

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4217
ANSWERED ON:22.03.2013
SEIZURE OF GOLD
Mitra Shri Somendra Nath

Will the Minister of FINANCE be pleased to state:

- (a) whether a large quantity of gold has been seized at the international border during the year 2012;
- (b) if so, the details along with the total value of the seized gold thereof;
- (c) whether the recent spurt in smuggling of gold has led to the increase of prices of gold in the country;
- (d) if so, the details thereof and the reaction of the Government thereto; and
- (e) the measures being taken by the Government to check incidents of smuggling of gold as well as to bring down the prices of gold in the country?

Answer

FINANCE MINISTER (SHRI P. CHIDAMBARAM)

(a)&(b): A total quantity of 174.625 kgs of Gold valued at Rs.51.03 crore was seized by the Customs Department at the international borders during the year 2012-2013 (upto Fob, 2013). Further, during the period 201112, the total quantity of 160.986 kgs of gold valued at Rs. 34.67 crore was seized.

(c): No, Sir. The prices of gold in the country are determined by the international bullion market prices and domestic demand, (d): `NIP In view of (c) above.

(e): All the Customs formations including DRI have been sensitized to prevent smuggling of gold into the country. Constant surveillance is kept on Seaports, Airports and Land Customs Stations.

RBI, as a measure to bring down prices of Gold, has advised banks not to grant advance for purchase of gold in any form including primary gold, gold bullion, gold jewellery, gold coins, units of gold Exchange Traded Funds (ETF) and units of gold Mutual Funds except for genuine working capital requirements of jewelers. Besides RBI has recently advised banks to introduce modified gold deposits scheme.