

BUDGET 2023 REVIEW FOR BULLION INDUSTRY

1-Feb-2023

AUGMONT[®]
GOLD
FOR ALL

	Expectation from Budget by Bullion Industry	Announced in Union Budget 2023
1)	Reduction in Import duty on Gold, Silver and Platinum from 12.5% to 4%	Import Duty on Silver bar increased from 10.75% to 15% at par with Gold and Platinum**
2)	Reduction in GST from 3% to 1%	--
3)	Introduction of "Rates and Taxes Refund" mechanism through EDI system	--
4)	Increase in BCD on Gold, Silver and Platinum jewellery articles to 25%	The import duty on articles made of precious metals falling under CTH 7113 & 7114 is being increased from 22% to 25%. It is however being exempted from SWS.
5)	Increase in Gold bullion buying limit without PAN Card from Rs 2 lakhs to 7-8 lakhs	--
6)	Reduction in Import duty on Cut and polished Diamonds and Gemstones from 5% to 2.5%	--
7)	Allowance of Sale of rough diamonds in Special Notified Zone	--
8)	Exemption of 2% equalization levy on Rough Diamonds sales	--
9)	Abolition of import duty on seeds used to manufacture Lab Grown Diamonds	The BCD on 'seeds' for use in manufacture of rough lab grown diamond is being reduced to Nil subject to IGCR condition for a period of two years.
10)	Abolition of import duty on Machinery which is used to manufacture Lab Grown Diamonds	--
11)	Introduction of Gem and Jewellery in Manufacture and Other Operations in Customs Warehouse (MOOWR) scheme	--
12)	Introduction of bill to ship to SEZ units. Amendment in DESH bill	--
13)	Introduction of Job work model in diamonds, precious and semi-precious stones industry	--
14)	Removal of Capital Gain Tax on conversion of Physical Gold to Electronic Gold Receipts (EGR) and vice versa	Conversion of physical form of Gold into EGR and vice versa is exempted from Capital Gain Tax.

**Import Duty on Bullion	2022				2023 Union Budget Announcement				Differential
	BCD	AIDC	SWS	Total Duty	BCD	AIDC	SWS	Total Duty	
Gold Bar	12.50%	2.50%	0.00%	15.00%	10.00%	5.00%	0%	15.00%	0.00%
Gold Dore	11.85%	2.50%	0.00%	14.35%	10.00%	4.35%	0%	14.35%	0.00%
Platinum	12.50%	1.50%	1.40%	15.40%	10.00%	5.40%	0%	15.40%	0.00%
Silver Bar	7.50%	2.50%	0.75%	10.75%	10.00%	5.00%	0%	15.00%	4.25%
Silver Dore	6.10%	2.50%	0.61%	9.21%	10.00%	4.35%	0%	14.35%	5.14%

*BCD - Basic Custom Duty, AIDC - Agriculture Infrastructure and Development Cess, SWS - Social Welfare Surcharge

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