. Bhattacharya: The period was really linked up with the period that would be taken to rehabilitate the large number of unemployed goldsmiths.

Shrimati Tara R. Sathe: Don't you think that even without giving these concessions to the goldsmiths, the Government would have been able to give more assistance for the rehabilitation?

Shri P. C. Bhattacharya: That is a matter of opinion.

Shrimati Renuka Devi Barkataki: One of the main attractions of smuggling gold is on account of the disparity between the international price and the internal price of gold. I want to know whether you can avoid for long doing something in this country to bring the internal price at par with the international price. Can the Governor of the Reserve Bank give us some idea whether it is possible to bring it at par in the near future?

Shri P. C. Bhattacharya: So long as the demand for gold exists and there is no official supply of gold there may not be any such situation. Even if smuggling stops and all that, even so the prices that will be quoted internally for making ornaments would be very a very high.

Shrimati Renuka Devi Barkataki: If the Government takes up a monopoly of the import and export of gold, will there not be a check on smuggling in this country?

Shri P. C. Bhattacharya: If Government were in a position to import, there would be a stop to smuggling.

Shrimati Renuka Devi Barkataki: The minimum that we want in this country according to the Gold Control Order, whatever you can bring to this country—suppose the Government take a full monopoly for that.

Shri P. C. Bhattacharya: Under smuggling conditions, the total amount of gold that is being smuggled into this country is estimated at Rs. 50 to 50 crores. If the Government were to make it an official import and sell it to the people, knowing the people's desire we estimate that this would go to Rs. 100 or 120 crores. The question therefore is whether we are in a

position to import Rs. 100 crores worth of gold each year in view of the fact that we want all this money for other purposes.

Shri Dahyabhai V. Patel: Perhaps it would go down, because it is like the forbidden fruit now.

Shri P. C. Bhattacharya: Weil, that is a matter of opinion.

Shrimati Renuka Devi Barkataki: Has the Reserve Bank any idea about the black money of Indian citizens in foreign banks?

Shri P. C. Bhattacharya: No.

Shrimati Renuka Devi Barkataki: The Reserve Bank has that source of information as to how much gold is smuggled in this country.

Shri P. C. Bhattacharya: We make a guess out of various statistics. One item of figure is as to what is the total quantity of gold that is purchased for delivery in Asia of which a substantial portion comes to India. The other item of statistics is the seizures that are made. We know that when seizures go down or up the quantity of smuggled gold goes down or up.

Shrimati Renuka Devi Barkataki: Is there any other agency to know the black money that Indian citizens have in foreign countries, some government agency?

Shri P. C. Bhattacharya: It is quite impossible. Nobody knows it, because the foreign banks are not going to divulge as to what are the accounts in the names of individual Indians.

Shrimati Renuka Devi Barkataki: You told us that the Reserve Bank is in favour of price stability. I am surprised to know that the Governor of the Reserve Bank has not seen that article of Mr. Aggarwal that the value of the rupee has gone down to 17 nP. May I ask the Governor of

the Reserve Bank. One question, whether this type of statements by a well-known economist in this country will not have serious repercussions on our economy? Not only that. People will go more and more to gold, because the currency is devalued, and they won't invest any money in the Unit Trust or in the postal savings. That will create some difficulties in our development programme. Then why has the Governor of the Reserve Bank or any other government agency not contradicted this statement by coming forward and saying that the Indian currency has not gone down to 17 nP? There has been no contradiction up till now from the side of the Government or the Reserve Bank. Because, what will happen is, somebody will say that it has gone down to 15 nP or to 10 nP and there will be repercussions in the country. May I ask why there has been no contradiction from the Reserve Bank?

Shri P. C. Bhattacharya: The answer is that the Reserve Bank as a matter of policy do not contradict general views which are aired in the press.

Shrimati Renuka Devi Barkataki: It will hamper our development work.

Shri T. T. Krishnamachari: It has to be done by Government. If the person who has said it is a sufficiently responsible person, Government will controvert it. But every person who writes to the press is not contradicted. Some people are in the habit of saying, "the rupee has gone down in value". You cannot go on contradicting those things.

Shri P. C. Bhattacharya: Sir, if I may supplement it, we do publish articles about change in price levels and all that. Anybody who is interested can by reading those articles in the Reserve Bank bulletin draw his own conclusions about what he thinks of the situation.

Shri Balgovind Verma: What were the main objectives in view while formulating the gold control order?

Chairman: That has been explained. Mr. Khera explained it.

Shri Balgovind Verma: I was not here, so I want to know.

Chairman: It is already there on record. It will be given to you.

Shri Balgovind Verma: I want to draw some inferences from it.

Chairman: Why repeat the questions? If you have any other questions, please ask.

Shri Balgovind Verma: Will you please let me know if the country has gained anything out of the Gold Control Order?

Shri P. C. Bhattacharya: Well, Sir, as I explained, this is a measure which is intended to secure large gains to the country. Whether the country will secure any gain out of it depends upon the attitude of the people to this control measure. We have to educate the people; the people have to be told "we have no gold and therefore we should not use gold". To the extent that has not been done, of course it has not given all the benefit. But I am hoping that once the Bill is adopted, all these various aspects of the matter will also be taken care of, and then people will really say "we have no gold and therefore we cannot use and we must not use it". And then you will have the full benefit.

Shri Balgovind Verma: But you people are not carrying out the experiment, at the cost of the public exchequer.

Shri T. T. Krishnamachari: That is a question which you should address to me.

Shri Balgovind Verma: I am asking him because he is controlling everything.

Shri T. T. Krishnamachari: He does not control; he only does what Government delegates to him.

Shri Balgovind Verma: What are the total losses to the public exchequer in the matter of Income-tax?

Shri T. T. Krishnamachari: He does not know anything about that. He can only pay his Income-tax.

Shri Balgovind Verma: What were the receipts prior to the promulgation of this Order and what are the receipts today?

Shri T. T. Krishnamachari: The receipts in regard to Income-tax in the year 1963-64, before the introduction of the Gold Control Order, the original estimates, were Rs. 440 crores. And we really collected Rs. 524 crores. But I can also tell you that one has no relation to the other.

Shri Balgovind Verma: The break-up.

Shri T. T. Krishnamachari: Of the people who did not buy gold? That is not possible. You better address it to me, I will try to answer. So far as the Governor of the Reserve Bank is concerned I have no doubt he pays his Income-tax!

Chairman: These are all questions you can put to the Finance Minister during our discussions.

Shri Balgovind Verma: I think he should be pleased to give the break-up.

Shri T. T. Krishnamachari: We will discuss it.

Shri Balgovind Verma: Mr. Bhattacharya, you said that smuggling has been considerably reduced. Are you aware that smuggled gold can be had in any quantity one likes in the shape of gold biscuits of one tola each with the imprint of England?

Shri T. T. Krishnamachari: If you tell us where, he can find out.

Shri Balgovind Verma: These are freely available in the gold market.

Shri T. T. Krishnamachari: Here?

Shri Balgovind Verma: Here and at Agra.

Chairman: Please pass on the information to the Gold Controller.

Shri Balgovind Verma: Mr. Pande may know it. Is it not a fact that the prices are high due to inflation and if so, will it not be worthwhile to make available to the public gold in as much quantity as they like to deflate the currency?

Shri P. C. Bhattacharya: If it were possible to carry on our developmental activities along with the import of any amount of gold, there would have been no better way.

Shri Balgovind Verma: The witnesses who came earlier before us said that if they were allowed to import gold, they would import gold and make jewels and thus earn foreign exchange also.

Shri P. C. Bhattacharya: That is there even now; they can import gold for making jewellery for export purposes under certain conditions.

Shri B. K. Gaikwad: What is the gold stock in India today? According to Government of India it was estimated at 2,000 crores worth at international price. From the figures you know how much was imported and how much was exported. How much gold is here and how much of it is missing or hidden?

Shri P. C. Bhattacharya: We have figures for imports and exports. We have no figures how they have been internally used. Some information is available with regard to gold bars alone but we have no details of the gold in the form of ornaments.

Shri B. K. Gaikwad: How much gold was being produced by the Kolar gold fields?

Shri B. R. Bhagat: About Rs. 4-5 crores worth.

Shri B. K. Gaikwad: If gold worth Rs. 100 crores is imported, would the need of our country be fulfilled?

Shri T. T. Krishnamachari: Initially we will have to import gold worth Rs. 500 crores. But we cannot even import gold worth Rs. 10 crores. We have no money to import gold.

Shri B. K. Gaikwad: Suppose gold is imported and sold by the Government, how much gold will be required?

Shri T. T. Krishnamachari: The demand for gold is insatiable. It is very difficult to estimate it; you may say 100 crores and I may say 500 crores. Above all, we have no money to import gold.

श्री महावीर दास : गोल्ड कंट्रोल आर्डर जब से लागू हुआ है, तब से भारत की अर्थ व्यवस्था पर उसका अच्छा असर पड़ा है या खराब पड़ा है ?

Shri P. C. Bhattacharya: I do not think there is any connection between the two the introduction of gold control and the financial state of the nation's economy. The condition of the State's economy had been explained every time by the Finance Minister at the time of introduction of the budget. It is difficult to say whether it is improving or going down because of this.

Shri C. D. Pande: I want to know whether the Reserve Bank has any idea of the proportion of gold in bars and in ornaments.

Shri P. C. Bhattacharya: We have no idea but from a national sample survey that had been conducted, some estimates were made that about 85-90

per cent of the gold is in the form of ornaments.

Shri C. D. Pande: Is there any idea mooted to do away with gold in international payments?

Shri P. C. Bhattacharya: I think some economists want that gold should be done away with.

Shri C. D. Pande: Mr. Khera suggests that it is the lure of the gold that the people have. It is not exactly so. International payments are made in gold, even between Russia and America; ultimately the balance of payments position is settled through gold. So, I am asking this question. Is there any possibility of doing away with gold in international payments? It is not enough if some individuals shed their lure of gold.

Shri P. C. Bhattacharya: I think the difference between our country and others is this. Whereas other countries want gold for facilitating exchange and currency operations, we want gold for wearing it on the person.

Shri C. D. Pande: In the internal and international markets gold is the only thing which will ultimately give its value in terms of money. What alternative have you got to suggest to the people that there is a better investment than gold?

Shri P. C. Bhattacharya: I will give you a theoretical answer because you have asked a theoretical question. If all the gold with the people in this country is given to the Reserve Bank, I can guarantee stability of prices in the country.

Shri C. D. Pande: It is generally said that the price of gold is going up. I would rather say that the price of gold is more or less fixed. What is going down is the purchasing power of the rupee. Ten grammes of gold which used to be valued at Rs. 90 a year back is now worth Rs. 135. Our

gold price is more than the international price but its value has not fluctuated to the extent our currency has fluctuated. What is the alternative where people can invest their money with confidence avoiding depreciation and insurance against depreciation, etc, so that people may switch away their faith from gold and put it in this alternative commodity? Which is the other safest investment?

Shri P. C. Bhattacharya: Stability of prices is one thing which has to be thought of. Once that can be established, then I suppose the mode of investment—whether you invest in life insurance or Government securities—matters very little. I would not say that the gold control is either going to achieve that or it is going to do any harm to that.

Shri C. D. Pande: What do you think of the economic motive of people in investing their money in gold ornaments?

Shri P. C. Bhattacharya: If you ask for my views on this aspect, the economic motive is certainly there. But the question is: Are the economic motives good motives? Some people may accumulate foreign currency with economic motive? Are you going to support that? Even within the country people are having gold with economic motive. What is their economic motive? The economic motive is that they can get a higher price later on. They will thus make a gain. But the result is a general set back to the overall economic condition of the country.

Shri C. D. Pande: In certain prosperous parts of U.P. such as Bulandshahr etc. farmers used to sell their grain and invest money in gold. Now that gold is not available, they may sell grain only to the extent that is required to meet their daily needs

such as oil and other articles. What is your remedy to this situation?

Shri P. C. Bhattacharya: That is where you have to educate them. They should be persuaded to invest their money in various types of investment that we are able to offer them. They can invest in your Government bonds or National Savings Certificates.

Shri C. D. Pande: Everything else loses its value. That is the main difficulty.

Shri Mahabir Prasad Shukla: Evidence has come to us that with the gold control, the general trend is now to invest in stones and diamonds and that the current rise in food prices is to some extent due to non-availability of gold. How do you explain this?

Shri P. C. Bhattacharya: Some of the money that was being invested in gold has perhaps gone to diamonds. But we have no evidence. Being situated in Bombay we hear many things being talked about and it is only from that point of view that I am saying that we also hear that money is now going to diamonds. I do not think that the current rise in prices has anything to do with gold control.

Shri Mahabir Prasad Shukla: People have hoarded grains, and they do not sell. That is what the evidence that has come before us indicates.

Shri P. C. Bhattacharya: I do not know. The sort of information that we have got is this: So far as the ordinary farmer is concerned, he is more interested in silver than in gold. In fact we have got some statistics which show that the consumption of about 90 per cent of gold smuggled into this country is by the upper layer, not by farmers at all.

श्री शिव नारायण : जो आदमी विदेशों में व्यापार करते हैं उन को आप पैसा देते हैं कि वे एक लाख रुपये का सामान खरीद कर लायें लेकिन वे लोग वहाँ केवल ५०,००० रुपये का ही सामान खरीद करते हैं और बाकी ५०,००० रुपये का सोना खरीद कर ले आते हैं और इस कारण देश में सोने का तस्कर व्यापार चलता है। आप रिजर्व बैंक के गवर्नर हैं, मनी को कंट्रोल करते हैं। आप जब उनको एक निश्चित रकम का सामान खरीदने का परमिट देते हैं तो क्या उन का इस तरह से थोड़े का ही सामान खरीदना और बाकी का सोना खरीद कर देश में स्मगलिंग करना क्या उचित कार्य है और आप इस गड़बड़ को रोकने के वास्ते क्या कदम उठाने जा रहे हैं ?

Shri P. C. Bhattacharya: That is a matter for the Customs Department. They do examine each invoice to see that the amount of goods that are imported are in accordance with the amount of money shown in the import licence.

श्री शिव नारायण : आप के जरिए पैसा जाता है, फॉरेन एक्सचेंज मनी आप देते हैं, आप उस पर क्या चैक रखते हैं ? आप को पता चलना चाहिए कि जितना रुपया आपने सामान खरीदने के लिए दिया उन्होंने वहाँ पर कुल कितनी लागत का सामान खरीदा ? वे उस तमाम रुपये का वहाँ से सामान खरीद कर लाये या नहीं ?

Shri P. C. Bhattacharya: That is the function of the Customs Department.

Shri Mahabir Prasad Shukla: Evidence has also come to us that under-invoicing and underhand dealings in the Customs are also responsible for smuggling of gold.

Shri P. C. Bhattacharya: It is under-invoicing of export, not imports. It is one of the ways by which money is accumulated abroad.

That is the moot point about smuggling. Smuggled foreign exchange is really coming out of the country's earning. People under-invoice their exports and accumulate money. There are other people who used to remit money to this country. I am referring to those who are working abroad. Instead of remitting money, it is given to the smuggler who will buy gold and bring it here.

Shri Prabhat Kar: First of all, I would like to clear one point. When the value of the rupee is being discussed, it is in relation to the purchasing power of the rupee in India. Is it not a fact that so far as the exchange value of the rupee in relation to sterling, dollar or rouble is concerned, there has been a change? Or is it fixed?

Shri P. C. Bhattacharya: The exchange value of the rupee, for official transactions, is fixed and of course, the whole purpose of the exchange control is to maintain the value. I think that what has been referred to here is the black-market rate of rupees. That rate, of course, varies from time to time dependent on the circumstances prevailing at that time.

Shri Prabhat Kar: You have been stating just now that so far due to the working of gold control measures, the nation is losing roughly about Rs. 40 crores of foreign exchange. Now, my question, broadly, is in relation to that. Whether is it in the interest of the country to import gold so as to save this loss of Rs. 40 crores annually of foreign exchange?

Shri P. C. Bhattacharya: Firstly, nobody knows as to what quantity of gold we will have to import if we have to control the gold-smuggling. Suppose the demand in this country is very very large. Then, an import of gold worth Rs. 10, 12 or 40 crores cannot be enough. In fact, the normal understanding of the situation should be that if Rs. 40 crores worth of gold is being smuggled into India inspite of the difficulties and obstacles like those that are being put by the Gold Control measures, then if gold should

be freely imported the demand may be much more and the indication for that is the difference between the international price and the Indian price of gold.

Shri Prabhat Kar: Taking these two together—one is the import of gold and the other is by putting some restrictions in the use of gold—will it lead to stopping of gold smuggling activities carried on in this country?

Shri P. C. Bhattacharya: We cannot even afford to have import of gold worth Rs. 40 crores.

Shri Prabhat Kar: It is a fact that we are losing Rs. 40 crores worth of foreign exchange—it may be Rs. 10 or 20 crores or 40 crores, but more than Rs. 10 crores of foreign exchange.

Shri P. C. Bhattacharya: This is a matter of opinion.

Shri Prabhat Kar: You have got the Agricultural Credit Department under the control of Reserve Bank of India. Have you any ideas as to how much rural credit has been provided for by these by pledging of the gold? You must have some ideas when you deal with a Department—Agricultural Credits Department.

Shri P. C. Bhattacharya: We have not got any separate figure as to the amount of money that is given to the farmers against the pledging of gold. As you know, we get the figures of advances against gold from Commercial Banks. That is not a very substantial figure. The amount of such credit to the farmers would therefore be very infinitesimal. I would not say that this is a very substantial part. At the time when I mentioned about Co-operative Banks, I had this particular point in mind of their financing the farmers as much as possible.

Shri Prabhat Kar: Is it a fact that there is a complaint that co-operatives are controlled by the big farmers? Is it also a fact that the State Bank of

India provides credits to the small farmers against the grains or something like that? The question of rural credit has been posed before us by the various witnesses which can be, to a certain extent if not completely, eliminated.

Shri P. C. Bhattacharya: Firstly I would like to say that the amount of credit that is being denied to the farmer because of the Gold Control must be of small consequence. There is already a machinery existing for meeting the gap. In fact the State Bank also advances money to Co-operative Banks.

Shri Prabhat Kar: You have suggested quality control about 14 carat and all that. To start with that can be done by goldsmiths and then by the people who may not be the goldsmiths. This question can be tackled in that way.

Shri P. C. Bhattacharya: That was one of the points which was considered by the Committee. At that time, the aim was about the reduction of the quantity. Once you allow or formalise the use of new gold of 22 carat or 18 carat or whatever it may be for purposes of making new ornaments by dealers, it may be more difficult to control smuggled gold going into the hands of the gold dealers. Today, at least, we have got the dealers who are not supposed to handle any gold higher than 14 carat purity. As you know, they are the biggest agencies through whom gold passes. Even an individual goldsmith goes and buys a certain amount of gold from them. So, the question is how to practically control the quantity at the point of entry. In fact, your suggestion is that the total import of gold can be made by Government. I would still say that even so, Government, before selling this gold, should convert it into 14 carat and then only give it to the goldsmiths. Otherwise, gold smuggling will continue.

Shri L. N. Bhanj Deo: You said that since the Gold Control came into effect, there is a lot of inflation

as far as urban properties are concerned. Since the Reserve Bank of India is situated at Bombay, Mr. Bhattacharya is probably in a better position to know about that.

