

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3423
ANSWERED ON:15.12.2006
RATIONALISATION OF DUTY OF WATCHES
Agarwal Shri Dharendra

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware that watches/parts thereof are being smuggled/illegally imported into the country;
- (b) if so, the details thereof;
- (c) the steps being taken to check such activities?
- (d) whether All India Federation of Horological Industries (AIFHI) has requested the Government for rationalization of duty on watch and watch components; and
- (e) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a)&(b) Yes, Sir. The following are the details of smuggled watches/parts seized during the last three financial years:

Year Value of seized
goods (Rs. in crores)

2003-2004	2.87
2004-2005	4.00
2005-2006	1.97

(c) All field formations including Directorate of Revenue Intelligence have been adequately sensitized to maintain strict vigil to prevent and thwart the smuggling of watches and parts thereof.

(d)&(e); Yes, Sir. Ministry has recently received a representation from All India Federation of Horological Industries (AIFHI) for rationalization of duty on watch and watch components. The said representation is under examination.