

## **Government hikes import tariff value on gold, silver**

NEW DELHI: The government today hiked the import tariff value on gold and silver to USD 424 per 10 grams and USD 650 per kg respectively, in view of volatile global price trends.

Till the first fortnight of May, tariff value on imported gold stood at USD 422 per 10 grams and silver at USD 632 per kg.

The import tariff value -- base price at which customs duty is determined to prevent under-invoicing -- is revised on a fortnightly basis taking into account the volatility in global prices.

The reduction in tariff value on imported gold and silver has been notified by the Central Board of Excise and Customs, an official statement said.

In Singapore, gold prices have risen by 0.46 per cent to USD 1,294.20 from USD 1,288 per ounce in last one fortnight. Similarly, silver prices have also increased to USD 19.36 per ounce from USD 19.14 per ounce in the review period.

However in the national capital, gold prices fell to Rs 29,600 per 10 grams today, as compared to Rs 30,585 on May 1.

Due to government curbs, the country's total gold and silver imports dropped 40 per cent to USD 33.46 billion in 2013-14, as against USD 55.79 billion in the previous year.

Gold is the second largest import item for India after petroleum. The government had taken several measures to curb gold shipments to address the high current account deficit.

These measures include raising the import duty to 10 per cent on the metal and also made it mandatory for traders to export 20 per cent of the imported gold.

*(Economic Times)*