

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:2401  
ANSWERED ON:25.07.2014  
SMUGGLING OF GOLD  
Ahmed Shri Sultan

**Will the Minister of FINANCE be pleased to state:**

- (a) the quantity of gold imported during each of the last three years and the current year and its value in terms of rupees;
- (b) whether the cases of gold smuggling have spurted in the recent past;
- (c) if so, the details thereof and the reaction thereto including the number of cases of gold smuggling reported and the gold seized in terms of its value during the said period;
- (d) whether Government proposes to return the seized gold to the parties with high charge of duty and if so, the details thereof and the reasons therefor; and
- (e) the details of the adverse impact of smuggling of gold on economy of the country along with the steps taken by the Government to effectively check the smuggling of gold?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN)

(a) The quantity of gold imported during each of the last three years and the current year and its value in terms of rupees are as below:-

Year	Details of gold imported	
	Qty in Kgs	Value of gold imported (Rs.in crore)
2011-12	918805.02	228666.96
2012-13	845018.46	245862.32
2013-14	638370.67	160962.56
2014-15	221278.83	54791.95

(upto June, 2014)

(b)&(c) Yes. The number of cases of gold smuggling reported and the gold seized in terms of its value during the last three years and the current year (upto June 2014) are as below:-

Year	No. of cases	Qty. of seized gold		Value of seized gold (Rs. in crore)
		(in Kg.s)	(Rs. in crore)	
2011-12	500	169.06	43.21	
2012-13	869	429.17	129.71	
2013-14	2441	2344.85	680.20	
2014-15	1266	1295.87	354.07	

(upto June, 2014)

(d) Cases of seizures of gold are decided through the issue of show cause notice and adjudication proceedings. Further, action is taken depending upon whether the adjudication order provides for absolute confiscation of gold or redemption of the same to the party on payment of fine, penalty along with applicable duty.

(e) Every act of smuggling including gold smuggling has adverse effect on the economy as there is loss of Revenue to the exchequer in the form of the duty evasion. Further, payments in such cases of smuggling are typically done through the hawala channel, resulting in money laundering.

The CBEC has communicated to all field formations the need to be alert and to keep a close watch on the trend of smuggling of gold and the DRI has also sensitized Customs field formations including DRI units by issuing General Alerts and Modus Operandi Circulars in this regard. Other intelligence and security agencies are also sensitized appropriately.