

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE**

**LOK SABHA
UNSTARRED QUESTION NO. 2047**

TO BE ANSWERED ON MONDAY, THE 19TH DECEMBER, 2022

Gold Smuggling in Kerala

2047. SHRI N K PREMACHANDRAN

Will the Minister of FINANCE be pleased to state:

- (a) Whether the Government proposes to investigate the involvement of top most executives in Kerala with regard to their involvement in gold smuggling cases through Thiruvananthapuram Airport on the basis of the 164 statement given by the accused before the competent court and if so, the details thereof;
- (b) Whether the Government proposes to wind up the investigation due to the involvement of top most executives in Kerala and if so, the details thereof;
- (c) Whether the Ministry of Finance has received any request from Ministry of External Affairs regarding this matter and if so, the details thereof;
- (d) Whether the Central Investigation Agencies are facing difficulties in ensuring smooth and fair investigation of the case due to the influence of executive in Kerala and if so, the details thereof; and
- (e) Whether the Central Investigation Agencies have filed affidavit before the Court regarding this matter and if so, the details thereof?

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) Directorate of Enforcement has initiated investigation in the case of smuggling of gold through the diplomatic baggage of the UAE Consulate, Trivandrum on the basis of an FIR registered by National Investigation Agency (NIA) u/s 16, 17 and 18 of Unlawful Activities (Prevention) Act, 1967 which was based on the seizure of 30 kg gold by Customs (Preventive) at Trivandrum International Airport which was camouflaged as diplomatic baggage of UAE Consulate, Trivandrum. The statement given under Section 164 by the accused before the competent court is also taken into account.

(b) No.

(c) No.

(d) & (e) Two FIRs have been filed against officers of Enforcement Directorate by Crime Branch Police Station, Ernakulam District. Two Writ Petitions were been filed by ED before High Court of Kerala challenging the FIRs as illegal. The High Court quashed the two FIRs registered against the ED officials vide common order dated 16.04.2021. The Government of Kerala has filed two Writ Appeals against the Common Order dated 16.04.2021 of Hon'ble High Court of Kerala.

The Government of Kerala has also appointed a one-man Commission of Inquiry under Commissions of Inquiry Act, 1952 to examine and look into the correctness of the PMLA investigation. Hence, a Writ Petition was filed before the Hon'ble High Court of Kerala challenging the appointment of Judicial Commission. Based on the submissions of ED, the Hon'ble Single Bench of High Court of Kerala stayed the appointment of the Judicial Commission. The State Government filed another Writ Appeal No. 1532 of 2021 against the stay.

Enforcement Directorate has filed a transfer petition before the Hon'ble Supreme Court of India for transfer of trial outside the State of Kerala stating that "there is a gross misuse of the State machinery against the agency and its officers, which is clearly evident from the registration of two FIRs leading to an unprecedented situation where implementation of rule of law would have become impossible. This has given rise to an unprecedented situation wherein the State Police is intimidating the ED officers from carrying out their statutory duties under the PMLA. In such circumstance, it would be impossible to conduct a fair trial".
