

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:2430

ANSWERED ON:07.12.2012

GOLD LOAN

Thakur Shri Anurag Singh

Will the Minister of FINANCE be pleased to state:

- (a) the volume of gold loan business in the country during each of the last three years and current year;
- (b) the manner in which gold holding is accounted for the Income Tax assessment; and
- (c) whether there are proposals to make it mandatory to disclose gold holdings and if so, the details thereof and action taken or proposed to be taken in this direction?

Answer

The Minister of State in the Ministry of Finance (Shri Namo Narain Meena)

(a) Reserve Bank of India (RBI) has informed that the aggregate Gold loans and advances for the last three years and current year are as under;

(Rs. In crore)

Item	Financial Year 2009-10	Financial Year 2010-11	Financial Year 2011-12	Current Year Upto Sept. 30, 2012
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Gold Loans & Adv	9,179	22,666	39,230	42,438
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Source RBI. Data of non-depositing takings systemically important NBFCs

(b) There is no provision under the Income Tax Act 1961 specifically for accounting `Gold Holding` for assessment of income tax.

(c) Through Finance Act, 2012 a provision has been made in section 139 of the Income Tax Act, which inter-alia, provides that a person, being a resident other than not ordinarily resident in India within the meaning of clause (6) of section 6 of the Income-tax Act and who during the previous year has any asset (including any financial interest in any `entity) located outside India or signing authority in any account located outside India, shall furnish, on or before the due date, a return in respect of his income or loss for the previous year in such form and verified in such manner and setting forth a such other particulars as may be prescribed. Also a new Schedule FA has been inserted in Income Tax return Forms ITR 2, ITR 3, ITR A, ITR 5, ITR 6 and ITR 7 for assessment year 2012-13 wherein the assessee is required to give the details of the asset (including any financial interest in any entity) located outside India or signing authority in any account located outside India.