

that the States derive steadily increasing shares from the total collection thus maintaining the element of elasticity that is today being provided by sales tax.

(b) to (e). Since sales tax is a State subject of taxation under the Constitution, the abolition of sales tax and its replacement by Central Excise Duty can be achieved only with the consent of the State Governments. The proposal therefore has been discussed with the State Governments. Except Delhi Administration, which is a Union Territory, none of the State Governments has shown willingness to accept the proposal so far. This is a matter which has to be pursued with the States with patience and perseverance.

**Quantum of Gold Sold through Auctions by Reserve Bank of India**

- 849. SHRI K. RAMAMURTHY;
- SHRI O. V. ALAGESAN;
- SHRI ANANT RAM JAISWAL;
- SHRI RAMACHANDRAN
- KADANNAPPALLI;
- SHRI K. N. DASGUPTA;

Will the Minister of FINANCE be pleased to state:

(a) the quantum of gold sold in the 12 auctions by the Reserve Bank of India;

(b) the value of money received;

(c) what has been the ruling market price of gold after such auction held so far; and

(d) the quantum and value of gold possessed by the Reserve Bank of India?

THE MINISTER OF FINANCE (SHRI H. M. PATEL): (a) and (b). A total quantity of Rs. 12.959 tonnes of gold has been sold by the Reserve Bank of India on behalf of the Government in 12 auctions held so far. The total value of sale proceeds is Rs. 86.69 crores.

(c) The average market price of gold at Bombay 14 days subsequent to each auction is given below:--

Auction No.	Date of auction	Average Bombay price during the 14 days subsequent to the auction
		(Rs per 10 gms.)
1	3-5-78	698
2	16-5-78	688
3	31-5-78	693
4	14-6-78	680
5	28-6-78	678
6	12-7-78	684
7	26-7-78	695
8	No bids accepted	
9	17-8-78	756
10	30-8-78	764
11	13-9-78	764
12	27-9-78	795
13	No bids accepted	
14	23-10-78	841

(d) The stock of gold held with the Reserve Bank of India as statutory reserves is valued at Rs. 214.22 crores at the I. M. F. rate of Rs. 84.39 per 10 grammes. This gold is not available for sale. In terms of quantity this would be about 245 tonnes approximately.

The stocks of gold with the Government from which the auction sales have been made was about 77.0 tonnes as on 30-9-78. At the current market price of Rs. 830 per 10 grammes, this would be valued at Rs. 636.36 crores.