

- Indian bullion industry expects the following from the coming budget.
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 - **Liberalise import of gold bullion**
 - Since 1996, the government has gradually liberalized gold imports starting with NRIs, then permitting government enterprises, banks, premier export houses- 5-star, 3-star export houses and so on. At present, about 15 private companies, 22 banks and 4 public sector enterprises are allowed to import gold bullion. Given the size and the spread of the demand in a country such as India, there is a case for allowing more participants to import bullion directly. Allowing more participants would set a competitive environment leading to improved service levels, innovation and lower transaction costs. Therefore the bullion industry expects government to free import of gold bullion.
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 - **Customs duty on imported ore / concentrates**
 - The customs duty on imported ore and concentrates was reduced to Rs. 140/ 10 gm in the last budget. However, a levy of excise duty on the finished product out of this imported ore/concentrate, nullified the benefit. As a result, there is no scope for establishing a viable refining business in India. A vibrant bullion refining industry in India is very important towards making India the bullion hub. Hence, the industry requests the government to reduce overall tax incidence on bullion refining.
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 - **Customs duty on bullion bars**
 - The government has raised customs duty on gold bars in the last two budgets. At present customs duty on gold bars is Rs. 300/10 gm. The industry appeals to the government to maintain status-quo on the customs duty level.