Shri P. C. Bhattacharya: Since the Gold Control has come into effect, a certain amount of what you call 'unaccounted money' must have been diverted from gold to the urban property or to various other commodities. But the money was not only going in for gold but it was going into stock exchange. Not everything was diverted to urban property.

Shri L. N. Bhanja Deo: This is one of the causes for the inflation that we are seeing in this country.

Shri P. C. Bhattacharya: The correct thing to say would be not inflation but the use of money which is not accounted for on speculation.

Shri Tridib Kumar Chaudhuri: Is there any reliable figure or statistics that can be obtained from the State Bank or from Government departments concerned as to the total annual market turnover of ornamental gold?

Shri P. C. Bhattacharya: The second round of the National Sample Survey gave a ratio of 1.09 per cent of total expenditure as expenditure on ornaments in rural areas but no figures are available for urban areas. So, from that, a certain deduction has been made by our people. That is the only source from where they did make some study about the expenditure on ornaments.

Shri Tridib Kumar Chaudhuri: What I wanted was a more precise figure. Perhaps the Revenue Department might help. I do not know if they keep that kind of figure.

Shri P. C. Bhattacharya: I can give some kind of figure.

Shri Tridib Kumar Chaudhuri: If these are available, they may be supplied to us. That is what I want.

Shri T. T. Krishnamachari: What is the question?

Shri Tridib Kumar Chaudhuri: How much gold circulates or is required every year for making of ornaments. From the Sales-tax or Income-tax figures before the Gold Control came into existence it should be available.

Shri T. T. Krishnamachari: There are no figures.

Shri P. C. Bhattacharya: We have deducted some figures. The estimate of the gold used for the purpose of ornaments before the Gold Control was roughly equal to Rs. 125 crore every year, only for ornaments. The estimate of smuggling is only Rs. 4 to Rs. 50 crores. So the balance would be from old ornaments already existing.

Shri Tridib Kumar Chaudhuri: There has been a view that the difference between the international price of gold and the internal price has been mainly due to inflation. May I know whether the Reserve Bank agrees with that view?

Shri P. C. Bhattacharya: I can only say that the difference is due to the fact that the demand exceeds the supply. Why the demand is more, whether it is due to inflation or to the lure of gold, as my colleague has said, is a matter of opinion, and I won't like to express a view on that.

Shri Tridib Kumar Chaudhuri: Taking into account that the demand is there to the extent of roughly Rs. 30 to Rs. 50 crores, apart from quality control, carat control, is the Reserve Bank satisfied that all other measures to reduce the demand—that is, short of trying to control the natural market, the phenomenon, by governmental fiat, by legislative measures—that could have been taken have been taken or that they are adequate?

Shri P. C. Bhattacharya: As I said, one important measure which has not been taken is the publicity and the educative effort, and that in the long run is the only thing which would make a dent on the problem. But I understand that this is partly due to the fact that this Bill is under the

consideration of Parliament, and without knowing what view the Parliament is going to take on this it is rather difficult for them to go all out for publicity in favour of gold control.

Shri Tridib Kumar Chandhuri: Apart from that aspect, that is long-term measures which may take some time to be effective, taking the aspect of declaration of non-ornamental gold, by and large the figures that have been given to us prove that that aspect of the policy has not been very successful. Has the Reserve Bank or the Informal Group given any thought to the executive measures by which these things could be unearthed, or are they satisfied that all measures to unearth this hoarded gold in which a large part of black money has gone have been adequately enforced?

Shri P. C. Bhattacharya: So far as the old Gold Control Rules are concerned, the action has certainly been taken, apart from the publicity, as I mentioned. So far as the present Bill is concerned I think you would have noticed that provision has been made for Government, if it so decides, to ask for declaration of ornaments also. This is only an enabling power. The actual decision as to when you should apply a particular thing is a matter for Government to decide. And naturally, as I said, progressively if you are going to achieve ultimately the object that no gold should be used in this country for ornaments, you will have to go on with these various things, including probably conversion of the existing gold ornaments.

Shri Jashvant Mehta: I wish to know whether the Study Group applied its mind to the export promotion scheme. A large number of witnesses represented that if an incentive is given for importing gold and sending out ornaments outside there is scope for a market in other countries. May I know whether there is scope for it or not and whether that aspect was discussed with the Ministry of International Trade?

Shri P. C. Bhattacharya: As I explained, we have such a scheme. The real difficulty is that the people have to work under supervision, if they want to use the gold. That is not only necessary for the sake of our ensuring that the gold that is imported is exported, but that is also necessary for maintaining our position internationally. You know, one of the articles which we have subscribed to by being a member of the International Monetary Fund is that we should not use or we should not be a party to the use of gold for other than currency purposes, and therefore one has also to take that into consideration. As regards an incentive scheme of the kind which the Ministry of International Trade has got for other commodities, for gold it cannot be of that kind. It has to be a scheme with supervision to assure the International Monetary Fund that whatever gold we are importing is not being consumed in the country.

Shri Jashvant Mehta: So in your opinion it is possible?

Shri P. C. Bhattacharya: By that sort of supervision. Already ten or twelve people are licensed for importing gold for this purpose and exporting ornaments.

Shri Jashvant Mehta: Will you please give us an idea as to what amount of gold is being imported under this scheme at present?

Shri P. C. Bhattacharya: Of course, but not right at hand. But Mr. Pande probably would know how much gold is coming in.

Shri B. D. Pande: The total export of gold and jewellery last year was of the order of Rs. 13 crores.

Shri P. C. Bhattacharya: It would include the labour cost and all that sort of thing. The amount of gold in that would be less than that.

Shri B. D. Pande: And it includes precious stones.

Shri Jashvant Mehta: You said that you want to discourage the commercial banks giving advances on gold. In the rural area the situation is different. For finding a solution to this, will you please give us an idea of the amount of advances given by commercial banks against gold?

Shri P. C. Bhattacharya: I have not got the figures. But if you want, we can send. We get weekly figures of this.

Shri Rajendra Pratap Sinha: We have seen the figures circulated to us about the gold reserves in this country, a Study which was made by the Economic Department of the Reserve Bank. From that it appears that the total stock of gold at the end of 1963 was 115 million ounces. This has been estimated at the international price at Rs. 1,196 crores and at the internal price at Rs. 4,491 crores. If we can divert this gold for the development of economy it will go a long way to solve our problems. With that end in view the gold bond scheme was put forward but its result was not very significant. While replying to Dr. Singhvi's question, you said it would not be proper to link gold with the index of price level. You may be aware that similar efforts were made in France. They gave certain concessions in this matter; one of them was index tied gold bond; they also said that the interest will be income-tax free. They also purchased gold, not at the internal price but at the market value. All these methods were adopted so that gold hoarding in France could go. As the Governor of the Reserve Bank, will you advise Parliament and Government to revise our entire policy on gold control and take some steps as taken by the French Government in those days? The gold bonds that we introduced were not so successful.

Shri P. C. Bhattacharya: First of all, may I mention that the introduction of gold bond had nothing to do with the gold control rules; gold bonds were introduced much earlier.

It was not our expectation that we would be getting large quantities of gold by that type of bond. This scheme was initiated as some people in the context of the emergency were willing to subscribe gold to the Government. We never felt that the gold bonds would bring out all the hoarded gold in the country. With the diminution in the sense of emergency, this scheme also lost its momentum.

Now coming to your question about French experiment, I had long discussions with important officials of the Bank of France and you will not, I hope, mind if I say that I gathered from them that the one thing of which France is sorry was the introduction of those measures referred to by you. Therefore, I do not think that their experience justifies our adoption of those measures. When France ultimately got out of its difficulties it was not because they got gold; they did not get gold; but because of other measures which made her acquire economic strength and because of the acquisition of economic strength, they could leave gold free. They have no craze for ornaments as we have in our country. Because of their inherent strength, a little fluctuation in the import and export of gold does not matter much to them. We have not got economic strength and we cannot but have this control. I am not going into the merits as to whether ornaments should be used or not. If we had the economic strength, we can use them. I have no particular bias against that.

Shri Rajendra Pratap Sinha: I am glad that the Governor of the Reserve Bank has given us the experience of France. He has stated that about ninety per cent of the gold in India is in the form of ornaments. Only about 10 per cent is in the shape of gold proper. It is very difficult to estimate the average individual gold holding; it is bound to be very fluctuating. I would like to have the view of the Governor on this. Suppose we decide to impose ceiling on the gold holding in the shape of ornaments,

what does he consider to be the proper figure for gold holdings in the shape of ornaments.

Shri P. C. Bhattacharya: The Bill is only to take permissive authority.

Shri T. T. Krishnamachari: It is a matter for the Parliament to decide payment for one particular year. But it is for the Parliament to decide.

Shri Dahyabhai V. Patel: You know what is happening in the world because you have travelled round various countries. You said something about the Bank of France. Perhaps you know that there are large number of foreign accounts of people all over the world in the banks of Switzerland. Is it not a fact that many Indians have also foreign accounts there?

Shri P. C. Bhattacharya: I can neither confirm nor deny.

Shri Dahyabhai V. Patel: Do you know that one country put pressure on them to disclose the accounts of persons from that country?

Shri P. C. Bhattacharya: Which the Swiss banks always refuse.

Shri Dahyabhai V. Patel: But do you know that they have done it in respect of one country?

Shri P. C. Bhattacharya: They have not done it. You are probably referring to Israel.

Shri Dahyabhai V. Patel: My information is otherwise. They yielded to the high pressure and disclosed the accounts. Why cannot the same thing be done in respect of Indians who have accounts there? That will considerably help us to tide over this crisis. Will you do that?

Shri P. C. Bhattacharya: If we have the same influence on the bankers of that country, we will do that. But many other considerations would arise on the other side.

(The witnesses then withdrew).

III. Mysore Rajya Saraf Sangh, Hubli

1. Shri G. S. Tenginkai
2. Shri Bhagavandas Dahaji.
3. Shri G. T. Rathod.

(Witnesses were called in and they took their seats)

Chairman: We have distributed your memorandum to all the members. Many of these points have been made out by other witnesses from various associations. If you want to stress anything or anything new, you may do so.

***Shri G. S. Tenginkai:** The present Gold Bill is a copy of the old Gold Rules. This has been working for the last 18 months. This has caused a lot of dislocation of trade and in particular a number of people engaged in this trade have been unemployed and it has caused considerable hardship. There is no necessity for this Bill. Government have also suffered great losses by way of sales tax, income tax etc. In addition, they have spent several crores of rupees on implementation of these rules and also on rehabilitation of the unemployed.

Our object in protesting this Gold Control is not to shield the smugglers, or to encourage them. But we only desire that the trade should not be harmed and the people engaged in the trade should not be deprived of their legitimate means of livelihood and they should not be harassed unnecessarily. Really speaking we have no objection whatsoever about the main objects of the Gold Control. But we are only against the way you have chosen and the measures you have adopted in achieving those objectives. Several political leaders and financial experts have expressed that it is not a successful scheme. The Hon'ble Finance Minister Shri T. T. Krishnamachari also has told that the Gold Control has not succeeded in preventing smuggling. Eighteen months working of the Gold Control Order has itself proved that it is not a successful scheme and it is harmful to

*The witness gave his evidence in Kannada which was translated into English.

the country and its people. If the above results are observed and if the above grievances are taken into consideration no one can say that the present Gold policy should continue.

The objects of the Gold Control can be achieved by the following means and measures, instead of sticking to the present gold policy:

- (1) Smuggling can be prevented by keeping strong and strict check at ports and borders. Because, smuggling usually goes on at ports. Better and sincere administration of the preventive services can only prevent smuggling.
- (2) Smuggling can be stopped by importing gold from the foreign countries and selling it at the lowest rate so as to make smuggling unprofitable and uneconomical.
- (3) Smuggling can be prevented by putting an end to the unaccounted money that is accumulated in the country. It is the unaccounted money that is creating all these evils in the country. Black money is invested in the black gold. It is, therefore, the best and the most effective remedy against smuggling to make the black money useless and dead by withdrawing the present notes and introducing the new ones in exchange.

It is to be noted that it is not due to the demand of the common people the gold rates are rising high and it is smuggled into the country, but it is due to the demand of the people engaged in black-marketing and corruption.

In spite of the above suggestions, if you think it is better to stick up to the same Gold Rules, we have no other go than to suggest the alternatives to the present Gold Control Bill.

1. Section 17(1) should be deleted because the compulsion of declaration of ornaments by the individual will

create great harassment and much discontent.

2. Section 3(2&3) violates the law of equity. The discrimination shown among the same class of people is really unjust and unconstitutional. This can be set right by extending the following facilities to the dealers also.

- (i) The licensed dealers be allowed to sell the old ornaments purchased to other customers in the same form.
- (ii) The licensed dealers be allowed to comply with the orders of their customers to make new ornaments of the same purity out of the old ornaments given by the customers.

It is to be noted, that the main object of the Gold Control will not be affected in giving the above facilities to the dealers also.

3. Section 5(3) be deleted, because persons holding the bullion within the exemption limit are required to obtain special permission at the time of selling or pledging. This will cause more inconvenience to the common people.

4. Section 30(6)—the administrators decision cannot be challenged in court of law—is unjust and unconstitutional.

5. Section 21, Drastic, arbitrary and uncontrolled powers given to the authority in the matter of search, seizure and arrest will surely lead to harassment, bribery and corruption. So, the powers given be minimised.

6. Purity restriction be completely removed for there is no demand for the 14 carat gold. Really speaking Sarafi business has come to a standstill mainly due to this restriction only.

7. The Refineries be given licences to facilitate trade without which it will not be possible for the Sarafs and goldsmiths to melt old ornaments and to get them purified so as to realise what carat the gold exactly is.

8. The licensed dealers be allowed to recontinue money-lending on pledge of gold ornaments in one and the same premises. Otherwise it will be much expensive and more inconvenient for the poor dealers to carry on this business.

9. The dealers be given every facility on priority basis if they desire to take up any other business. Financial aid should be given at the lowest rate of interest.

10. Lastly it is our earnest request that whatever changes are made, and, whatever relaxations are given they should be in respect of all the classes of people engaged in the gold profession irrespective of any discrimination. And they should not be harmful and harassing to the trade and the public."

Chairman: Is that all you want to say?

Shri G. S. Tenginkai: We are not opposed to the object of the Gold Control but we are opposed to the measures taken to achieve those objects of the gold control. Common people and honest dealers have suffered greatly on account of these. The gold merchants and sarafs are looked upon with suspicious minds and they are put to great hardships.

Shri B. K. Gaikwad: We just want to know that if a man is a licensed dealer, how much gold is given to him to run his business per month or per year or whatever it may be by Reserve Bank of India and at what rate of interest?

Shri G. S. Tenginkai: No gold is given by the Reserve Bank to any licensed dealer.

Shri B. K. Gaikwad: We were given to understand that whenever they want some gold, the Reserve Bank give some gold. I do not know whether it is correct.

Chairman: For export purposes, they will be allowed to import a certain portion of gold out of the value of the articles.

Shri B. K. Gaikwad: Does it mean that the gold is supplied by the Reserve Bank to any saraf?

Shri G. S. Tenginkai: No.

Shri Sherkhan: You are the President of the Mysore Sarafi Association. What is the opinion of the people in Mysore as to whether they want Gold Control or they do not want that at all?

Shri G. S. Tenginkai: The general opinion is against the Gold Control.

Shri Sherkhan: Have the people represented to Government that they do not want Gold Control?

Shri G. S. Tenginkai: Different Associations have given representations. I cannot say which of them have represented. I think Mahila Mandal Chamber of Commerce and other Associations have represented to Government. Even ladies do not want it. And ordinary people also do not want it.

Shri Sherkhan: If there is to be a gold control, are you in favour of quality control or quantity control?

Shri G. S. Tenginkai: Any such control over quality or quantity will not achieve the objects. We are for entire abolition of the control.

Shrimati Tara R. Sathe: The witness referred to harassment, he said that the honest people are harassed by Government. What sort of harassment is there, I would like to know.

Shri G. S. Tenginkai: Officers come and search our shops and harass people; they search not only the shops but houses and say that a particular item is not a jewel. These are the harassments.

Shrimati Tara R. Sathe: They search shops and houses?

Shri G. S. Tenginkai: Yes, not only the goldsmiths' and dealers' houses, but they also search the common people's houses.

Shrimati Tara R. Sathe: What sort of search? Are the Government not to search if there is suspicion that somebody has got gold? What sort of search is it?

Shri G. S. Tenginkai: Only on suspicion they will go and search without any warrant, without any previous information.

Shrimati Tara R. Sathe: Can he give any instance, for instance, that ten houses are searched and nothing is found?

Chairman: Can you give any instance where they have searched and found nothing?

Shri G. S. Tenginkai: Yes, Sir.

Chairman: Where in whose house? He says he cannot give.

Shrimati Tara R. Sathe: Has he got any concrete examples? Otherwise it is a general statement.

Chairman: There are instances which he is not prepared to disclose off-hand.

Shrimati Tara R. Sathe: But he knows some. Or is this a general statement?

Chairman: If you make a statement you have to substantiate it. Either you withdraw that remark or substantiate it.

Shri G. S. Tenginkai: My house has been searched, and the house of another, Mr. Bembalgi, has been searched, and also that of Mr. Guttal at Hubli. He has no shop. His house was searched. Also that of Mr. Lokande.

Shrimati Tara R. Sathe: They were working in their own houses?

Shri G. S. Tenginkai: They were carrying on money-lending business.

Shrimati Tara R. Sathe: Was there any hardship caused, beyond the search in the house? What sort of search was it?

Shri G. S. Tenginkai: No hardship or anything of that kind. They will enter abruptly and ask to be shown everything.

Shrimati Tara R. Sathe: Without any notice to you. In your absence also?

Shri G. S. Tenginkai: They will do it in our presence.

Shri Dahyabhai V. Patel: I would like to repeat the question which I have put to others, namely whether their opinions were asked for before the Gold Control Order was introduced.

Shri G. S. Tenginkai: No, we were not asked.

Chairman: Thank you.

(The witnesses then withdrew).

IV. Shri B. D. Pande, Gold Control Administrator; and Additional Secretary, Ministry of Finance, Department of Revenue.

(The witness was called and he took his seat)

Chairman: You know the rules, Mr. Pande; your evidence is likely to be published and even if you want to treat it as confidential it will have to be circulated to Members.

Shri Rajendra Pratap Sinha: I would like the Gold Administrator to give us first how rules have been made after the recommendations of the committee. We would like to know from him what recommendations have been accepted. Let him give us a general review and then we can put questions.

Shri B. D. Pande: I can take this as the first question and begin. Before the informal committee's report in September 1963, gold control was scattered at three principal points: administration of gold control was done by the Gold Control Board at Bombay, policy making was done by the Finance Ministry in the Department of Economic Affairs and the

execution, by the Central Excise Department in the Ministry of Finance, Department of Revenue. Government accepted the main recommendation of the informal group to locate the Gold Administrator in the Ministry of Finance, Department of Revenue, instead of leaving it scattered at different places as under the previous arrangement. The Gold Control Administrator would also be responsible for advising Government and also for the rehabilitation programme implemented through the State Governments. That is the present set-up of the gold control administration. It was at first felt that he should also be a member of the Central Board of Revenue but it was considered not necessary, by virtue of the fact that he is an additional secretary in the Department of Revenue and he is able to write directly to the Collectors of Central Excise and other authorities in respect of any problems relating to the enforcement of the gold control order.

