

# India Introduces Distinct HSN Codes for Gold, Silver and Platinum Against its Different Purities and Forms Under Chapter 71: Effective May 1, 2025

Mr Prem Nath, Director – FinMet India Pvt. Ltd



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## Background:

The precious metals industry, along with the Directorate General of Foreign Trade (DGFT) and Customs, has long faced challenges in distinguishing between different forms and purities of gold, silver, and platinum. This ambiguity has stemmed from the use of common HSN codes, which hindered accurate data dissemination, customs appraisals, and policy formulation.

- For example, HSN Code 71081200 previously covered both:
- Refined gold containing 99.50% and above by weight of gold, and
- Gold Dore bars containing 95% or less by weight of gold.

This overlap created difficulties in distinguishing between refined gold and gold Dore bars, which are governed by entirely different import policies.

- Refined gold ( $\geq 99.50\%$ ) was permitted under HSN Code 71081200 and could be imported through:
- Nominated Agencies authorized by the RBI (for banks),
- DGFT (for trading companies), or
- IFSCA (for Qualified Jewellers/TRQ holders via IIBX at IFSC Gift City).

Gold Dore (< 95% gold content), although classified under the same code (71081200), was restricted and allowed only to actual users (refiners) against a valid license, subject to conditions such as:

- Minimum weight of each Dore bar ( $\geq 5$  kg), Compliance with IGCRS rules, etc.
- Similar overlaps and challenges existed for silver and platinum products under their respective HSN codes, despite differing in form, purity, and associated import policies.

## Resolution:

To address these inconsistencies, the Finance Bill 2025 of the Union Budget for FY 2025–26 (announced on February 1, 2025) introduced revised and more granular HSN codes under Chapter 71, effective May 1, 2025, as detailed below:

## Silver (HSN Heading 7106)

**71069120** – Unwrought silver containing 99.90% or more by weight of silver. Its import policy is Restricted. Import is allowed through Nominated Agencies as notified by RBI ( for Banks) and DGFT ( for other agencies) and Qualified Jewellers,( as notified by IFSCA for import through IIBX)

**71069221** – Semi-manufactured silver bars containing 99.90% or more by weight of silver. Its import policy is Free but subject to RBI regulations.

**71069229** – Semi-manufactured silver (other), i.e., containing less than 99.90% silver by weight. Its import policy is Free but subject to RBI regulations.

*Note : The earlier HSN Code of Silver 71069220 has been deleted.*

## Platinum (HSN Heading 7110)

- **71101111** – Platinum in unwrought form containing 99.00% or more platinum by weight. Its import policy is Free.
- **71101119** – Other unwrought platinum (i.e., containing less than 99.00% platinum). Its import policy is Restricted.
- **71101121** – Platinum in powder form containing 99.00% or more platinum by weight. Its import policy is Free.
- **71101129** – Other platinum powder (i.e., containing less than 99.00% platinum). Its import policy is Restricted.
- **71101910** – Platinum (other than unwrought or powder forms) containing 99.00% or more platinum by weight. Its import policy is Free.
- **71101990** – Platinum (other than unwrought or powder forms) containing less than 99.00% platinum. Its import policy is Restricted.

*(Note: The earliest HSN Codes of platinum 71101110, 71101120 and 71101900 have been deleted)*

## Gold (HSN Heading 7108)

**71081210** – Unwrought gold (other forms) containing 99.50% or more by weight of gold. Its import policy is Restricted. Import is allowed through Nominated Agencies as notified by RBI ( for Banks) and DGFT ( for other agencies) and Qualified Jewellers ( as notified by IFSCA for import through IIBX). Import is also allowed to valid TRQ holders as notified by IFSCA for import through IIBX and they can take physical delivery of Gold through IFSCA registered vaults located in the SEZs as per guidelines of IFSCA.

**71081290** – Unwrought gold (other forms) containing less than 99.50% by weight of gold. (This covers Gold Dore with  $\leq 95\%$  gold content also.)

Its import policy is also Restricted. Import is allowed through Nominated Agencies as notified by RBI ( for Banks) and DGFT ( for other agencies) and Qualified Jewellers ( as notified by IFSCA for import through IIBX). Import is also allowed to valid TRQ holders as notified by IFSCA for import through IIBX and they can take physical delivery of Gold through IFSCA registered vaults located in the SEZs as per guidelines of IFSCA.

Gold Dore can be imported by the refineries against an import license with Actual User ( AU) condition.

**71081310** – Semi-manufactured gold containing 99.50% or more gold by weight. Its import policy is Restricted. Import is allowed through Nominated Agencies as notified by RBI ( for Banks) and DGFT ( for other agencies)

**71081390** – Semi-manufactured gold containing less than 99.50% gold by weight. Its import policy is Restricted. Import is allowed through Nominated Agencies as notified by RBI ( for Banks) and DGFT ( for other agencies)

*(Note : The earlier HSN Codes of gold 71081200 and 71081300 have been deleted.)*

### Conclusion:

*The introduction of these new HSN codes provides much-needed clarity and will help streamline customs classification, data reporting, and policy enforcement for the precious metals sector. These changes are expected to eliminate past ambiguities and align trade documentation with the distinct import policies for each form and purity level of gold, silver, and platinum.*

*Sources: DGFT Notification No. 8/2025 dated 19/5/2025 and Finance Bill 2025 of the Union Budget for FY 2025–26 (announced on February 1, 2025)*