

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5006

ANSWERED ON:02.09.2011

PRICES OF GOLD

Harnsrajbhai Shri Radadiya Vitthalbhai ;Mahendrasinh Shri Chauhan ;Ramasubbu Shri S.;Venugopal Shri Danapal;Yadav Shri Om Prakash

Will the Minister of FINANCE be pleased to state:

- (a) whether import of gold attracts any duty;
- (b) if so, the details thereof grade-wise;
- (c) whether prices of gold have shot up;
- (d) if so, the details thereof and reasons therefor during the last three years and current year;
- (e) whether there is any scope for intervention of the Government to arrest the abnormal rise in the prices; and
- (f) if so, the details thereof and steps taken thereto?

Answer

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

(a): Yes, Sir.

(b): The import duty on gold grade-wise is as follows:

Gold ore, concentrate & Gold Dore- rs 140 per 10 gm of gold content (CVD)

Gold bars, other than tola bars, bearing Manufacturer's or refiner's engraved serial number and weight expressed in metric units, and gold coins- 300 per 10 gm (BCD)

Gold in any form (other than those specified above) including liquid gold and tola bars- rs 750 per 10 gm(BCD) In addition, education cess of 2% and secondary & higher education cess of 1% is also chargeable.

(c): Yes, Sir

(d): Details of gold prices during last three years and current years

Gold Price (Rs. Per 10 grams) International price of Gold (US \$ per troy ounce)

2008-09 12,905 867.2

2009-10 15,755 1023.0

2010-11 19,238 1293.5

2011-12 27230 1792.9
(up to August)

The steep rise in gold price is due to market demand and volatility in international prices

(e): No sir, Since the price of gold is market driven and also depends upon volatility in the price of this commodity in the international markets.

(f): Does not arise in view of (e) above.