Shri Rajendra Pratap Sinha: All these recommendations were accepted and implemented.

Shri B. D. Pande: As far as the administrative set up is concerned, this is the position.

Shri Prabhat Kar: Is it not a fact that in spite of the effective checks put by the gold controllers and others, they are still making ornaments of 22 cts. purity? How are you going to check it?

Shri B. D. Pande: We have detected several cases like that and we are trying to get information and take action wherever we can.

Shri Prabhat Kar: Marriages are taking place and it is true that 14 ct. ornaments are not used in those places. It is also true that these ornaments are every time made out of the old gold ornaments in the family. In these circumstances, is it not necessary for us to know from the Minis-

try where the administration is finding difficulties in putting effective checks and controls on these things?

Shri B. D. Pande: This point has been worrying us and exercising our minds. To find out whether there has been any acceptance of 14 ct. gold ornaments, I got a special survey made in Bombay, selecting dealers of two or three categories, big, small and medium dealers, dealer in gem-set jewellery, dealer only in gold jewellery, etc. and the survey shows that there has been an increase in the demand for gem-set 14 carat jewellery and there has been a decrease in the demand for gold ornaments as such because of the aversion to 14 ct. Those who were dealing in gem-sets have increased their business turn over but pure gold ornament dealers have had a very big reduction in their sales that is to say, their turn over was 10—15 per cent of their previous turn over. That is correct so far as people who are dealing with just gold ornaments are concerned. But there has not been a marked fall in the case of those who are dealing in stones and stone-set ornaments. Sometimes there has been an increase. These are all in 14 ct.

Shri Prabhat Kar: You are administering the Gold Control Rules. Because of the Gold Control Order, some of the goldsmiths have been displaced. It is a fact. It is also a fact that today you can have any amount of gold ornaments from the new gold in any big cities. I am not speaking of small places. In big cities it is easily available. It is not difficult. I do not know how your administration looks at this. Here you pass a Bill. If it is not effectively administered, the purpose of passing the Bill will be completely frustrated. I can tell you one of my personal experiences which has resulted almost in some family quarrel. My wife's youngest brother was going to be married. Being her youngest brother, she insisted that she should have some gold. I was not in favour of that. Finally she said

that her sisters had said that gold bangles and rings were available. They were easily available. Where is the effective control?

Shri B. D. Pande: The information that I get is that there are such sales. They are not quite open sales. They are things which the dealers will offer to deliver at a particular time, at a particular place and only a certain quantity of ornaments the charges for which will be higher, usually. As against Rs. 120 or Rs. 125 for ten grammes of gold which may be the market rate, they will charge you Rs. 160 or even Rs. 170 per ten grammes. These transactions do not appear in the books; they are all clandestine or under the counter. They are all shown as private transfers. In the present law, as it exists, individual sale from one person to another person is not prohibited.

Shri Prabhat Kar: Are you suggesting that the Bill should provide some other measures so that these things may be controlled?

Shri B. D. Pande: That may become necessary.

श्री शिव नारायण : सारा इंतजाम आपने किया है लेकिन स्मगलिंग को आप रोक नहीं सके हैं। चोरी से भी सोना बिकता है और उसको भी आप रोक नहीं सके हैं। तब मैं जानना चाहता हूँ कि क्वालिटी पर आप क्यों कंट्रोल कर रहे हैं, क्वांटिटी पर करें।

श्री व० रा० पांडे : यह पालिसी का सवाल है ।

Shri L. N. Bhanja Deo: What is the co-ordination between the Central Government and the State Governments so far as rehabilitation is concerned and did you find any difficulty in implementation of rehabilitation schemes at the State Governments levels?

Shri B. D. Pande: It is a very difficult problem. As members might have noticed there were 5,40,000

goldsmiths according to the last census. This figure of course included silversmiths also. It is difficult to find out how many of them are goldsmiths. It is the goldsmiths who are affected by the Gold Control Order. Silver is not controlled. After the last amendment was made, we sent out instructions to the State Governments to issue certificates for those people who wished to work as goldsmiths. We got a total of 2,17,000 applications from goldsmiths for working as certified goldsmiths. These people are not eligible for any rehabilitation assistance. They are being given certificates to work as certified goldsmiths. As I said the original figure 5,40,000 included silversmiths also. In addition, we have given financial assistance to some 27,300 goldsmiths to re-establish themselves with some alternative trade and industry, 9,600 have been provided alternative employment of various kinds through the employment exchanges. I am aware of the point that the Goldsmiths Associations have made that not all of them have been given the type of work that they would have liked to do. But I know that this figure includes a fairly large number of people who have been employed in defence industries, and other industries such as Hindustan Machine Tools and telephone industry in Bangalore. But the grand total as I said is 9,600. Some 23,000 more have been given various other types of assistance. Some have been given land, some have been rehabilitated in different other ways. That is the figure indicating rehabilitation assistance given to the people till date. The problem referred to by the Informal Committee in September was that at that time there was a little hesitation on the part of the State Governments to extend the fullest benefits of rehabilitation grants to goldsmiths because they did not find the terms and other conditions offered to them attractive.

Shri Jashvant Mehta: Have you got figures State-wise?

Shri B. D. Pande: Andhra Pradesh, 3,690.

Gujarat, 7,710.

Some of these figures are not quite upto date I must confess, because the reports from State Governments reach me very late.

Kerala has given the figure of only 29. The figures of the other States are:—

M.P. 2,678

Madras, 6,467

Maharashtra, 6,456

U.P. 226.

The other figures are very small.

Shri Rajendra Pratap Sinha: What is the total number that has received some kind of assistance?

Shri B. D. Pande: I would say that about 50,000 have received some kind of assistance.

Shri Rajendra Pratap Sinha: How many of the goldsmiths are recognised or licensed?

Shri B. D. Pande: Our assessment is that the total number of goldsmiths who would come under the category

of certified goldsmiths or for rehabilitation assistance will not exceed 3,00,000 out of which, as I said, 2,17,000 have applied for certificates; 50,000 have been given assistance in other ways and the number now needing assistance will be of the order of 30,000 or 40,000. This is my estimate.

Shri Rajendra Pratap Sinha: Do the State Governments concur in with these figures?

Shri B. D. Pande: This is based on the best possible survey that we have been able to make. I was making a reference yesterday on behalf of State Governments about rehabilitation. But, after September, the Government of India gave much more liberal assistance to the State Governments. They agreed to meet the cost of an officer at the State headquarters for taking up rehabilitation programmes and a considerably liberalised financial assistance to the States has been given. This was mentioned in reply to a question in Parliament.

Chairman: Now we shall take this up tomorrow at 9 A.M. After the evidence is over, we shall take clause by clause consideration.

(The witness then withdrew.)

The Committee then adjourned.

Minutes of Evidence given before the Joint Committee on the Gold (Control) Bill, 1963.

Tuesday, the 11th August, 1964 at 09.05 hours.

—
PRESENT

Shri S. V. Krishnamoorthy Rao—Chairman

MEMBERS

Lok Sabha

2. Shri D. Balarama Raju
3. Shrimati Renuka Devi Barkataki
4. Shri Bali Ram Bhagat
5. Shri Laxmi Narayan Bhanja Deo
6. Shri B. L. Chandak
7. Shri Tridib Kumar Chaudhuri
8. Shri Yudhvir Singh Chaudhuri
9. Shri Prabhat Kar
10. Shri P. G. Karuthiruman
11. Shri Kindar Lal
12. Shri H. V. Koujalgi
13. Shrimati Sangam Laxmi Bai
14. Shri Mathew Maniyangadan
15. Shri M. R. Masani
16. Shri Jasvant Mehta
17. Sardar Gurmukh Singh Musafir
18. Shri Chhotubhai M. Patel
19. Shri T. Ram
20. Shri Shivram Rango Rane
21. Shri S. C. Samanta
22. Shri Sheo Narain
23. Dr. L. M. Singhvi
24. Shri Balgovind Verma
25. Shri Bhishma Prasad Yadava
26. Shri T. T. Krishnamachari.

Rajya Sabha

27. Shri Mahabir Dass
28. Shri B. K. Gaikwad
29. Shri I. K. Gujral
30. Shrimati Nandini Satpathy
31. Shri C. D. Pande

32. Shri Dahyabhai V. Patel
33. Shri P. Ramamurti
34. Shri Shiva Nand Ramaul
35. Shri V. C. Kcsava Rao
36. Shri Sherkhan
37. Shri Mahabir Prasad Shukla
38. Shri Rajendra Pratap Sinha
39. Shrimati Tara R. Sathe
40. Shri A. M. Tariq

DRAFTSMEN

1. Shri S. P. sen Varma, *Spl. Secretary, Legislative Deptt., Ministry of Law.*
2. Shri K. K. Sundaran, *Additional Draftsman, Ministry of Law.*

REPRESENTATIVES OF THE MINISTRY

1. Shri V. T. Dehejia, *Secretary, Ministry of Finance.*
2. Shri Rama Rau, *Deputy Secretary, Ministry of Finance Department of Revenue.*
3. Shri C. Chidambaram, *Under Secretary, Ministry of Finance, Department of Revenue.*

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

WITNESSES EXAMINED

- I. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*
- II. *Tamilka Vishwakarma Central Sangam, Madras.*
 1. Shri T. M. Natarajanar.
 2. Shri V. A. Ponnusami Achari
 3. Shri K. Sambandachari
 4. Shri T. K. Varadappachari.

1. Shri B. D. Pande, *Gold Control Administrator and Additional Secretary, Ministry of Finance, Department of Revenue.*

(Witness was called and he took his seat)

Chairman: We have got the quorum. We shall begin the proceedings.

Shri Jasvant Mehta: I would like to ask Mr. Pande one or two questions regarding the administration. Will you please be able to tell, Mr. Pande, that most of the cases of smuggling were

connected with international smuggling gang? What was your report? How has it been operating?

Shri B. D. Pande: Smuggling would ultimately be connected with some international gangs. But in the cases that we detect very often, the detection is that of a carrier; he may be the second hand or third hand or fourth hand, carrier who is transmitting the gold for disposal. When a person is caught with smuggled gold he may

not be the actual importer but may be the person who is attempting to get it disposed of. Ultimately, it would be an organisation which is bringing in gold and arranges for disposal. Seizures are made even at the second or third stage where the disposal is taking place.

Shri Jashvant Mehta: The general impression is that the impact of the administration has been more on the mofussil area. Will you be able to tell where more cases have been traced?

Shri B. D. Pande: The Statewise distribution is somewhat difficult. We have the largest number of seizures of smuggled gold in Maharashtra, if I am not mistaken. The area on the sea front and Bombay are the biggest centres of gold trade. There are seizures upcountry also. It may be caught at the second or third check-point also.

Shri Jashvant Mehta: Will you be able to give an idea as to where the breach of law is more—on the mofussil side or on the other side?

Shri B. D. Pande: I will circulate a detailed statement showing the seizures statewise for the information of the Members of the Committee. I have not got it ready with me to indicate the quantity seized in different States.

Shri Jashvant Mehta: Is it correct that after the amendment in the Gold Control Rules the rehabilitation work is more or less stopped?

Shri B. D. Pande: I would not say so. As a matter of fact, the rehabilitation work has really got into stride after October or November of last year, that is to say, long after the amendments have been made. As I mentioned yesterday, in the early part

of last year the State Governments were not very happy with the financial terms of assistance that the Government of India had offered them—the terms of loans and financial assistance for establishment and staff expenditure. Subsequently more liberalised terms had been offered to the State Governments and they have been sanctioned money for the appointment of an officer at each State headquarters. They have also built up an organisation for this purpose. We have made real progress in the rehabilitation work only after October or November of last year. The figures that I gave yesterday are the figures of rehabilitation work done subsequently. In fact now it is being attended to with greater speed.

Shri Jashvant Mehta: In U.P. State only 229 cases of loan have been finalised.

Shri B. D. Pande: That is because the State Government took some time to dispose of and sanction the applications. But I expect that within a month or so they will probably dispose of 2,000 or 3,000 cases. They have now tested the applications and settled the loans to be given to the people. They are now starting disbursement of funds.

Shri Jashvant Mehta: The representative of All India Goldsmiths Association stated that instead of simplifying the procedure, there is more harassment by the administration.

Shri B. D. Pande: There I would like to explain that as far as the goldsmiths are concerned, we have made the form of keeping the accounts so simple that there is just one single form which has only the minimum entries. The entries are the date on which they get the jewels, a brief description of the jewels they have received, the name of the party from whom they have received, the total weight of the jewel and approximate purity. That is only on the receipt side. On the disposal side, the entries are the date on which they

have returned the jewels, the description of the ornaments they have returned, their weight in grams, the estimated purity and the signature of the party. It is a very simple form which, we have said, can be maintained in any regional language, can be written by anybody concerned, it can be written by the customer or anybody. He is not required to submit any return. Anyone can have an occasional checking. We have imposed the least restriction as against very elaborate form of returns that the dealers are to submit. We have also told them that this can be maintained in the normal 12 paise exercise note-book that is available in the market. That is good enough for our purpose.

Shri Jashvant Mehta: You may have noticed in their representation they have said that some family members cannot work together in the same shop with separate identity.

Shri B. D. Pande: Certificates have been given to goldsmiths to work as self-employed goldsmiths in their individual capacity. As individual workers, they are individually working on the making of gold ornaments. Where they need special assistance of certain specialist categories of workers like stone setters, die-casters, wire-drawers, polishers, enamellers, we have permitted them to make use of such specialists. Generally, a goldsmith is not permitted to make use of another general goldsmith because he is a self-employed goldsmith in his own right and working independently.

Shri S. R. Rane: We have heard the evidence and it appears to me that there is a prejudice against the colour of 14 carat gold. Can that colour be improved so as to give it the appearance of a genuine gold?

Shri B. D. Pande: A detailed investigation has been made into this by a special technical committee set up with experts in the gold trade and representatives from the Government Mint and the Indian Standards Institution and after working on a large

number of samples, they have given specifications of broadly of three types of 14 carat gold—red, yellow and white. Red gold is more popular in eastern parts of the country particularly in Bengal; red gold is obtained by adding a larger percentage of copper as alloy. In preparing yellow gold silver and copper are mixed in a different proportion—copper is slightly smaller in proportion while silver is higher in proportion. This gives the yellow the normal colour as that of 22 carat gold. The white variety is an admixture of nickel and zinc. It looks like white. Some people like this for setting stones. We have also got different compositions to make the metal hard or malleable. As a matter of fact, the ISI is working out on this to have detailed specifications. We expect that within a month or two they will probably publish their results which will be available to the Members of this trade too, for their guidance.

Dr. L. M. Singhvi: I would like to start with a question relating to the extent to which 14 carat gold is being used in the country and to ascertain as to what would be the total difference if 18 carat is permitted in India. 14 carat is not popular in India. I want to know, if the 14 carat is raised to 18 carat, what would be the difference of gold that would have to be required for this purpose? Is there any estimate available?

Shri B. D. Pande: I am afraid, I have no figures of the extent of gold required for 18 carat. As you will recollect, yesterday the Governor of the Reserve Bank of India gave an estimate of consumption of gold before control at about Rs. 120 to 125 crores a year. He also said that a part of it was met from out of internal supplies while the other part from smuggled gold. Our estimate of consumption of gold in 1963 the year in which Gold Control came into effect, is about Rs. 60 crores. That is about half of what it was in the previous year. Out of this half, a considerable quantity will come under the

re-making category of ornaments. But, I am afraid, I have no figures to indicate exactly as to how much of gold would be required for preparing 18 carat gold. 14 carat gold goes round to a larger number of people, it is higher in weight. That is partly why 14 carat gold is not popular.

Dr. L. M. Singhvi: By introducing 18 carat, as permissible gold, from which ornaments can be made, would we probably be able to meet the demands of the people and give employment to many goldsmiths? Would it also meet the requirements of policy underlying this Gold Control Bill?

Shri B. D. Pande: It will become a matter of opinion. My opinion would be that the demand would go up very considerably because 18 carat gold will not have the restraining influence as 14 carat gold. The demand will naturally go up very considerably.

Dr. L. M. Singhvi: I would like to know from you as to whether there are difficulties encountered by you in using 14 carat gold in administering these measures. If they can be removed, how much outlay does each unit of a goldsmith require or how much machinery does he require to manufacture the minimum quantity of ornaments of 14 carat purity.

Shri B. D. Pande: The difficulty of using 14 carat gold can be removed. This is my personal view. The main reason why the 14 carat gold has not been in use or popular in this country is that in the past, they were not tempted to make 14 carat ornaments. In other countries where 14 carat is popular, they have developed their technique of having the right type of 14 carat alloy. We have not worked upon it in our country. There has been a hesitation on the part of the trade generally to evolve better varieties or suitable varieties of 14 carat. The moment it is decided that they will have to use that, they will

be able to evolve that. There should be no other difficulties.

Dr. L. M. Singhvi: Probably, it may be due to lack of experience that 14 carat is not popular in India.

Shri B. D. Pande: I would not say lack of experience but I would say lack of technique. They have never worked on 14 carat gold and hence they do not know as to how much of alloy will have to be mixed with gold to prepare this. They have no special equipments to manufacture this.

Dr. L. M. Singhvi: Under the circumstances, would it not be better for Government to have gold and convert it into 14 carat and then supply it to the goldsmiths?

Shri B. D. Pande: The refineries in our country have done good work in manufacturing 14 carat gold.

Dr. L. M. Singhvi: Would you agree that since the number of refineries are few and far between the manufacture of 14 carat gold ornaments is not popular?

Shri B. D. Pande: I would not say so because in Bombay, Madras, Delhi and Calcutta, very good 14 carat gold ornaments are being made.

Dr. L. M. Singhvi: Would you then say that the difficulties to manufacture are temporary and it is mainly the difficulty to the acceptability of 14 carat?

Shri B. D. Pande: That is my personal view. It is true that 14 carat gold ornaments with which the people associate just now by the mixture of copper is a little hard to work upon but the difficulties are not insuperable at all.

Dr. L. M. Singhvi: Have you made any analysis of the various components, labour charges and the proportion of the cost of gold etc. that would be involved in the manufacture of 14 carat ornaments?

Shri B. D. Pande: I have not made any analysis in a detailed form. But, I would say that the 14 carat gold ornament is cheaper to manufacture.

Dr. L. M. Singhvi: Would you say that the outlay of labour for 14 carat objects is too high and that the value of 14 carat of course is much lesser?

Shri B. D. Pande: This is a fact that the goldsmiths and the dealers as such are charging higher making charges for 14 carat gold ornaments compared to the old 22 carat ornaments. Therefore the cost of manufacturing an ornament in 14 carat is *pro rata* higher. Now they are working on something new and there is a possibility of reduction in demand for this. Some of the witnesses said that the general cost of living has gone up and hence the wages of goldsmiths too have gone up. One of the contributory factors why the goldsmiths are familiar with only 18 carat gold ornaments and not with 14 carat gold ornaments.

