

Post-Budget Insights 2025: Industry Leaders Weigh in on Key Announcements

With the primary goal of maintaining the growing momentum of Viksit Bharat, the finance minister has announced a populist Union Budget 2025. The budget has established the correct goal to propel India's economy by emphasizing middle-class consumption, the agricultural sector, which will boost rural demand and output, and women and youth, which will propel further growth in India.

The import duties cut/rise on gold and silver have not been announced, as few market participants anticipated. A few significant announcements, nevertheless, will be advantageous for the whole gem and jewellery sector:

- The Budget included a new tariff line to clearly distinguish imports of gold in bar form from those in other forms, considering the disruption of the market created by imports of platinum alloy.
- A new tariff line has been established to differentiate precious metals; items that contain 99.9% or more silver by weight, 99.5% or more gold, and 99.9% or more platinum will be categorized under headings 7106, 7108, and 7110, respectively.
- Additionally, the 25% customs tariffs on gold jewelry items have been lowered from 25% to 20%. Platinum



Mr Prithviraj Kothari
National President, IBCA

- Findings' customs duty has been lowered from 25% to 5% previously. This step will increase demand for high-end luxury gold and platinum jewelry.
- Thirdly, the increase in the turnover limit for MSMEs from Rs 250 crore to Rs 500 crore will also enable bullion market participants to expand and prosper.
 - By lifting the IGCR restriction on the import of duty-free LGD (Lab Grown Diamond) seeds, the budget also gave the diamond industry some relief. This will make LGDs even more appealing and stimulate demand for them.



Mr Surendra Mehta
National Secretary, IBCA

"Gold industry is happy to see that there is no increase in custom duty on gold and silver. The stability in duty will help the industry. The new tariff lines for few gold, silver and platinum will be introduced from 01/05/2025 which will help government in levying correct duty on gold which currently had been confusing when gold is imported under the guise of platinum."

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Mr Sachin Jain
Regional CEO, India,
World Gold Council



"The fiscal budget announced by Finance Minister Nirmala Sitharaman is advantageous for the gold industry as it increases disposable income, encourages spending, and promotes economic growth across various income levels. The omission of TCS above certain limits reduces compliance burdens and enhances the ease of doing business. Creation of Export Promotion Mission, National Manufacturing Mission furthering "Make in India", the National Centres of Excellence for Skilling encouraging MSME's and digital public infrastructure 'BharatTradeNet' for international trade will support the Indian gold industry and enhance its crucial role in contributing to Viskit Bharat 2047.

Simplification and reduction of taxes positively impact the Indian middle class and salaried individuals, while also supporting farmers, businesses, and investments. With a focus on financial empowerment and ease of living, the government aims to foster innovation, artificial intelligence, infrastructure development, and inclusive economic growth. Overall, this consumption-led budget prioritises both investments and spending, with the increase in disposable incomes due to an enhanced tax exemption limit expected to boost overall consumer demand, including that for gold and jewellery."

