

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3935
ANSWERED ON:20.03.2015
IMPORT OF GOLD
Venkatesh Babu Shri T.G.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has allowed private companies to import gold under 80:20 scheme and if so, the details thereof;
- (b) whether many of the private companies have misused the scheme by exporting artificial gold with nil or less than the declared percentage of gold;
- (c) if so, the details thereof along with the number of such incidents come to light during the last three years and the action taken by the Government against the defaulters;
- (d) whether the Government proposes to totally ban gold imports by private individuals and companies to prevent the misuse of this provision; and
- (e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAYANT SINHA)

- (a) The RBI vide Circular No.133 dated May21,2014 prescribed that Star trading Houses / Premier trading Houses which are registered as Nominated Agencies by Directorate General of Foreign Trade (DGFT) may import gold under 20:80 Scheme. The first lot of gold import was restricted to the highest monthly import during any of the last 24 months prior to RBI notification dated August 14, 2013, subject to maximum of 2000 kgs. The 20:80 scheme was withdrawn by the Government on November 28, 2014.
- (b) Yes sir.
- (c) As per Directorate of Revenue Intelligence, one case of misuse amounting to duty evasion of Rs 72.36 lakh has been booked by the Directorate. The Show Cause Notice has been issued and the Party has filed application with the Settlement Commission.
- (d) & (e) The 20:80 scheme was withdrawn by the Government on November 28, 2014. As per the extant instructions. Star & Premier Trading Houses can import gold as per entitlement, without any end use restriction.