Dr. L. M. Singhvi: Some special skills and implements would be required for manufacturing 14 carat ornaments.

Shri B. D. Pande: They have got making equipments which can manufacture from 9 to 22 carat gold ornaments.

Dr. L. M. Singhvi: What is the cost of a mechanised equipment for manufacture of 14 carat gold ornaments?

Shri B. D. Pande: I can give you an example. To-day in the biggest centres, there are machines costing Rs. 30,000 having been installed for drawing wires. The traditional method of drawing a wire for 22 carat has gone out of vogue. In bigger cities goldsmiths take their gold to the workshop and draw the wire from the machine for 14 carat gold. This was used for drawing wires. There is no additional expenditure on this. There is also a small die-casting unit. Die-casting which is done

for 22 carat gold ornaments may as well be made applicable for 14 carat gold ornaments.

Dr. L. M. Singhvi: Would you tell us whether it is a fact that the cost of mechanised unit for production of 14 carat objects is quite considerable? Would you also tell us as to what the cost is and whether the machines are manufactured in India and whether the Government has made any effort to popularise the use of machines? If so, with what results?

Shri B. D. Pande: The machines vary from purpose to purpose. There are some machines which are not being manufactured in India, like machines for making chains. Some people have said that they should be allowed to import these.

Dr. L. M. Singhvi: What is the cost of that?

Shri B. D. Pande: It varies. Some people put it at fifty thousand to one and a half lakh of rupees. But at the same time there is a fear in the country that these machines should not be allowed to be imported because they will compete with the traditional artisans and take away their employment. I would refer here to the evidence given by some of the witnesses, for instance the Swarnkars from Kanpur who complained that machines are coming in and the ornaments manufactured by them will be cheaper and therefore Government should not encourage the installation of such machines.

Dr. L. M. Singhvi: How does Government co-ordinate the activities of the Gold Control Administrator and the anti-smuggling activities of the administration?

Shri B. D. Pande: The anti-smuggling activities are under the Department of Central Excise and Customs which is also in the Department of Revenue of the Finance Ministry, and the Gold Control Administrator is also in the same Department. We work together.

Dr. L. M. Singhvi: In what way do you work together, merely because the two wings are in the same Department at present? Is there adequate co-ordination?

Shri B. D. Pande: There is complete co-ordination. As Additional Secretary I get all information and I am entitled to take their assistance whenever I require, and each is working in complete support of the other.

Dr. L. M. Singhvi: Would you say it would be better if the two wings were integrated into one?

Shri B. D. Pande: It is rather difficult, because Customs which deals with anti-smuggling has got so many other activities also which are normal, routine Customs things. One wing of it deals with preventive and anti-smuggling measures. So I do not know whether any special advantage will accrue by amalgamating the two, because Customs have a very big organisation of their own.

Dr. L. M. Singhvi: It is recognised, I believe, that it is the conduit pipes between the international smugglers and the internal consumption or utilisation of gold which have to be counteracted. How do you do it if you do not have a unit of your own to function both on the smuggling front and on the internal market?

Shri B. D. Pande: I do not know whether one single unit in a big country like ours can do the job. But I will make a reference to the latest decision of Government to set up a new Economic Offences Division in the Central Bureau of Investigation which should enable us to take up investigation of difficult cases that come under all the revenue laws which include Gold Control, Customs and other things

Dr. L. M. Singhvi: Don't you think that such a multitude would reduce authority and would work for greater inefficiency in the administration?

Shri B. D. Pande: I would not say so.

Dr. L. M. Singhvi: It would range very widely.

Shri B. D. Pande: I would not agree with you.

Dr. L. M. Singhvi: I suppose you are also entrusted with the task of rehabilitating unemployed goldsmiths. Is that correct?

Shri B. D. Pande: Yes.

Dr. L. M. Singhvi: I would like to know what were the reasons which led the Khera Committee, for example, to come to the conclusion that the response to the legitimate grievances of unemployed goldsmiths was extremely tardy and that this was mainly responsible for the failure of the gold control measure. Could you give us the background of this conclusion?

Shri T. T. Krishnamachari: I do not think Mr. Pande was in the picture at that time. I do not think it is proper to ask him that question.

Shri B. D. Pande: I came into the scene after that.

Dr. L. M. Singhvi: Mr. Pande might not have been in the picture personally, but as the person administering . . .

Shri T. T. Krishnamachari: He cannot express an opinion on a committee which has been appointed by Government. He is an officer. He cannot express an opinion on the policy of Government.

Dr. L. M. Singhvi: I will concede that and go to my next question. When did you take up the task of rehabilitation?

Shri B. D. Pande: I took up this job on 1st October, 1963. The task of rehabilitation had been going on.

Dr. L. M. Singhvi: When you took over, what work had been done in the matter of rehabilitation already?

Shri B. D. Pande: When I took over, except for Gujarat and a little work in Maharashtra, there had been very little progress of rehabilitation in the country. That was the position at that time.

Dr. L. M. Singhvi: After you took over, what was done in the matter of rehabilitation?

Shri B. D. Pande: As I mentioned, the Government gave some more liberal terms to the State Governments about financial assistance, about loans to the goldsmiths. But their demands were that the terms of the loans should be further liberalised. The States wanted some staff assistance because of expenditure on staff and so on. These were given to the State Governments and they were authorised to employ a whole-time officer on this work in each State. These are factors which helped.

Dr. L. M. Singhvi: So, after you took over the response to the legitimate grievances of the goldsmiths were no longer as tardy?

Shri B. D. Pande: I would not attribute it to my taking over.

Dr. L. M. Singhvi: Due to various factors, but in point of time.

Shri B. D. Pande: In point of time there has been more progress in the rehabilitation work.

Dr. L. M. Singhvi: What is the amount of assistance that is extended by the Government? Is it loan assistance only or any other type of assistance?

Shri B. D. Pande: Loan assistance; there are technical training schemes; there is the assistance for setting up industrial co-operative societies, giving them technical knowhow, technical assistance, raw materials for use in industries. In large industrial units they

may set up, and educational assistance to the children.

Dr. L. M. Singhvi: There are no outright grants as such?

Shri B. D. Pande: Except the expenditure on education and technical training, which is made as an outright grant to the State Governments.

Dr. L. M. Singhvi: You remember, some of the witnesses told us that even for loan assistance they were required to produce evidence of their capacity to repay the loans that were being extended to them, and in some cases they were being asked to produce the title deeds of the houses or properties. Is that correct?

Shri B. D. Pande: That would be correct. It all depends upon the amount of loan they want. Almost every State has got a rule that if the amount of loan required is less than a certain amount, which varies . . .

Dr. L. M. Singhvi: What is it?

Shri B. D. Pande: About Rs. 750 to Rs. 1,500 according to the rule of the different States. That can be advanced on the personal bond of the person concerned. But if it is higher say Rs. 2,000 or Rs. 5,000, as is required by the financial rules of the State Government, he has to give full and satisfactory account of the security or the sureties he can offer for that amount of loan.

Dr. L. M. Singhvi: Beyond what amount do you require security or surety?

Shri B. D. Pande: As I said; the rules vary from State to State. It varies—Rs. 750, Rs. 1,000, Rs. 1500, Rs. 2000.

Dr. L. M. Singhvi: Don't you think that such a condition precedent to the advancing of a loan makes it impossible to avail of the loan? If they had properties of their own, they would not ask for a loan. Generally

speaking, in that class of goldsmiths, self-employed goldsmiths, they may not have any property of their own, and therefore they cannot avail of it.

Shri B. D. Pande: Surety of property is not required. They can give surety of two respectable persons in the locality, and if it is a loan for industrial purposes, they are required naturally to pledge the machinery that they buy. There is no difficulty about that.

Dr. L. M. Singhvi: According to the witnesses who appeared before us there were all manner of difficulties in the matter of receiving loans and assistance. Would you tell us whether your Department has made a comprehensive analysis of the amount of assistance offered in each State, the assistance availed of by different classes of goldsmiths and the extent to which such assistance was able to salvage them from penury and helplessness?

Shri B. D. Pande: Yes, we have been examining the position in each State, and also I had been attempting to sort out the difficulties the parties may have with the State Governments or the difficulties they may have; and, as I mentioned, where the State Government has started on the job—as for example in Gujarat which today has disbursed more than Rs. 1½ crores—there is no difficulty whatsoever in the procedure that is working. The same is the position in Maharashtra, Madras and in other States. But where the State Governments are just starting on the programme or have again, got difficulties and hesitations and do not know how to screen out the applicants, there is a delay. But once they get over the delay and a beginning is made there is no difficulty.

Dr. L. M. Singhvi: I take it that you have an overall picture of what has been done so far, an analysis of what has been done so far and what is proposed to be done. If you do have such an overall picture,

would you give us the figure and your evaluation?

Shri B. D. Pande: Yes; I will circulate it.

Dr. L. M. Singhvi: Would it be correct to say that in cases in which loans have been extended or some other assistance has been extended it has not been possible for the goldsmiths for certain inherent difficulties to utilise such assistance, other than pecuniary or loan assistance? Is it a fact that some of this assistance—as you said, there is technical and other kinds of assistance—which is available cannot be utilised on account of the brief-in shortcomings in the profession or in the occupation of goldsmiths?

Shri B. D. Pande: I would not say so. There is, of course, always delay in the utilisation of assistance and change-over from an old profession to a new profession; but I would not say that there are built-in difficulties in this.

Dr. L. M. Singhvi: Have you made any analysis of the age groups of goldsmiths who are able to take the assistance and those who are not able to accustom themselves to a change of occupation?

Shri B. D. Pande: The older age groups are not able to change over. That, of course, is true.

Dr. L. M. Singhvi: What would you suggest for this older age group?

Shri B. D. Pande: Most of the older age group people are working as certified goldsmiths. So, they are not eligible for rehabilitation assistance today. As I mentioned yesterday, some 217,000 goldsmiths are working as certified goldsmiths.

Dr. L. M. Singhvi: You said that there was no necessity for integrating into one unit the anti-smuggling administration and the gold control administration.

Shri T. T. Krishnamachari: Again, this is a matter of Government policy. It has nothing to do with the Bill. How the administration is run is a different matter. There is a different forum; you can criticize us in Parliament. So far as this particular Bill is concerned, he cannot answer any question of policy. Administrative arrangements are not within his competence. He has got to do what he is asked to do. Therefore there is no question of asking for his opinion. It is wrong for him to express an opinion on a matter like this which is a matter of administrative decision on the top level. You can certainly say that it is all wrong but he cannot answer that question.

Dr. L. M. Singhvi: All right; I hope, somebody else will.

Chairman: We can discuss here matters of policy; the Finance Minister is here. Yesterday also I ruled out those questions.

Dr. L. M. Singhvi: I accept that. I would like to know now as to what is the estimated extent of non-declaration.

Shri B. D. Pande: Actually, you will recollect that while evidence was being taken of other witnesses, it was pointed out that we have no idea of what is really the declarable quantity of gold. Therefore, it is impossible to estimate what the extent of non-declaration is. The Reserve Bank estimate of Rs. 4,000 crores at current prices has been circulated; but, first of all, there are so many uncertainties in that assumption. There are so many 'ifs'. It starts with a calculation from the year 1493. One is not sure as to what is the real quantity of gold in the country. Then, there is a second very big factor, namely, what is the extent held in ornaments. That report which has been circulated to the members of the Committee says that 80 per cent is estimated to be in terms of ornaments, but yesterday

we heard the Governor say that between 90 and 95 per cent is in terms of ornaments. So, I do not think anybody really knows what is the figure. Then, if we have only 5 per cent of Rs. 4,000 crores as declarable, as Members will recollect, the original order of declaration gave exemption of 50 grammes for an adult and 20 grammes for a minor. From that point of view there is no estimate at all of what was declarable. Therefore to say how much has not been declared is extremely difficult to arrive at.

Dr. L. M. Singhvi: The Khera Committee in paragraph 32 of its Report felt that the position prevailing at that time in respect of the refineries was highly anomalous because of the distinction drawn on the basis of use of power. What has been done to remove that anomaly?

Shri B. D. Pande: That distinction of refineries has been removed and all refineries, whether using power or working without power, are eligible to be licensed. But keeping in mind the broad principles which have been laid down in the Gold Control Order and which are also embodied in the Gold Control Bill, licensing of refiners has been taken up throughout the country on a regional basis and according to the distribution of dealers and the requirements of individual States.

Dr. L. M. Singhvi: From the administrative point of view what would be the consequence of increase or decrease in the number of refineries.

Shri B. D. Pande: We cannot have a very large number of refineries because refineries are one of the most important points of control. But originally, before this report was written and when only power-operated refineries were allowed to function, I think the number was only about 39 or 40 in the whole country. But now about 120 refineries have been licensed and to the best of my information that number is by and large adequate to meet the requirements of the trade.

I have had no complaints except in one or two small areas for adjustment which I am looking into. But by and large this number 120 is meeting the requirements of the trade throughout India.

Dr. L. M. Singhvi: But this number has been arrived at by refusing applications for licence of certain refineries.

Shri B. D. Pande: Certain applications have certainly been refused.

Dr. L. M. Singhvi: What criteria were followed in accepting or refusing the licences?

Shri B. D. Pande: The criteria are more or less spelt out in the Bill also. Following the criteria that are given in the Bill licences have been granted.

Dr. L. M. Singhvi: I would like to know how the administration in practice not in terms of policy makes a distinction between the three classes of goldsmiths, namely, those employed by big dealers who are presumably licensed under their control, those who work as out-workers and get their business in part from orders received from licensed dealers and the rest who are self-employed, small goldsmiths who operate at present, if at all they operate, without a licence. In practice how does this distinction operate and which is the class most affected by unemployment as a consequence of the gold control measure and what is being done to alleviate their problems?

Shri B. D. Pande: Probably all the three classes of people in one form or the other are affected but the employees of dealers who work in the dealers' premises are usually employed by them in the manufacture of new 14 carat ornaments. The out-workers also are people who get regular business from dealers and are working on the manufacture of 14 carat ornaments but at their homes. The self-employed goldsmiths are people who are working on their own. Rehabilitation assistance is available

to all the three classes of goldsmiths if they get unemployed from their previous occupation whether it was as an out-worker or as an employee of a dealer or as a self-employed goldsmith. If they are artisans, they are eligible for assistance.

Dr. L. M. Singhvi: Would it increase the employment potential if goldsmiths were permitted to employ each other and would it facilitate your working?

Shri B. D. Pande: It is unlikely; but it would go against the basic concept of self-employed goldsmiths. They would then become businessmen and it will become a big factory employing people. That will mean a defeat of this whole principle of gold control.

Dr. L. M. Singhvi: Is there any special scheme for the rehabilitation of out-workers?

Shri B. D. Pande: They come under the same category of goldsmiths and artisans.

Dr. L. M. Singhvi: Using perhaps as the starting the estimate given by the Khera Committee, I would like to have some sort of estimate of the total resources that may be required to rehabilitate satisfactorily the unemployed goldsmiths.

Shri B. D. Pande: The estimate given in the Khera Committee is about Rs. 20 crores. As was mentioned, a sum of Rs. 3½ crores was provided to the State Governments last year and Government propose to provide another Rs. 5 crores this year to the extent that the State Governments can utilise it. The Finance Minister also has said that there would be no difficulty of funds, if more funds are required. It is yet difficult to make a correct estimate of the total amount required.

Dr. L. M. Singhvi: What is the administrative relationship between the Gold Control Administrator and the

various State Governments administering the rehabilitation measures? For instance, there are the problems of co-ordination, control, efficient execution of plans, etc.

Shri B. D. Pande: I have frequent meetings with the gold control officers in the different States. We correspond with each other and meet each other.

Shri P. Ramamurti: I would like to know how all these questions are relevant to the consideration of the Bill.

Dr. L. M. Singhvi: I think the Member's conception of the work of the Joint Committee is highly constricted and highly unrelated to the very purpose of making this Bill being processed through the Joint Committee. If the working of the gold control administration cannot be scrutinised in this committee, I do not think this committee can usefully contribute to reporting on this Bill. I would like to know how many prosecutions have been launched for violations of gold control rules so far?

Shri B. D. Pande: There have been 79 prosecutions so far.

Dr. L. M. Singhvi: Have any prosecutions been concluded?

Shri B. D. Pande: I think some of them have been concluded.

Dr. L. M. Singhvi: Can you give us a tabulation of the offences for which these people were tried, because the penal provisions of the Bill have to be formulated in the light of the experience acquired in prosecutions so far?

Shri B. D. Pande: I can give it, but it will take a little time.

Chairman: Are all these details necessary as to the nature of the offences?

Dr. L. M. Singhvi: For example, there is a particular provision in the

gold control order under which by and large prosecutions have been launched. Either the prosecution has not succeeded or it has succeeded. We want to know how we can provide in the Bill, as we report to the House, the safeguards both for the liberties of the people and for making the Bill acceptable.

Chairman: The success of the prosecution would depend on the evidence.

Dr. L. M. Singhvi: We are not interested in the evidence, but in the pattern of violations and how they are dealt with.

Chairman: I think those details are not necessary.

Dr. L. M. Singhvi: I do not think it should be difficult to supply details of 79 prosecutions, because a very important part of the Bill relates to penalties provided and prosecutions launched. I want to know whether the gold control administration has given any special attention to the problem of pawn brokers in States where pawned jewellery under the law is required to be sold only by auction. How has the problem been solved?

Shri B. D. Pande: According to the State law on the subject, the disposal of pawned ornaments has to be effected. There was a special difficulty in States in South India where the gold control rules came into conflict with the State law. That has been resolved. Elsewhere there is no difficulty at all because there is no special legislation of the State Government regarding the disposal of pawned ornaments.

Dr. L. M. Singhvi: Has there been any case of smuggling of 14 carat gold bars into the country so far?

Shri B. D. Pande: Not to my knowledge.

Dr. L. M. Singhvi: Would it help or hinder the task of rehabilitation if it is tided to a family rather than to an individual?

Shri B. D. Pande: Rehabilitation is tied to a family.

Dr. L. M. Singhvi: Would it not be better from the point of view of alleviating the sufferings and difficulties of individuals to tie it to individuals rather than to families? After all, family is a very variable concept and also in the present conditions it may not afford adequate assistance.

Shri B. D. Pande: Family is not a very variable unit. We have taken a family to include husband, wife and minor children. Brothers and adult sons with their own families are treated as separate units. This is the unit adopted in most schemes of rehabilitation. After all the husband cannot be rehabilitated separately, the wife separately and the minor children separately.

Dr. L. M. Singhvi: Would you give us an estimate of the total time required to rehabilitate the goldsmiths in a satisfactory manner?

Shri B. D. Pande: I cannot make a guess.

Shri B. D. Pande: By old arrangement if you mean the Gold Control Gold Control Administrator independently after the old arrangement was scrapped or you were there during the old arrangement also?

Shri B. D. Pande: By old arrangement if you mean the Gold Control Board, I took over after the Gold Control Board was abolished.

Shri Dahyabhai V. Patel: You just now mentioned that 14 carat gold has been introduced with a view to restrain the people's lure for gold.

Shri B. D. Pande: It will reduce consumption.

Shri Dahyabhai V. Patel: Don't you think over a period of years, by mixing 14 carat gold with other processes, they would be able to evolve

a polish equal to the higher variety very soon?

