

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2628
ANSWERED ON:26.08.2013
GOLD IMPORT UNDER FTA
Dubey Shri Nishikant ;Gangaram Shri Awale Jaywant

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of the institutions which are authorized by the Government for the import of gold in the country;
- (b) whether the free trade agreement has resulted into multi fold increase in the import of gold jewellery from Hongkong and Thailand as compared to the import of jewellery from other countries;
- (c) if so, the details thereof and the reasons therefor along with the total value of gold jewellery imported from various countries and particularly from Thailand during each of the last three years and the current year;
- (d) whether there has been investigation into the reports of certain jewellery companies wrongly calculating the custom duty payable for their imports and if so, the details thereof including the findings thereon along with the action taken against such erring companies;
- (e) the list of items which have excluded from the import duty with Hongkong and Thailand under the free trade agreement; and
- (f) whether the Government proposes to review the free trade agreement and exclude the gold imports from the list of items in the free trade agreements and if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

- a) Under Foreign Trade Policy 2009-14, 10 agencies have been authorized by DGFT to import Gold into India. RBI has also authorized 36 Scheduled Commercial Banks for import of gold. The details of institutions are at Annexure.
- (b) At present, India has no Free Trade Agreement with Thailand and Hong Kong.
- (c) India and Thailand have signed a Framework Agreement for establishing an India-Thailand Free Trade Agreement on 09.10.2003, under which there is an Early Harvest Scheme that covers gold jewellery. Thailand is also a part of ASEAN-India Agreement on Trade in Goods signed on 13.08.2009 where gold jewellery is included for concessional trade. The total value of gold jewellery imported from Thailand as compared to the total imports of gold jewellery for the last three years and the current year is given below:-

(in US\$ million)

	2010-11	2011-12	2012-13	2013-14 (upto May, 2013)
Thailand	32.68	130.43	106.91	1.05
Total import	242.25	762.22	4945.95	83.58

Source: DGCIS

- (d) During 2012-13 (upto February 2013), 46 cases involving 2990.85 Kgs of gold were reported against companies which were wrongly calculating the customs duty payable. Action has been initiated against the offenders under the provisions of Customs Act for collection of differential duty, imposition of fine and penalty. All the Customs formations including DRI have been sensitized to prevent such fraudulent import by wrongly calculating the Customs duty payable for their imports. Constant surveillance is kept on Seaports, Airports and Land Customs Stations.
- (e) In view of (b) above, the question does not arise.
- (f) In view of (b) above, the question does not arise.