Shri B. D. Pande: If your question is that 14 carat gold can look as good as....

Shri Dahyabhai V. Patel: Exactly.

Shri Dahyabhai V. Patel: Exactly. so.

Shri Dahyabhai V. Patel: Then how does your answer stand that it is primarily with a view to restraining the lure of gold when the value of the currency is falling, people like to take and hoard gold because it gives them security; the agriculturists like to keep gold because in times of stress it gives them quick relief. You can pawn it and raise money on it quickly. What does it matter if it is 14 carat or 18 carat? If one is getting gold of lower quality, one will try to keep a larger quantity of it if one can afford to do so.

Shri B. D. Pande: That is a matter of argument and conclusion. One cannot say how the people will react.

Shri Dahyabhai V. Patel: Would I be right in saying that the basis on which you are working is not very correct?

Shri B. D. Pande: I would not say so.

Chairman: You may hold your own opinion.

Shri B. D. Pande: It is a matter of deriving conclusions from certain facts.

Shri Dahyabhai V. Patel: I am deriving conclusions from his own answers.

Chairman: Do you expect him to say that it is correct? It is impossible.

Shri Dahyabhai V. Patel: We heard a lot of complaints from several witnesses that the rehabilitation grants

were not adequate and that certain disabilities attached to people who got these grants. It acted more as a hardship than as a help to them. What is your answer to that and what is the remedy?

Shri B. D. Pande: The principle disability to which they referred, if I remember correctly, is that they are not allowed to function as certified goldsmiths having received rehabilitation assistance. The first and primary purpose of rehabilitating them is that they will not work as certified goldsmiths. They can either work as goldsmiths or be rehabilitated in some other alternative employment. It is really not a hardship. If you have given up that job, the assistance is to assist in rehabilitating you elsewhere.

About the inadequacy of the grant the Akhil Bharat Swarankar Sangh and some of their affiliated units have been saying that Government should give a flat grant of Rs 7,500 without security, without any analysis or study of the person and without examining the purpose and that this Rs. 7,500 should be for everybody concerned. It is difficult to concede a request of that nature because depending upon the purpose for which it is required and upon the capacity of the person who takes the loans, the amount has to vary. These are the two things on the basis of which they say that the amount is inadequate and that there are hardships involved.

Shri Dahyabhai V. Patel: Do you take into account the size of the family or the dependents of the person who is taking the loan in fixing the amount of the loan?

Shri B. D. Pande: Yes; it has been suggested to the State Governments that they should take into account the size of the family, the purpose for which the loan is required, the capacity of the person to utilise the loan. All these things are factors which come into the picture and can be taken into account.

Shri Dahyabhai V. Patel: You have nothing to do directly with anti-smuggling measures that Government is trying to take particularly in the matter of gold smuggling?

Shri B. D. Pande: In connection with gold, yes.

Shri Dahyabhai V. Patel: Do you feel that the measures that you have taken have led to an increase or decrease in the activity of smuggling?

Shri B. D. Pande: I am unable to express any opinion on that, as to whether it has increased or decreased.

Shri T. T. Krishnamachari: I think, the question that could be legitimately asked would be whether the demand has been on the increase or on the decrease. Activities by themselves is a matter outside the purview of the officials.

Shri Dahyabhai V. Patel: I stand corrected. I put the question in the form the Finance Minister suggests.

Shri B. D. Pande: I can give a few figures which I have collected of detections. In 1960 we had 363 detections; in 1961 we had 494; in 1962 we had 400 detections; in 1963 we had 289 detections and in 1964 up to June we have had 200 detections.

Shri Dahyabhai V. Patel: These are only the numbers of cases. But are the cases of larger value or of lesser value?

Shri T. T. Krishnamachari: Late 1963 and early 1964 cases are of larger value.

Shri Dahyabhai V. Patel: Though the number is small, the smuggling operations appear to be of a larger value.

Shri T. T. Krishnamachari: This does not follow. It only means that detections have been small and large quantities have been seized.

Shri Dahyabhai V. Patel: Do you think that detections are more efficient than they were before?

Shri B. D. Pande: It is very difficult to say. I would not venture any opinion on that.

Shri Dahyabhai V. Patel: Has the Gold Control Board made any study of the measures of detection adopted by other countries where they have similar measures?

Shri B. D. Pande: It is a part of our job to keep on studying and to see what can be done to control smuggling and what steps should be taken.

Shri Dahyabhai V. Patel: I think, the Governor of Reserve Bank gave us an example of what was being done in France about the purchase of gold and how they were trying to change the habits of the people there. Has any study been made of other countries?

Shri B. D. Pande: We have attempted to study the work done in other countries. We got information from a number of them.

Shri Dahyabhai V. Patel: How many countries? Can you name some of them?

Shri B. D. Pande: I have circulated to the members of the Committee, for instance, the position that is prevalent in the UK, USA, France, Sweden and some of the Asian countries, like, Malaya, Australia etc.

Shri Dahyabhai V. Patel: According to your information is there such large-scale smuggling operations in those countries also or are they connected with an international ring?

Shri B. D. Pande: The question of smuggling does not arise in those countries where the price of gold is at the international level.

Shri Dahyabhai V. Patel: That is the basic point, namely, where the

price of gold is at the international price level, smuggling is not there.

Shri B. D. Pande: Or, where there is free import and export of gold even if it is not at international price, there is no question of smuggling.

Shri Dahyabhai V. Patel: So, it is because of the artificial price that there is this lure of smuggling of gold?

Shri B. D. Pande: You can derive any conclusion from that.

Shri T. T. Krishnamachari: It will not be correct to isolate the cause.

Shrimati Tara R. Sathe: There is a general impression among some goldsmiths as also among the general public that about 200 goldsmiths had to take resort to suicides. Is that figure correct? Have you tried to collect the names and details of their families? Has the Government given some assistance to them?

Shri B. D. Pande: The reply to this question was given some days ago by Shri Bhagat when this question was raised. He had referred to an answer that was given to a Parliament question last year in October in which he had said that the reports from States indicated about 17 deaths but it was not clear whether the suicides were all due to gold control or there were other reasons.

Shrimati Tara R. Sathe: If there were some suicides due to the Gold Control Order, were their families given some special assistance or not?

Shri B. D. Pande: I am not aware whether the State Governments have given any assistance to them.

Shrimati Tara R. Sathe: You remember that some of the sarafs said that the ornaments made from 14 carat gold require some gold polishing in order to give the appearance of 22 or 24 carat gold ornaments. You said that some 14 carat gold can look

like yellow and some look white. Do you feel that there is any necessity to have some polishing after the article is prepared?

Shri B. D. Pande: I understand all ornaments, whether they are of 22 carat or 18 carat or 14 carat, need to be polished from time to time. Even 22 carat ornaments get dull after a certain time and quite a number of people get their ornaments polished so that they look bright.

Shrimati Tara R. Sathe: What the sarafs meant by polishing was the gold coating.

Shri B. D. Pande: It is not the gold coating. The polishing is done by using certain chemicals. That is the general process of polishing. They all polish it that way.

Shrimati Tara R. Sathe: Does the 14 carat gold ornament require the polishing by a higher carat gold? If I understood aright, their intention was that this polishing was not with the 14 carat gold but with a higher carat gold.

Shri B. D. Pande: Most of the ornaments, I understand, are polished. Generally, people give ornaments after 5 or 6 or 7 years for polishing. Similarly, 14 carat ornaments also need polishing from time to time.

Shrimati Tara R. Sathe: I think the Government will find it out.

Shri B. D. Pande: As far as polishing is concerned, it is not done by gold. The polishing is done by using certain chemicals for clearing ornaments and removing dust and superficial layers of some kind.

Shrimati Tara R. Sathe: So, 14 carat gold need not have any gold of higher carat for polishing.

Shri B. D. Pande: No.

Shrimati Tara R. Sathe: As regards the goldsmiths who are old and who cannot change to other vocations, has

the Government given them some monthly doles or some kind of assistance?

Shri B. D. Pande: No doles. Those goldsmiths who are continuing in the profession will be permitted to work in that field.

Shrimati Tara R. Sathe: I am talking about those who are old and who cannot work on 14 carat gold because it requires more labour and it requires some type of machinery.

Shri B. D. Pande: Such goldsmiths can work on 22 carats. They can work as self-employed goldsmiths and prepare the ornaments. They will get the work on that basis.

Shrimati Tara R. Sathe: Are you going to control the price of 14 carat gold or you will allow it to fluctuate?

Shri B. D. Pande: The price control is a matter of policy. I cannot say whether any price control will be imposed by the Government.

Shrimati Tara R. Sathe: How do you charge the licence fees? What is the principle or criteria that are taken into consideration?

Shri B. D. Pande: The licence fee fixed for the dealers and refiners is Rs. 100 on the first application and Rs. 25 for renewal.

Shrimati Tara R. Sathe: That is for everybody whatever the turnover may be?

Shri B. D. Pande: Yes; the licence fees are not usually related to the turnover. The licence fees are usually fixed at the flat rate. As far as the certified goldsmiths are concerned the licence fee is only Re 1.

Shrimati Tara R. Sathe: You know that the goldsmiths and sarafs are quite against the powers given to the Gold Administrator. They say that:

they are harassed. What have you to say about that?

Shri B. D. Pande: It is very difficult for me to say anything on that. If there is any complaint of a specific harassment or anything else, that certainly can be looked into. That is part of my job. It is my job to go into the cases of any mal-treatment or harassment and to see that action is taken against the departmental officials. If they have not acted correctly, then there is always the remedy to get it corrected by the legal process of appeals and revisions. They can bring matters to my notice so that I can take action on that.

Shrimati Tara R. Sathe: They said that there are some sarafs who want to import some machinery, say, worth about Rs. 1 lakh or something like that. Will the Government help the goldsmiths in providing them small machinery, say, worth Rs. 1000 or Rs. 2000 which could help them to work on 14 carat gold because that requires more labour and that machinery can help them in saving the labour. Say for example 4 or 5 goldsmiths can have one machine for drawing the wire and all that. Would it help them in that way?

Shri B. D. Pande: As I mentioned, we have already allowed the goldsmiths to take the help of specialists who have got these wire drawing machinery. My information is that a wire drawing machine costs something like Rs. 30,000 or so. It is not usually the small goldsmiths who have got it. He must be a person of means who has invested something like Rs 30,000 or Rs 35,000 in one machine.

Shrimati Tara R. Sathe: There will be some other machines also to save their labour.

Shri B. D. Pande: I am not aware.

Shrimati Tara R. Sathe: It requires more labour to work on 14 carat gold. Is it not?

Shri B. D. Pande: They say that it is hard to work upon it. But as I

mentioned, it is probably due to the difficulty of working on a new metal or their reluctance to work on this type of metal.

Shrimati Tara R. Sathe: They work also on silver.

Shri B. D. Pande: They work on silver, on copper, on brass and so on.

Shrimati Tara R. Sathe: In the Khera Report, on p. 9, para 25 it is stated:

"By the end of August, 1963, the Central Excise authorities had conducted more than 3000 successful searches in the sense that these searches led to the discovery of gold which should have been declared but had not been declared."

What is the position today?

Shri B. D. Pande: This legal difficulty was got over immediately at that time. There was a misreading and there was some misprint in the Defence of India Rules which was corrected at that time.

Shrimati Tara R. Sathe: The Government is taking action against these people.

Shri B. D. Pande: Yes. That difficulty has been got over.

Shrimati Tara R. Sathe: You have given permission to goldsmiths to prepare or remake the ornaments of 20 or 22 carat gold. Don't you feel that there is every possibility on their part to mix smuggled gold while remaking these ornaments?

Shri B. D. Pande: It is a matter of opinion again.

Shrimati Tara R. Sathe: There is no check. One can give some ornaments to the goldsmiths and take back from them. There is no Government machinery involved.

Shri B. D. Pande: There is the Government machinery involved. In cases of suspected violations or use of smuggled gold, certainly the Government machinery can go and check it.

Shrimati Tara R. Sathe: What I say is, any customer can go to the goldsmiths with ornaments and take the ornaments back.

Shri B. D. Pande: Yes; the customer goes direct to the goldsmith.

Shrimati Tara R. Sathe: There is no check from the Government side.

Shri B. D. Pande: Not in every transaction. We cannot possibly check every transaction between the customer and the goldsmith. There are 2 lakh goldsmiths. I do not know the number of customers.

Shrimati Nandini Satpathy: You have said that by introducing this 14 carat gold, it can be sent to a wider section of the people. I would like to know what is the intention of the Government to send it to a wider section of the people. Is it not just encouraging the people to use ornaments or, in other words, to support their lure for gold which is just contradictory to this idea?

Shri B. D. Pande: It was not that it would be sent out or distributed to a wider section of the people. The point was that because 14 carat gold ornaments consume less gold, more such ornaments can be prepared out of the same quantity of gold.

Shrimati Nandini Satpathy: Those people who want to have more gold can have more ornaments with 14 carat gold.

Shri B. D. Pande: But there is a limit on the total number of ornaments that a person will have. A person may have a certain number of ornaments of one type and he cannot have more. If a certain bangle is of a certain width, it will remain

at that width. So, 14 carat will weigh less and more ornaments of that width can be made of 14 carat than of 22 carat gold.

Shrimati Nandini Satpathy: Is there any ceiling fixed for the possession of 14 carat gold?

Shri B. D. Pande: No.

Shrimati Nandini Satpathy: It is said that some expensive tools are required to make 14 carat ornaments. Will the machines be allowed to be imported?

Shri B. D. Pande: It is not really necessary to have machines. The work can be done manually. But some works become simpler by machines and easier also. There are two views on this matter. One view of the artisans is that they do not want machines to be imported but some dealers want machines to be imported for specialised work.

Shrimati Nandini Satpathy: There is no control on dealers having these machines?

Shri B. D. Pande: Control will come in if they have to be imported and foreign exchange is needed; if it is internal machine, they do not need any permission.

Shrimati Nandini Satpathy: It is evident then that those people who can afford these machines will monopolise the ornament trade.

Shri B. D. Pande: That industry in India is so individual and artistic and it has got its individual character. I doubt if machines will take over the work of the individual artisan.

श्री बी० एल० चांडक : आपने कहा है कि १४ कैरेट गोल्ड की डिमांड बहुत बढ़ने वाली है ।

श्री बी० डी० पांडे : यह तो मैंने नहीं कहा है ।

श्री बी० एल० चांडक : श्री सिधवी के सवाल के जवाब में आपने कहा था । खैर, इसको छोड़ दीजिये । आप यह बताइये कि आपके खयाल से १४ कैरट गोल्ड की डिमांड बढ़ने वाली है या घटने वाली है ?

श्री बी० डी० पांडे : यह कहना तो बहुत मुश्किल है । मैंने कहा है कि चौदह कैरट की ज्यादा डिमांड नहीं है ।

श्री बी० एल० चांडक : क्यों इसकी ज्यादा डिमांड नहीं है ? आप तो इस को पापुलर बनाना चाहते हैं, फिर क्या कारण है कि इसकी डिमांड नहीं है ?

Chairman: That has come in the evidence of the other witnesses.

श्री बी० एल० चांडक : अभी कहा गया है कि १४ कैरट को कम पापुलर बनाना चाहते हैं । यह भी कहा गया है कि दूसरे मुल्कों में गोल्ड कंट्रोल है और वहां लोग नौ कैरट गोल्ड की वैडिंग रिस्त्रिक्शन् का उपयोग करते हैं । हमारे यहां भी ऐसा किया जा सकता है । मैं जानना चाहता हूं कि क्या कारण है कि आप चौदह कैरट पर ही जोर देते हैं, इससे कम या ज्यादा पर नहीं देते हैं ।

श्री बी० डी० पांडे : इसका जवाब देना तो बहुत मुश्किल है । इसका जवाब तो फाइनेन्स मिनिस्टर साहब ने ही दे दिया था कि क्यों चौदह कैरट की ही हम बात करते हैं ।

श्री बी० एल० चांडक : आप का क्या यह खयाल है कि चौदह कैरट के अगर आर्नामेंट्स बनाये जायेंगे तो सोने के प्रति लोगों का थोड़ा कम हो जाएगा ?

Chairman: It is a matter of policy.

श्री बी० एल० चांडक : अन्य मुल्कों को कोट किया जाता है और यह कहा जाता

है कि और भी मुल्क में गोल्ड कंट्रोल है । मैं जानना चाहता हूं कि क्या उन मुल्कों में भी इस तरह से कोई क्वालिटी कंट्रोल है ?

श्री बी० डी० पांडे : यह मैं बता चुका हूं कि दूसरी कंट्रीज में क्या रूल्ज हैं क्या रेग्युलेशन्ज हैं । जहां तक हमें मालूम है दूसरी कुछ कंट्रीज में चौदह कैरट, नौ कैरट के ही आर्नामेंट्स बनते हैं और वहां पर इससे अधिक का रिवाज ही नहीं है और लोग नेते भी नहीं हैं ।

श्री बी० एल० चांडक : क्या वहां पर कोई क्वालिटी कंट्रोल है या लोग अपनी इच्छा से ही इतने कैरट के सोने को पसन्द करते हैं ?

श्री बी० डी० पांडे : जहां तक मुझे मालूम है क्वालिटी कंट्रोल उस में नहीं है । दो तीन कंट्रीज का हमें मालूम है कि उनकी कोई प्राबलैम नहीं है क्योंकि डिमांड आर्नामेंट्स के लिये नहीं है ।

श्री बी० एल० चांडक : चौदह कैरट या उस से भी कम सोने को वहां पापुलर बन जा सका है, तो हम ही यहां क्यों चौदह कैरट की पाबन्दी लगाते हैं ?

श्री बी० डी० पांडे : हर एक कंट्री की अपनी अपनी कंडिशन होती है । उनके यहां सोने की डिमांड बहुत कम है या है ही नहीं ।

श्री बी० एल० चांडक : तो इसका यह मतलब हुआ कि चौदह कैरट या इससे भी कम कैरट के सोने को पापुलर बनाया जा सकता है ।

श्री बी० डी० पांडे : हो सकता है ।

श्री बी० एल० चांडक : यदि हो सकता है तो फिर क्वालिटी कंट्रोल की क्या जरूरत है ?

श्री बी० रा० भगत : यह पालिसी का सवाल है ।

Shri Balgovind Verma: Do you think that 14 carat gold is going to help us in putting an end to gold smuggling?

Shri B. D. Pande: It will make the gold available in the country go a longer way. The gold control rules are generally to assist in reducing or checking smuggling.

Shri Balgovind Verma: Are you aware that the cost of manufacturing ornaments out of 14 ct. gold is very high? If so what steps are you taking to reduce it?

Shri B. D. Pande: I have already mentioned that goldsmiths are charging more for the manufacture of 14 carat gold ornaments. But my belief is that once they are used to it, probably the charges will stabilise.

Shri Balgovind Verma: Will they come down?

Shri B. D. Pande: They may; they can.

Shri Balgovind Verma: Have you any idea to ask the general public at some future date to get their ornaments converted to 14 ct. and if so do you think that your efforts are likely to succeed?

Shri B. R. Bhagat: It is a question of future policy. How can we say?

Shri Balgovind Verma: Are you justified in eliminating the art of jewellery making which has been there from times immemorial?

Shri B. D. Pande: That is not the purpose of the gold control order.

Chairman: You cannot ask like this: are you justified....? That is outside our purview.

Shri Balgovind Verma: Policy matter is a very wide term and it can cover anything. Anyway, my next question is: Are you aware that gold ornaments of more than 14 ct. purity

are being made in an unlimited quantity every day and if so how do you account for the 14 ct. jewellery to meet with success?

Shri B. D. Pande: It is not in unlimited quantities. But reports of clandestine manufacture are received and wherever firm information could be obtained, action is taken to catch such people.

Shri Balgovind Verma: Have you taken any action so far?

Shri B. D. Pande: Yes, in several cases.

Chairman: He has given the number of cases also.

Shri B. D. Pande: That was about prosecution. Departmental action has also been taken in a very large number of cases.

Shri Balgovind Verma: Can you give the number of cases?

Shri B. D. Pande: The total number of seizures including all kinds of seizures during the last 1½ years, since this came into force, was over 5,000. This not only includes cases of manufacture of ornaments, but all types of cases.

Shri Balgovind Verma: Do you think that the expenditure that we are going to incur on implementation of this policy of popularising 14 ct. gold is commensurate with the benefits that the country is going to get?

Shri B. D. Pande: We are not incurring any expenditure on this.

Shri Balgovind Verma: You are going to establish a huge army of officers.

Shri B. R. Bhagat: That relates to future organisation. As it is, not much expenditure is incurred on popularising this.

Shri Balgovind Verma: We are going to incur Rs. 24,84,000 yearly.

Shri B. D. Pande: That is on enforcement and rehabilitation. This represents the cost of State Gold Control Officers and their establishment.

Shri Balgovind Verma: Rehabilitation is not included in this.

Shri B. D. Pande: The expenditure on State Gold Control Officers and their establishment is included in this.

Shri Balgovind Verma: Are you aware that smuggled gold is available in the market in any quantity as one likes?

Shri B. D. Pande: Not in any quantity. But certainly it is available at some places. There are some reports like that.

Shri Balgovind Verma: I find that one can get as much gold as one likes. I have been told like that.

Shri B. D. Pande: That may be your information. But I cannot say whether any quantity is available.

Shri Balgovind Verma: Have you ever made any attempt to get hold of such traders?

Shri B. D. Pande: We have tried to catch as many as possible. Only recently we had a big gang unearthed in Delhi which was dealing in smuggled gold.

Shri Balgovind Verma: Have you any future scheme in mind to do away with the class of middlemen jewellers and establish direct relations between manufacturers and consumers?

Shri B. D. Pande: The scheme of self-employed goldsmith is to establish direct contact between the customer and the manufacturer.

Shri Balgovind Verma: Have you got any scheme to do away with the middlemen who are perpetuating the evil?

Shri B. D. Pande: The work of re-making ornaments, repairs and polish is to be entered into directly between the customer and the goldsmith. No intermediary dealer comes in between.

Shri Balgovind Verma: These middlemen employ these goldsmiths and they exploit both the consumers and the goldsmiths.

Shri B. D. Pande: They have no place in the scheme of remaking, repair and polish.

Shri Balgovind Verma: I am referring to these big houses who try to exploit goldsmiths by giving them less and at the same time charging more from the consumers.

Shri B. D. Pande: These self-employed goldsmiths are not allowed to take work from the dealers.

Shri Balgovind Verma: But it generally happens everywhere.

श्रीमती लक्ष्मी बाई: आज कल जो सोने के जेवर बनते हैं, व कितने कैरट के हैं यह पता लगाने के लिए क्या आपने कोई मशीन बनायी है ?

श्री बी० डी० पांडेय: हर जगह ट्रेड में इसकी सुविधा है, कुछ लोग हैं जो कि रेग्युलर टैस्टिंग करते हैं, इसके अलावा यह काम रिफाइनरीज में और मिट में हो सकता है ।

श्रीमती लक्ष्मी बाई: मैं एक दिन दो तोला सोना टैस्ट करवाने के लिए ले कर गयी तो एक सुनार ने बताया २१ कैरट, दूसरे ने बताया १८ कैरट और तीसरे ने बताया १७ कैरट । क्या आपने कोई ऐसा तरीका निकाला है जिस से यह कठिनाई दूर हो सके ?

श्री बी० डी० पांडेय : हो सकता है कि कुछ दिन बाद हमको क्वालिटी कंट्रोल का हाल मार्क लगाना पड़े ताकि

कस्टमर्स को ठीक पता हो सके कि उन को १४ कैरट का जेवर मिल रहा है । रिफाइनरीज को तो आर्डर कर दिया गया है कि जो सोना वे बेचें उसकी गारंटी करके बेचें ।

श्रीमती लक्ष्मी बाई : आजकल जो असली सोना बचा जाता है उसको लोग नहीं लेते यह कह कर कि हम इसको नहीं खरीद सकते । जिसको जरूरत होती है, उसको उस सोने को कम कीमत पर बेचने के लिए विवश होना पड़ता है ।

श्री बी० डी० पांडेय : कुछ तो ट्रेडर टांके का, शोल्डरिंग आदि का कम करता ही है ।

श्रीमती लक्ष्मी बाई : क्या सराफों को भी रिहैबिलिटेड करने की कोई स्कीम है ?

श्री बी० डी० पांडेय : छोटे डीलर्स, जिनका टर्न ओवर, ५०,००० से कम का है, उनको कुछ सहायता देने का गवर्नमेंट ने निर्णय लिया है ।

श्रीमती लक्ष्मी बाई : ऐसे कितने लोग हैं जिनको ऐसी सहायता की जरूरत होगी?

श्री बी० डी० पांडेय : अभी उन लोगों ने दरखवास्तें नहीं दी हैं इसलिए ठीक संख्या नहीं बतलायी जा सकती । लेकिन ऐसे लोग पांच छः या सात हजार के करीब होंगे ।

श्रीमती लक्ष्मी बाई : क्या आंध्र प्रदेश सरकार ने सुनारों के पुनर्वास के लिए कोई स्कीम भेजी थी ? यदि हां, तो क्या यह सही है कि उन पर अमल न करके यहाँ से कुछ लोग भेज गए जिन्होंने व्यक्तिगत रूप से सुनारों को बुला बुला कर उनको आर्थिक सहायता दी, जिसको वे सुनार खा गए और इस प्रकार कितना नुकसान हुआ ?

Shri B. D. Pande: This is not the correct position. Different measures to be adopted for rehabilitation have been left to the discretion of the State Governments and most State Governments including Andhra Pradesh have got schemes for setting up industrial co-operatives of goldsmiths. This applies to Andhra Pradesh also. They have given first priority to industrial co-operatives and secondly to the combination of goldsmiths. Thirdly, if individual goldsmiths want assistance, they cannot also be ruled out. If some people want to take up alternative trade, they should also be given help.

श्रीमती लक्ष्मी बाई : क्या आपको इत्तला है कि सुनारों में कुछ प्रतिशत औरतों का भी है ?

श्री बी० डी० पांडेय : जी हां ।

श्रीमती लक्ष्मी बाई : उनका रिहैबिलिटेशन आप किस प्रकार करवा रहे हैं ?

श्री बी० डी० पांडेय : मैंने बतलाया कि वह फैमिली के हिसाब से लिए जाते हैं । लेकिन आंध्र प्रदेश सरकार ने, जहाँ तक मुझे मालूम है, इन बहिनों को सने की मशीनें खरीदने के लिए कर्जा दिया है और उनकी ट्रेनिंग आदि के लिए भी कुछ व्यवस्था की है ।

श्रीमती लक्ष्मी बाई : कौनसे राज्य में सुनार की संख्या बहिनों ज्य ?

श्री बी० डी० पांडेय : अभी मेरे पास इसके फिगर नहीं हैं ।

Shri Rajendra Pratap Sinha: Mr. Pande, you just now said that there is no relation between carat control and checking of smuggling. Am I correct in my impression?

Shri B. D. Pande: The Gold Control order or the Gold Control Bill has a large number of provisions.

The carat control portion deals with the attempt to reduce the demand for gold directly because the consumers would either use less gold as a result of using 14 carat gold or even buy less ornaments. By reducing the demand, to that extent the need for smuggling will go down. But other provisions like licensing of refineries etc. deals also with the attempt to check the disposal of smuggled gold through different stages and make the disposal of smuggled gold more and more difficult so that the smuggling activities could be, I am sure, checked.

Shri Rajendra Pratap Sinha: Will it not be correct to say that carat control as provided in the Bill ultimately will have effect upon the activities of smuggling. Suppose, we have today given some relaxation in the re-making of high purity gold ornaments. This relaxation may be a temporary measure and ultimately we may decide to withdraw this relaxation altogether. If you remove this carat control altogether, will it not help smuggling?

Shri B. D. Pande: If we remove carat control altogether, the disposal of smuggled gold will become easier.

Shri Rajendra Pratap Sinha: I would like to know whether the popularisation of 14 carat ornament is becoming difficult because of the relaxation that we have given.

Shri B. D. Pande: That is a matter of opinion. That is the view expressed by a very large number of people that because of the facility for getting ornaments of higher purity the popularity of 14 carat gold ornament is not so much as was expected by the dealers.

Shri Rajendra Pratap Sinha: Will it be correct to infer that the sale of 14 carat gold ornaments was going up and up before the relaxation came and this increase stopped after the relaxation?

Shri B. D. Pande: As I mentioned yesterday, as a result of studies which I had got conducted in Bombay, even after the relaxation, the sale of 14 carat gem-set jewellery has not been affected. In fact, it has continued to grow. Wherever it is set with stones, it is quite popular. Pure gold ornaments of just 14 carat gold are not popular; their sales have gone down.

Shri Rajendra Pratap Sinha: It has been reported by many people that this relaxation has opened a loophole for the consumption of smuggled gold. Will it be correct to infer that it will further widen this loophole if we withdraw the carat control?

Shri B. D. Pande: That was the first question you asked.

Shri Rajendra Pratap Sinha: During the last season of marriage any quality of ornaments made out of higher purity gold was available in the market. The relaxation is only given for the purpose of re-making the old ornaments into new ones of higher purity. What actually happens has come to our notice. These jewellers have got certain relations among goldsmiths and they accept the order from a customer and get those things made in the shop or in the house of the certified goldsmiths. Now, as a Gold Administrator, it is your duty to enforce the measures. Now I would like to know as to when you have come to know of this fact that such an abuse is taking place, what steps have you taken to collect the information and to stop this?

Shri B. D. Pande: I have answered this question earlier also. As I said, whenever we get such an information we have alerted all our field staff and we are taking action to prosecute those people.

Shri Rajendra Pratap Sinha: I would like to know when you are

aware that there is abuse of this type what measures you have taken to stop that? Not only dependent upon the information that has come to you, what more information that you are getting that the smuggled gold is consumed for this purpose?

Shri B. D. Pande: We are making systematic efforts to watch this.

Shri Rajendra Pratap Sinha: Have you got a single case where a certified goldsmith is caught by making use of the smuggled gold?

Shri B. D. Pande: I do not know. I shall have to check this up specifically on this point.

Shri I. K. Gujral: I think you will agree that I am quite correct in presuming that smuggling is a very specialised job requiring specialised machinery. Assuming that if a smuggler brings gold into our country, he does not generally market it in the primary form but converts it into some other form, say, ornaments. What is there to stop him, according to you, the smuggled gold from being converted into 14 carat.

Shri B. D. Pande: There is nothing to stop him. But, the control over refinery will first of all make it difficult to convert it into 14 carat. As I said, we have not yet come across any instance of smuggled gold being converted into 14 carat gold.

Shri I. K. Gujral: Presuming that the Government starts taking steps after the law comes into force, to popularise the 14 carat gold, the smuggler will naturally try to sell whatever he has got customer for. Instead of converting the 22 carat gold in the ornament form, he will sell it in form of ornaments of 14 carat. How will you stop the smuggling?

Shri B. D. Pande: This is a hypothetical question. The point really is that gold is one of the commodities which, unless it is clearly marked and certified by well established or well

known refinery, the people will not buy it because they cannot be sure whether they are buying the real gold or not.

Shri I. K. Gujral: You have not got my point. My point is that normally speaking, even today, the smuggled gold is not sold in the primary form. Is it correct?

Shri B. D. Pande: It is sold in the primary form.

Shri I. K. Gujral: The contact man here gets the primary gold and converts it in some form. Is it correct?

Shri B. D. Pande: Not necessarily so. It is very difficult. It may be in the second or third stage that the people will have it.

Shri I. K. Gujral: Will that stop smuggled gold being used in the form of 14 carat?

Shri B. D. Pande: It is a very difficult question to answer.

Shri T. T. Krishnamachari: You ask question as to what is happening to smuggled gold. It is not fair to ask this question from the witness. Once we identify the smuggled gold, we get hold of the person. So long as you don't identify, it is matter of problem. So far as the problem is concerned there is one view by somebody and the member takes another view. Anybody else can take some other view. It may be extremely unfair to ask a question as to what has happened to smuggled gold.

Shri I. K. Gujral: I am not trying to embarrass the witness. I am only trying to know from him as to whether the gold smuggling can be stopped.

Shri T. T. Krishnamachari: He knows that the gold is smuggled; it cannot be converted. Once he comes to know of this he catches hold of it. Nothing more is to be done when once he catches hold of smuggled gold.

Shri I. K. Gujral: My second question is that, according to the law, will you permit the goldsmith to make new ornaments of 14 carat purity?

Shri B. D. Pande: Not by all. Only an outworker or employee goldsmith can do that.

Shri I. K. Gujral: Suppose I have old ornaments. I go to the goldsmith and ask him to make 14 carat ornaments out of that. He will surely convert them into 14 carat gold ornaments.

Shri B. D. Pande: New ornaments of 14 carat purity will be available through the dealers. They are made out of gold available within the country.

Shri I. K. Gujral: Will the Government sell the gold?

Shri B. D. Pande: There are stocks of gold in this country. Some gold ornaments are manufactured out of declared gold.

Shri I. K. Gujral: Am I correct in assuming that 14 carat ornaments will be made either out of gold which I may sell or you may buy. Suppose I take the gold and ask the goldsmith to make new ornaments. Surely he can make 14 carat ornaments out of that gold.

Shri B. D. Pande: Only the dealer buys old ornaments and converts them into 14 carat ornaments.

Shri I. K. Gujral: Therefore, the only thing is that they will be able to convert all the higher purity gold into lower purity gold and make some ornaments out of them.

Shri B. D. Pande: That is true.

Shri I. K. Gujral: Does it not contradict the basic stand of government that the circulation of gold should get more and more limited?

Shri B. D. Pande: By this limiting process the same quantity will go for making many ornaments.

Shri I. K. Gujral: To-day if 10 people possess gold, tomorrow 14 people may possess the same quantity of gold.

Shri B. D. Pande: That does not follow.

Shri I. K. Gujral: Or alternatively it follows that if I now possess two bangles, my wife will possess three bangles of 14 carat.

Shri B. D. Pande: That also does not follow.

Shri I. K. Gujral: Anyway does it not contradict the basic stand of Government of reducing the gold line?

Shri B. D. Pande: This also does not follow. It becomes a matter of opinion. Two persons will now meet there requirements of three persons. I am not adding a new person. Already there are three persons in the market even before.

Shri I. K. Gujral: Usually the demand is not met.

Shri B. D. Pande: The demand can be met by the internal supply. To that extent the cost will go down.

Shri I. K. Gujral: To reduce smuggling and to reduce the gold holding, don't you think it more feasible if we limit the quantity of gold holding of say not more than 50 totals on whatever purity?

Shri B. D. Pande: This is a matter of policy.

Shri Mahabir Prasad Shukla: Is there any provision to put on record the old ornaments received by a goldsmith?

Shri B. D. Pande: The account form says that he has to enter in his account books the number and description and weight of all the old ornaments that he receives.

Shri Mahabir Prasad Shukla: Is there any agency to inspect the old ornaments before they are melted by the goldsmith?

Shri B. D. Pande: No, not before, but occasional surprise checks are there.

Shri Mahabir Prasad Shukla: Don't you think that unless there is such an agency to inspect the old ornaments before they are melted there is a large chance of smuggled gold being melted?

Shri B. D. Pande: It is a possibility. But from the point of view of administrative convenience, with two lakhs of goldsmiths spread throughout the country and a large number of transactions, if we were to check everything, there will be complaints of harassment and difficulty for everybody. But we do check from time to time.

Shri Mahabir Prasad Shukla: That is what I am trying to ask. Is it not an impossible task to control these old ornaments from being re-made and at the same time stop smuggled gold from being melted?

Shri B. D. Pande: That, I will say, would not follow. Periodic and surprise checks may be sufficient to check and keep the working of the trade in order.

Shri Mahabir Prasad Shukla: Won't you rely on our information that cent per cent the ornaments for the marriage parties are made through such gold under this procedure of allowing goldsmiths to re-make old ornaments?

Chairman: Now, Mr. Kesava Rao.

Shri V. C. Kesava Rao: In Andhra Pradesh there are a number of rolled gold workers. Before the Gold Control came into existence these rolled gold workers were given some gold for making ornaments. Now that is stopped. I would like to know whether it

is the policy of the Government to stop the giving of this gold for these workers, or are they allowed any gold to make their rolled gold ornaments.

Shri B. D. Pande: At one time when the Gold Board had evolved a policy they had put the manufacturers of rolled gold ornaments as industrial users of gold. Subsequently we have deleted them from the category of industrial users and put them in the same category as the other licensed dealers of ornaments. There are some 12,000 licensed dealers of ornaments today who make 14 carat ornaments. These manufacturers of rolled gold ornaments have been put in the same position as other dealers; they are not treated as industrial users of gold.

Shri V. C. Kesava Rao: Another question. As regards these swarnkars who are given assistance by the Government, may I know how many of them have set up their business?

Shri B. D. Pande: Quite a number of them. I have been told by the State Governments, they are checking up the utilisation of the loans, and and there has been a fair percentage of proper utilisation.

Shri V. C. Kesava Rao: Are you getting any statistics from the States?

Shri B. D. Pande: After all a little time has to be allowed to the goldsmiths to re-establish themselves before we start making an enquiry.

श्री शेरखां : क्या आप बतला सकेंगे कि स्मगलिंग के कितने केसेज हैं जिन को कि पकड़ा गया है ?

श्री बी० डी० पांडे : मैंने अभी बतलाया कि १९६४ में २०० केसेज हुए हैं।

Chairman: The answer has been given to an earlier question.

श्री शेरखा : क्या सरकार द्वारा सोने की स्मगलिंग करने वालों के नाम पबलिश किये जाते हैं ताकि दूसरे लोग जो कि अभी तक बचे हुए हैं वे खबरदार हो जायें और इस काम से दस्तबरदार हो जायें । अगर सोने की चोरी करने वालों के नाम इस तौर पर पबलिक में पबलिश किये जायेंगे तो उसका एक अच्छा असर पड़ेगा और जहां उनको नदामत महसूस होगी वहां दूसरों को और उन को भी आयन्दा यह सोने की चोरी का धंधा करने की जुरंत न पड़ेगी ?

Shri B. D. Pande: Whenever people are prosecuted, their names are published whenever they get convicted by the court.

Chairman: He wants to know if you publish.

Shri B. D. Pande: I do not think regularly we are publishing.

श्री शेरखा : कोर्ट्स द्वारा उसको पबलिश किये जाने की बात तो बाद की है लेकिन सरकार क्यों नहीं फर्स्ट इंस्टेंस में गोल्ड स्मगलर्स के नाम पबलिश करती ?

Shri B. D. Pande: I will make a note of that suggestion.

श्री शेरखा : क्या आप इस बात की आवश्यकता नहीं समझते कि ऐसे लोगों को जो इस ढंग से सोने का तस्कर व्यापार करते हैं भले ही वे छोटी लेबल के हों या बड़े लोग हैं, उन के नाम पबलिक में शायद किये जायें ?

Shri B. D. Pande: Sir, I cannot say.

श्री शेरखा : क्या आप को इस बात का पता लगा है कि यह किस किस के लोग हैं, आया या बड़े तबके के लोग हैं, दरमियानी तबके के लोग हैं या बिलकुल छोटे तबके के मजदूर वगैर कि यह सोने की चोरी का धंधा करते हैं ?

Shri B. D. Pande: All kinds of people are caught, the carriers are caught, the men at the second and third stages of disposal are caught. Some are big, some are medium and some are small.

श्री शेरखा : आप इस तमाम काम के इंचार्ज हैं और आप को इस बारे में पूरा इल्म होना चाहिये कि यह स्मगलिंग करने वाले कौन लोग हैं, उनको पर्दे के पीछे से मदद देने वाले कौन लोग हैं, उनको ताईद करने वाले कौन लोग हैं और जब ये लोग पकड़े जाते हैं तब आप के पास उनकी सिफारिश लेकर आने वाले कौन लोग हैं कम से कम इस हद तक तो आप को जानकारी होनी ही चािये ?

Chairman: How can we make a generalisation?

श्री शेरखा : स्मोल और बिग का सवाल नहीं है दरअसल हम जानना यह चाहते हैं कि क्या आप को इस का इल्म है कि यह जो चोरी हो रही है यह ऊंची लेबल पर हो रही है अर्थात् इस की पुश्त पर बड़े लोग होते हैं या यह सोने की चोरी का धंधा आम तौर पर जैसे और इसी तरह के गलत काम होते हैं उसी तरह से यह भी आम तौर पर आम लोगों द्वारा फितरतन किया जा रहा है ? जो कि इस धंधे को अपने मुनाफे की खातिर चलाते रहते हैं ?

Shri B. D. Pande: I cannot say, I cannot answer that question.

श्री शेरखा : स्मगलिंग के लिये फौरेन एक्सचेंज जरूरी है तो क्या आप ने इस का पता लगाने की कोशिश की कि यह फौरेन एक्सचेंज उन को कैसे मिलता है ?

Shri B. D. Pande: It is a matter of constant study to plug loopholes on foreign exchange transactions.

श्री शेखां : जहां हम सब स्मगलिंग को रोकना चाहते हैं तो आप ने क्या इस को जानने की कोशिश भी की कि आखिर ये स्मगलिंग होती क्यों है, किन हालात में और कैसे यह की जाती है क्योंकि बिना इस में गये अगर आप ऊपर ने हम सोने की स्मगलिंग करने वालों को पकड़ने की कोशिश करते रहेंगे तो आप अपनी स्कैम को कामयाब नहीं बना सकेंगे, क्या आप ने इस बारे में भी खयान किया है ?

Shri B. D. Pande: Various measures for controlling and checking the misuse of foreign exchange and diversion of foreign exchange funds for this purpose are being studied and are constantly under examination.

श्री तुलमोहन राम : एक विटनेस ने जो अपना मेमोरेंडम दिया था उस में और जवानी अपनी गवाही के दौरान में यह चीज कमेटी को बतलाई थी कि बार्बई में विस्कुट के नाम पर सोना बेचा जाता है अर्थात् विस्कुटों की ग्राइ में सोने की बिक्री होती है तो क्या उस को चैक करने के लिये आप ने अभी तक कोई कदम उठाया है ?

Shri B. D. Pande: I have already answered that question about taking action wherever we collect intelligence.

श्री बी० डी० पांडे : जहां पर इनफार्मेशन हमें मिलनी है, वहां पर हम लोगों को पकड़ने की कोशिश करते हैं। लेकिन यह काम कस्टम वालों का है ?

श्री तुलमोहन राम : कितने लोग पकड़े गये हैं ?

श्री बी० डी० पांडे : दो सौ आदमी हैं जैसा मैं बता चुका हूं।

श्री तुलमोहन राम : विस्कुट के नाम पर जो सोना बेचा जाता है, इस में कितने आदमी पकड़े गये हैं और कहां कहां ?

श्री बी० डी० पांडे : दो सौ आदमियों का सीज़र हुआ है, जैसा मैं बता चुका हूं।

श्री तुलमोहन राम : गोल्ड कंट्रोल आर्डर के बावजूद बाईस या चौबीस कैरट के जितने भी आप जेवर चाहें आपको ब्लैक में मिल जाते हैं; क्या इसकी भी जानकारी आपको है ?

श्री बी० डी० पांडे : इसका मैं जवाब दे चुका हूं। इनफार्मेशन हमारे पास जो अब आती है कि बन रहे हैं तो हम

श्री तुलमोहन राम : इसको रोकने के लिये कौन से कदम उठाने जा रहे हैं !

श्री बी० डी० पांडे : मैंने बताया है कि जब इनफार्मेशन मिलती है कि बन रहे हैं तो हम लोग उनको पकड़ने की कोशिश करते हैं।

(The witnesses then withdrew).

II. Tamilka Vishwakarma Central Sangam, Madras.

Spokesmen:

1. Shri T. M. Natarajanar.
2. Shri V. A. Ponnusami Achari.
3. Shri K. Sambandachari.
4. Shri T. K. Varadappachari.

(Witnesses were called in and they took their seats)

Chairman: We have one more association the Tamilnad Vishwakarma Central Sangam, Madras.

We have seen your memorandum and it has been distributed to the Members. The evidence that you give is public and will be printed and distributed. Even if you want some portions of or the whole of it to be confidential, it will have to be circulated to the Members.

If you want to stress any point or if you have any new point, you may do so.

Shri T. M. Natarajan: We want, firstly, that section 2(c) should be amended so as to distinguish the workers from the merchants, because the workers are put to various difficulties. They are doing melting work and they are converting the old ones into new ornaments. Even then the excise authorities can seize the gold and confiscate the gold as well as fine the worker. The worker is now included in the word 'dealer' and that is why the worker has to suffer and therefore we want the word 'worker' to be substituted for the word 'dealer'.

Certified goldsmiths are asked to renew their certificates. We have explained this point in detail in our memo; certificate is a written testimony to the effect that he is qualified to do the work whereas a licence is only a permit to do a thing or to carry on business for a fixed period. There is no necessity for renewing the certificates, the certificate should not be cancelled unless he does something wrong.

Mangal sutra is called thali in our parts and, the gold needed to do it is only 10 grammes. It is required only once in the lifetime of a lady. I was told by the former Finance Minister when I approached him sometime back that in the North, it was only a thread. But in our parts, thali is made of fine quality gold and it is being melted on an auspicious occasion and then made into mangalyam. For this purpose we cannot use old ornaments; we want only fresh gold.

Shri T. T. Krishnamachari: What is wrong about it? The mangalyam that you make is not pure; all mangalyams are not of pure gold.

Shri T. M. Natarajan: But why prevent a person who wants a mangalyam out of quality gold?

Shri T. T. Krishnamachari: Where is the pure gold? You can make it out of the other ornaments that you have? Besides, there is a sort of a black thing and it is covered by a thin plating of gold.

Shri T. M. Natarajan: We have no objection; we can do it out of copper or silver. But the Act prevents a person who is religious from making a mangalyam out of pure gold.

Shri T. T. Krishnamachari: You can do it out of gold ornaments; nothing prevents you from doing so. How can you ask for fresh gold when it is not available in the country?

Shri T. M. Natarajan: If one is forced to make mangalyam out of old gold, indirectly it means that we have to do a thing illegally.

Shri T. T. Krishnamachari: No new gold is available, unless it is smuggled. Nobody will be able to sell you new gold.

Shri T. M. Natarajan: Regarding the maintenance of accounts, most of the workers are illiterate.

Shri T. T. Krishnamachari: You are so literate that you speak better English than most of us. Why not all goldsmiths be like that?

Shri T. M. Natarajan: We have not come to that stage as yet.

My colleague here says that mangalyam should be made of gold of not less than 22 ct. purity.

Certified goldsmiths are not allowed to make jewels out of 14 ct. gold. Suppose an out-worker is sent out of a dealer's shop. He is not permitted to get a certificate.

Shri T. T. Krishnamachari: He can make 14 ct. ornaments not for deal, but for a customer. If somebody brings 14 ct. gold to him, he can make ornaments out of that.

Shri T. M. Natarajan: If an out-worker comes out of the factory, he is not permitted to get a certificate. He should be given sometime to get a certificate.

Shri T. T. Krishnamachari: The witness says that if people are asked to make mangalyam out of old ornaments, the gold contained in them is inferior and therefore the marriage becomes vitiated.

Shri T. M. Natarajan: In section 2(h), under the definition of primary gold rods, billets, pellets, wires, etc. are there. Unfinished ornaments are included under the definition of primary gold. If these rods, billets, wires, etc. are included under the definition of primary gold, the maximum quantity of gold kept by a certified goldsmith will be more than the maximum quantity he should keep with him. When I am doing the work of a customer, suddenly I may receive an emergent order from another person and the first work has to be kept in abeyance. So, if we add the primary gold kept unfinished belonging to the first customer along with that of the second, the quantity will be more than the maximum primary gold I can keep with me. I have also put this down in our memorandum and it may be considered.

Shri B. K. Gaikwad: What is the number of unemployed goldsmiths in Madras?

Shri T. M. Natarajan: I cannot give the answer.

Shri B. K. Gaikwad: Before gold control, what was the minimum earning of a goldsmith?

Shri T. M. Natarajan: About Rs. 100 per month.

Shri B. K. Gaikwad: After gold control they are not getting work. Now how are they living? What is their source of income?

Shri T. M. Natarajan: Most of them are displaced. They are not doing any work. They are suffering a lot. Government are granting loans for starting alternative trades.

Shri B. K. Gaikwad: Has the giving of lands to these people for cultivation been experimented in Madras?

Shri T. M. Natarajan: So, far, I understand, no lands have been assigned to these goldsmiths.

Shri T. T. Krishnamachari: There is no land scheme.

Shri B. K. Gaikwad: Did they receive any rehabilitation grant from Government?

Shri T. M. Natarajan: They are doing a lot.

Shri Rajendra Pratap Sinha: Have they got any suggestion to make to improve the rehabilitation work to expedite the rehabilitation work in their State?

Shri T. M. Natarajan: In this memorandum we have not said anything. We are going to submit a separate representation to the hon. Minister.

Shri T. T. Krishnamachari: The suggestion is that in every district small industries should be started so that these people could be absorbed in industries like lock-making and various other things of that nature. Also, the younger people who have had education up to the higher elementary stage must be given jobs through Government channels.

Shri Rajendra Pratap Sinha: Will they like to go from their place of residence and take up employment in some other place?

Shri T. M. Natarajan: Yes.

Shrimati Tara R. Sathe: I want to know whether any goldsmith had committed suicide on account of the Gold Control Order.

Shri T. M. Natarajan: Yes; more than half a dozen.

Shrimati Tara R. Sathe: Have they got a record of those persons?

Shri T. M. Natarajan: Yes; we have. I have not brought it here, but I am prepared to send it.

Shrimati Tara R. Sathe: Did their families get any assistance from Government?

Shri T. M. Natarajan: Nothing.

Shrimati Tara R. Sathe: Have they asked for it?

Shri T. M. Natarajan: So far they have not.

Shri T. T. Krishnamachari: They say that there is only one case where someone is alleged to have committed suicide because he did not get the certificate. The officers say that even if they do not get a certificate, they can ply their trade.

Shrimati Tara R. Sathe: Have they taken any advantage of the training camp which the Government has started in Madras? The Government gives stipend also to young goldsmiths, I think.

Shri T. M. Natarajan: No stipend has been given so far.

Shri T. T. Krishnamachari: They say that when they ask for admission to polytechniques and other institutions, they are told that they are not qualified, they do not have the requisite education, they are overage etc.

Shrimati Tara R. Sathe: So they know of these facilities.

Shri T. M. Natarajan: The children of goldsmiths are not given any preferential treatment in the matter of admission or in the matter of employment in Government service. We are agitating and are representing to the State Government.

Shri T. T. Krishnamachari: Are you not a Backward Class?

Shri T. M. Natarajan: As a Backward Class we are getting the concession, but in Madras there is Back-

ward Class as well as the most Backward Class. The most Backward Class people are getting the same concession as those of the Scheduled Castes. Though we are the most backward among the most Backward Classes, we are considered only as Backward Class. We do not get any concession that the most Backward Classes get owing to their influence on the Government.

Shri T. T. Krishnamachari: They are only comparatively backward not superlatively backward.

Shrimati Renuka Barkataki: They are supporting the Bill in principle. Then what is the objection?

Shri T. T. Krishnamachari: So far as their memorandum is concerned, they are supporting it; but they want modifications.

Shri T. M. Natarajan: In principle we support it.

Shrimati Renuka Barkataki: Is it a fact that they are supporting the Bill in principle because the Bill has been brought forward by a man from Madras?

Shri T. T. Krishnamachari: No; as a matter of fact, it has been made by a man from Gujarat but Gujaratis do not support it, whereas they have faith in Government.

Shrimati Sangam Laxmi Bai: He is the President of the Goldsmiths' Association and he says that he does not know as to how many people died.

Shri T. T. Krishnamachari: Most associations do not give information to the President just as most Ministers do not get information from the Secretariat.

Shrimati Sangam Laxmi Bai: First he told us that Government was helping them a lot; now he says that Government is not giving any help. I do not know whether this statement is correct or whether the previous statement was correct.

Shri T. T. Krishnamachari: This was a specific question in regard to admission of their children to technical institutions in reply to which they said that they are not getting any facilities except as comparatively Backward Classes. If they are given the same treatment as the most Backward Class then, they say, they will be satisfied. So, if we can persuade the State Government to treat them as specially Backward Classes they will get special treatment.

Shrimati Sangam Laxmi Bai: There is still a doubt.

Shri T. T. Krishnamachari: The doubt arises after cross-questioning them.

Shri T. M. Natarajan: The Government has passed the G.O. granting special concession to displaced persons. These concessions are not extended to children. Therefore, we have again appealed to the Government to give the same concession to children also.

Chairman: So, thank you very much.

Shri T. M. Natarajan: Thank you, Sir.

(The witness then withdrew).

The Committee then adjourned.

Private & Confidential

**Memorandum submitted by the All India
Sarafa Association to the Select Committee
in connection with the Gold Control
Bill No. 47 of 1963.**

Memorandum drawn by
Messrs. GAGRAT & CO.
Attorneys for
The All India Sarafa Association.

MEMORANDUM

1. The All India Sarafa Association is a Federation of associations comprising of leading Bullion Dealers, Jewellers, Sarafs and Pawn Brokers trading throughout the territory of India. This Association has been formed *inter alia* to voice the views of citizens who are vitally and personally affected by the provisions of the Gold Control Bill 1963 (hereinafter called "the said Bill") and to place their view points for due and careful consideration by the Honourable Members of the Select Committee.

2. The Bill proposes to replace and repeal the provisions of Part XII-A of the Defence of India Rules, 1962, (hereinafter called "the Gold Control Rules"). The provisions of the said Bill generally follow the existing provisions of the Gold Control Rules and further proposes to introduce new provisions in furtherance of the objects of the Gold Control Rules.

3. The Gold Control Rules were enacted as an emergency legislation in the exercise of the extra-ordinary powers vested in the Central Government under the provisions of the Defence of India Act, 1962. The Gold Control Rules were enacted with a view to provide special measures to ensure the public safety and interest, the defence of India and civil defence during the period of emergency. As such, the drastic provisions of the Gold Control Rules were borne and tolerated by the citizens and traders in the hope that after the removal of the emergency the said provisions would be lifted and removed. The introduction of the said Bill now as an ordinary legislation is, therefore, it is submitted, not proper, namely, that the Government who declared it to be an emergency legislation are now attempting to convert

it into an ordinary legislation. It is also objectionable to introduce an ordinary legislation during the existence of the emergency and thereafter to claim immunity for such legislation under the provisions of the Constitution. Further, the provisions of the Gold Control Rules have been challenged before the* Courts of law and the validity of the said provisions are *sub-judice*. The action of the Government, therefore, of enacting an ordinary legislation containing similar provisions in a matter *sub-judice* is also, not proper. It is therefore most respectfully submitted that the said Bill should not be considered nor enacted as a law till the emergency has ended or has been lifted. No prejudice could be caused to the Government as there is in force the provisions of the Gold Control Rules but grave prejudice would be caused to the citizens by affecting their fundamental rights and by affecting their rights in pending proceedings before Courts of law.

4 (a) Without prejudice to the aforesaid submission it is further submitted that the said Bill should not be recommended for being enacted into a law. As pointed out above, the Gold Control Rules, to which the provisions of the said Bill is similar, have been in force since 9th January 1963, i.e. for a period of 18 months. The objects for which the Gold Control Rules were introduced were declared by the Government as being (1) prevention of smuggling of gold and thereby conservation of foreign exchange and (2) reducing the price of gold and the demand for gold. The result of the working of the Gold Control Rules for a period of 18 months has shown that none of the objects have been achieved on the one hand whilst extreme hardship and unforeseen difficulties have been created which citizens and traders have had to bear on the other hand.

* (1) Bombay High Court, Original Side, Misc. Petition No. 135/1963
(2) Bombay High Court, Appellate Side, Special Civil Application
No. 830/1963

(b)(i) The figures of seizures of smuggled gold have been taken by the Government as the basis of calculating the extent of smuggling. Without conceding that this is the correct basis but adopting the same basis it may be pointed out that for the total period of 18 months, i.e., from January 1963 till June 1964 the official figures of seizures are as under :—

Figures of smuggled gold seized

Month	1962	1963	1964
	Gold seized.	Gold seized.	Gold seized.
January	4.52	1.11	—
February	28.23	1.78	10.12
March	6.81	2.27	13.00
April	5.89	5.84	20.17
May	—	11.32	7.44
June	12.21	22.67	
July	5.35	6.29	
August	16.10	8.91	
September	19.74	18.07	
October	13.59	2.19	
November	53.19	15.87	
December	5.43	11.80	

N.B.—Above figures are in lakhs of rupees.

Value of gold is computed at the International price.

(ii) It would be observed that apart from an initial set-back for the initial period of a few months the activity of smuggling has been resumed with more force and vigour.

(iii) This fact has been confirmed by the Government Departments concerned, and for convenience, statement made in the course of debates is mentioned hereunder :—

Shri B. R. Bhagat (debate on 5-6-'64):—“.....because of this attraction smuggling in gold as compared

to other articles was more for a long time and it continues to be so."

(iv) It is thus apparent that the smuggling of gold has not abated and consequentially the conservance of foreign exchange has not been achieved.

(c) (i) It is further pointed out that even the price of gold has not reduced as claimed.

(ii) The figures of the price of gold for the period January 1963 to June 1964 are as follows :—

Rates per 10 gms. of Pure Gold (24 ct.) Prevalent in
Bombay City.

Month	1962		1963		1964	
	Highest	Lowest	Highest	Lowest	Highest	Lowest
January	121.35	116.85	108.40	103.00	119.70	102.85
February	122.95	118.60	106.00	95.00	119.15	104.60
March	123.15	120.40	107.00	97.00	112.30	107.15
April	122.35	119.85	111.00	97.00	116.15	108.45
May	127.50	121.25	118.00	110.00	122.15	111.45
June	127.65	125.00	116.00	110.50	126.00	117.45
July	127.10	125.10	112.50	103.50		
August	129.90	124.75	110.57	108.85		
September	129.10	120.10	108.45	101.15		
October	123.20	115.75	103.75	101.15		
November	121.65	86.00	102.85	99.45		
December	119.00	96.00	102.85	100.75		

Above rates have been based on date supplied by the Bombay Bullion Association Ltd.

Rates quoted in the market from July 1963 were for 14 ct. only; rates mentioned above for the period from July 1963 onwards is for 24 ct. based on 14 ct. figures.

In the month of June 1964, even though official market rate for Pure Gold was quoted Rs. 125/-. unofficial rates shot up to Rs. 131.50 for 10 gms. (Rs. 153/- per tola) in the Bombay market. Rates in mofussil areas since January 1963 have been higher by Rs. 8/- to Rs. 10/- per 10 gms. than the Bombay market rates.

(iii) It would be observed that apart from an initial stagnation for the initial period of a few months the price of gold has risen and in fact is at the highest for some considerable period of time in the history of gold trade. This rise in price clearly shows that the declaration of the Government that the price has come under control is incorrect and that the object of the Government to reduce the demand of gold has miserably failed.

(5) (i) It is thus apparent that none of the objects for which the Gold Control Rules were introduced have been achieved or have succeeded as claimed by the Government. If the Government claims otherwise, the honourable Members of the Select Committee should direct the department concerned to place before it and to circulate to the public at large the following facts and figures :—

- (1) The extent of gold smuggling from 9-1-63 upto date with comparative figures of the previous two years.
- (2) The extent of the saving in foreign exchange which has been effected after 9-1-1963 upto date with comparative figures of the previous two years.
- (3) The figures of persons who have been rendered unemployed and have committed suicides and have been affected by the introduction of the Gold Control Rules.

- (4) The figures showing the number of persons who have been stated to have been rehabilitated with the nature of rehabilitation.
- (5) The amount spent by the Government in the implementation and enforcement of the Gold Control Rules.
- (6) The amount lost by the Government in the shape of income-tax, sales-tax, postal revenue, transport freight, etc.

(ii) It is submitted, that before such a drastic Bill is enacted into a permanent law, and when the professed objects of the Bill have miserably failed, and more particularly when the said Bill has caused immeasurable hardships to the citizens and traders, and is a Bill which is universally opposed and disliked not only by traders but even by private individuals and citizen, it is absolutely necessary, that a detailed investigation into the merits and demerits and into the extent of the benefit professed to be acquired against the hardship that has been caused and will continue to be caused, must be given careful and serious consideration by the Committee. Such consideration can only be given if the departments concerned are called upon to furnish the facts and materials pointed out above and such other facts as the Committee thinks fit and by giving an opportunity to the Members of this Association to place the further facts and materials which are being collected by them.

6 (i) Apart from what is pointed out above, it may be mentioned that the provisions of the Gold Control Rules have totally disregarded the connection of gold with the citizens of our country which is quite different and distinct and not comparable with other countries. Gold in India is purchased by the most menial person as the only reliable and convenient form of investment. Ornaments of gold are the universally

accepted form of articles of adornment used by every individual, whatever his caste or creed. In most of the villages, there is no available Bank nor any available method of raising loans and as such, the only form of investment and security is the purchasing of gold and ornaments of gold. The demands for gold correspondingly reflects in large revenue to the State in the shape of income-tax, sales-tax and other duties and provides business and employment to some crores of persons. In fact, the Government's own estimate of availability of gold in India is to the extent of about Rs. 4,000 crores. In the light of this background, official figures show that the Gold Control Rules are being forced upon the citizens of our country against their wishes and making dishonest citizens of honest citizens. The total gold declared under the provisions of the Gold Control Rules is about Rs. 43 crores against the figure of about Rs. 4,000 crores being available gold. The declarants other than refiners and dealers are about 13,000 in a population of about 44 crores and this too when it is the Government's own case that gold is a habit with Indian citizens. The gold subscribed to the gold bonds is worth about Rs. 14 crores only. Therefore, the total gold declared is worth about Rs. 57 crores only against the total available gold of Rs. 4,000 crores. The smuggling of gold, as already stated, has continued. The price of gold, as already stated, has risen. The sum and substance of these glaring facts means only this, that everybody concerned is of the view that the Gold Control Rules is an enforcement of a compulsory legislation against popular wishes and demands.

(ii) In the light of the aforesaid facts and submissions it is most respectfully submitted that this Honourable Committee, should after recording full and exhaustive evidence, submit a report recommending the withdrawal of such a legislation from the anvils of our Statutes.

7 (i) If the Honourable Members of the Committee are

included not to so recommend, then it is most respectfully submitted, that a recommendation should be made for constituting an all party Commission to ascertain the will and wishes of persons, who are most vitally affected by this legislation, and not to force a legislation on them against their wishes and will. If such a legislation is enacted, it will acquire only the result of more law-breakers and convering honest citizens into dishonest ones.

(ii) It may be mentioned that the Report of the Informal Group on Gold Control submitted by the Khera Committee is not and cannot be the Report of the kind required and necessary. The reasons are that the Committee was required to make a Report within 9 days ; the Committee did not consider the large number of telegrams and representations it received from private organisations and individuals, as the time at its disposal was too short, and that the Committee's Report was based on material furnished at an official level only. Such a Report, therefore, cannot represent the view-point of persons, who are vitally affected ; nor can it take into consideration the practical facts and realities of the situation. As such, it is submitted that proceeding on the acceptance of such a Report would not be correct or justified. It is, therefore, repeated that an independent high-powered Commission should be appointed with a view to ascertain the views of the public throughout the territory of India, as ultimately it is the will of the public which must be given respect and consideration rather than legislation by majority. To do otherwise, it is submitted, would be to deprive citizens of faith in the majority party and faith in the democratic processes which our country has chosen to adopt.

8 (i) It is an admitted fact that the only solution to check smuggling of gold, preserve foreign exchange and reduce the price of gold, is to make gold freely available after imports at

international price of gold which is considerably low. The production of gold in India is not sufficient to meet the demand and the only solution lies, therefore, in importing gold. In fact, the Minister of Finance, Shri T. T. Krishnamachari has in the debate on 5-6-64 stated as under :-

“..... 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.”.

(ii) As stated above, importing of gold at international price is the only solution of the gold problem. The import of gold is not a theoretical proposition but, it can be put into practice as a reality. The only objection to the import of gold is the non-availability of foreign exchange. If, therefore, gold is notified as a permissible item of import under the various Export Promotion Schemes, wherein import licences are granted not out of Government's foreign exchange but out of foreign exchange earned by the exporters themselves, the gold problem could be easily solved. Just as raw materials which are essential to the community, are permitted to be imported, gold, which will solve the problem so essential to the life of the community and the Government, should also be permitted to be imported and which would solve this issue. There can be no objection to introducing gold as an item of import under the various Export Promotion Schemes. If further quantity is wanted, it could be allowed to be imported as personal baggage of Indians returning to India as well as in the case of tourists subject to certain limits. In both the cases, gold would be purchased from exchange available abroad and not from the country's resources. This imported gold at international price can then be distributed in the country and is bound to break the value of smuggled gold

and reduce the prices. It is suggested that before enacting the said Bill into an Act, this Scheme should be experimented for one financial year and after the review thereof only the question of enacting law should be taken into consideration.

9. Without prejudice to the aforesaid submissions and contentions it is further pointed out that even assuming the Committee desires to consider the provisions of the said Bill, as it is, then without prejudice to the aforesaid submissions made, the following comments and/or suggestions on the provisions of the said Bill are made for consideration as under :

Sec. 2 (e) defines the term "gold". It is suggested that in a permanent legislation control should be confined to gold in the bullion form only and should not extend to any article in a finished form or to any ornate or other article of gold. The definition should, therefore, be confined to gold in the bullion form only. The grievance of the Government is not that articles or ornaments of gold are imported but that gold in the bullion form is imported, the smuggling of which is professed to be checked. The definition, therefore, should not travel beyond the declared object.

Sec. 2 (f) defines the term "ornaments". This definition should be totally deleted. As already stated, the object of the Bill is to control import and availability of gold and not ornaments. In fact ornaments were excluded from the provisions of the Gold Control Rules, that is, even during an emergency and their inclusion now is not justified. Further, no case has been made out to show how ornaments have necessitated the enactment of this legislation as no ornaments have been smuggled,

In any event it is submitted that the definition of "ornaments" should be confined to ornaments of gold only and/or ornaments in which gold forms a substantial part of the ornaments. To provide otherwise would include all

ornaments even where the gold content is meagre as some gold must be used in manufacturing of ornaments which may be otherwise substantially or wholly of precious stones etc.

Sec. 3 (1). This section prohibits the manufacture of articles of gold of any purity. Whilst manufacture of new ornaments upto 14 carats is permitted, manufacture of new articles upto 14 carats is prohibited. It may be pointed out that articles of gold would include buttons, cuff-links, tie-pins, hair-pins, brooches, watch-straps etc., which are universally used and accepted articles of wear and no provision is made for their manufacture. It is therefore submitted that the manufacture of such articles of gold be permitted upto the carat ceiling which may be fixed.

Sec. 3 (2) and Sec. 3 (3) proviso permit goldsmiths to accept ornaments exceeding 14 carats for polishing or repair or preparing new ornaments exceeding 14 carats, whilst dealers are prohibited from doing so. This provision is *per se* discriminatory in trying to rehabilitate a section of the trade affected by this law. This provision has been effected only to pacify the class of goldsmiths who had raised a severe protest. There is no other justification for this arbitrary provision. It is submitted that licensed dealers and certified goldsmiths should be placed on a par and there is no justification for discrimination. To illustrate, a certified goldsmith can receive ornaments exceeding 14 carats and make new ornaments therefrom also exceeding 14 carats whilst a dealer cannot do so and on receiving ornaments exceeding 14 carats he is obliged to reduce the same to a purity not exceeding 14 carats. The obvious result is that no owner would come to a dealer but would only go to a goldsmith.

Further to illustrate, a goldsmith can accept ornaments exceeding 14 carats and can polish and repair the same and return them as such whilst a dealer cannot accept ornaments

exceeding 14 carats for repair or polishing. As such, no owner requiring his ornaments to be repaired or polished would go to a dealer.

The above illustrations establish the fact that the provision enabling dealers to do certain acts are merely illusory and have no practical value or worth, and the entire business is confined to goldsmiths only.

Sec. 4. The imposition of a purity content for primary gold, gold ornaments and articles of gold at 14 carats has proved in the last 18 months to be impractical to the trade and unacceptable to the customers.

Since January 1963 there is a meagre demand for 14 carat ornaments. The fixing of the 14 carat purity has not reduced the prices. In fact, the labour and manufacturing charges in the case of 14 carat, ornaments are much more because of certain technical properties of inferior alloys to manufacture more ornaments in such alloys. The prices of 14 carat ornaments, therefore, are much more and it is financially and economically uneconomical to either manufacture them or purchase them. The resale value is very less. The manufacture of 14 carat ornaments has restricted the scope in designs and varieties, and in fact, fine designs and workmanship cannot be undertaken. Further, chemical reactions are caused in the use of 14 carat ornaments viz., allergy, rash etc. Climatic conditions make it impractical to use gold ornaments of 14 carats. Further, there is no religious use of gold ornaments of 14 carats. As such, it is submitted that the purity content should not be restricted at all, and if any restriction is desired, then it should be restricted at a practical and reasonable level which is suggested at 22 carats. Further, the conversion of primary gold and gold to a 14 carat limit is also impractical. It is suggested that the refiner should be permitted to return gold as refined as was permitted to be done under the Gold

Control Rules during the period January-July 1963. The dealer thereafter dealt with such gold in accordance with the provisions of the Rules. It is, therefore, suggested that the question of fixing the purity content at 14 carat should be completely reviewed and reconsidered if the Rules are to be given any practical effect.

Sec. 4 (4). The obligation to stamp primary gold should be confined to refiners only.

Sec. 5 (2) (b) Proviso. This proviso does not provide for the buying or acquiring or accepting gold from a person who was exempt from making a declaration under the Gold Control Rules. Such category of persons should also be included.

Sec. 5 (3). In the case of gold not required to be declared under the said Bill, it is suggested that a form of intimation within a prescribed period should be provided and intimation of the transaction of the kind stated should be given, and not that a permit should be applied for and obtained as this entails delay and hardship. For illustration, if moneys are urgently required to be obtained on a pledge, nothing can be done until permit is granted.

Sec. 6 (1). Here again the class of persons who are exempt from making a declaration under the Gold Control Rules have not been included and should be included.

Sec. 6 (2) (a). The prohibition for carrying on two businesses in the same premises is impractical and renders hardship. It is a known fact that it is impossible to obtain business premises in cities and the extent of premium required to be paid to obtain the same is great. As long as two businesses are carried on conforming to two sets of regulations, there should be no objection.

Sec. 6 (2) (b). The provisions affecting transactions done before 10th January 1963 are retrospective in nature and unfairly deprives the parties of their contractual rights. The restriction should be confined from and after the date when the Rules came into force.

Sec. 6 (3). The provision regulating the rights of a pawnee who is not a dealer is travelling beyond the scope of the said Bill. Further, the rights of the pawnee are governed by their own contract and the provisions of the Contract Act. This provision should be deleted.

Sec. 7. Provision should be made for continuance of the licence already granted under the provisions of the Gold Control Rules without application for fresh licences. Further, renewal should be granted as a matter of course and should not be considered as a fresh application on each occasion.

Sec. 8. Existing licences under the Gold Control Rules should be continued and renewal should be granted as a matter of course. The provision for providing separate premises should be deleted for the reasons already indicated.

Sec. 9. It should be expressly provided that the cancellation of licence should only be in the event of deliberate and wilfully made incorrect and false particulars and not in case of inadvertent, incorrect or false particulars. *Mens rea* should be made the basis for cancellation of a licence.

Sec. 11. No provision is made as to the price at which the quantity of gold has to be handed over. It should be provided that the handing over should be at the then prevailing market price.

Sec. 13. This section gives special and preferential rights to goldsmiths which discriminates against licensed dealers. As pointed out above, goldsmiths and licensed

dealers should be given equal rights and privileges and Sec. 13 should be deleted and the word "goldsmith" should be added in sections dealing with dealers throughout the said bill.

Sec. 15. This section only permits a religious institution to receive gold in any form. However, it does not permit receiving gold of any purity and prohibits conversion or manufacture or sale of any gold exceeding 14 carats. This section, it is submitted, violates the provisions of Articles 25 and 26 of the Constitution and is *ultra vires* and bad in law.

Sec. 16. In computing the exempted limits under sub-clause (6) express provision should be made that total gold, whether in one or more pieces belonging to one family, should be considered and not that each individual piece should be below the exemption limit. In practice it has been found that if a family comprising of husband and wife and two minor children who are allowed to hold gold upto 140 grams are possessed of two gold pieces of 70 grams each, then this is considered to be an offence and the entire quantity is being confiscated. A proper clarification and amendment should be effected.

Sec. 17. Should be deleted as provision for ornaments is beyond the scope and object of Gold Control. In any event it should be confined only to ornaments of gold or substantially of gold and not any and every ornament even having a very small quantity of gold.

Sec. 19 and 20. In the course of the implementation of the Gold Control Rules the following practical difficulties have been noticed and which should be eliminated, namely :-

1. The finding out of average purity.
2. Particulars in the entry book of dealers and refiners (G. I. 7) involves repetition of particulars from

vouchers and should be eliminated and only bill reference Nos. should be required.

3. Instead of monthly returns quarterly returns should be required consistent with the provisions of the Sales Tax Regulations.

Sec. 21. The provision of sub-clause (2) gives wide and unguided and arbitrary power to the Administrator to regulate prices and regulate distribution etc. of gold. Such action should not be permitted by delegated legislation and by an Officer. Such provision should be made by a law of Parliament only.

Sec. 23(b). The provision for liability should be made in the case of acts knowingly and wilfully done, i.e., with *mens rea*.

Sec. 26. It should be provided that the person authorised must produce a written authority. It should be further provided that immediately after search and seizure he must hand over copies of the *Panchanama* and disclose the reasons for such search or seizure. If reasons for search and seizure are not required, a time limit of 3 months should be fixed within which action, if any, should be initiated, failing which the seized gold and documents should be returned.

Sec. 27. It should be provided that copies of statements recorded from parties should be furnished to the said parties forthwith. Experience has shown that statements got recorded from parties, in spite of repeated requests, are not furnished to the parties. In fact, the Supreme Court has observed in one of its Judgments reported in A. I. R. (1961) Supreme Court page 264 that copies of statements recorded from parties ought to be furnished to them. Since the Government officials do not do so, a statutory provision should be enacted.

Sec. 28(2) Proviso. The imposition of a fine should have relationship to the value of the seized conveyance or animal and not to the value of gold, as redemption is in lieu of confiscation of the conveyance or animal. The Government cannot realise more than the market value of the conveyance or animal which is to be released.

Sec. 29(2). Provision for penalty should only be in cases where a person does the acts specified knowingly or wilfully, i.e. with a *mens rea* and not a mere inadvertance as the quantum of penalty is very high. Further, the extent of the penalty should be fixed in terms of rupees and should not be left upto 5 times the value of the gold.

Sec. 30(2)(b) and Sec. 30(5). The date of commencement of limitation should be the date of receipt of the order and not the date of communication.

Sec. 30(2)(b) Proviso. The requirement of deposit of a penalty should be deleted as this renders the remedy by way of an appeal illusory and impractical. Experience shows that the discretion of waiving deposit is not exercised.

Sec. 30(6). The provision that the decision cannot be called in question in any Court of law is unconstitutional and illegal.

Sec. 30(7). Provision should be made that an option shall be given. Further, the extent upto which a fine can be imposed should be specified, i.e., not exceeding the market price of the gold. The section as drafted is arbitrary.

Sec. 31(2). The provision that imprisonment of not less than 6 months be imposed is unfair and arbitrary as it deprives the Court of law after holding a full trial from imposing a lesser imprisonment than six months even if the Court feels that such punishment is called for. This provision fetters the ends of justice.

Sec. 31 (4). The provision for a summary trial by a Magistrate should be deleted as a proper trial according to the provisions of the Criminal Procedure Code should be held in each case in view of the drastic penalties involved.

10. It is, therefore, most respectfully submitted that the Memorandum submitted hereby be carefully considered and the representatives of the Association with their legal advisers be permitted to give oral evidence in support of this Memorandum and that an advance date and time for such hearing be communicated.

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