

iPhones now cheaper by up to ₹5.9K after Budget's duty relief

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Apple Inc on Friday reduced the prices of iPhones by up to ₹5,900 across the board. This move comes days after the Budget announcement, which included a 5 percentage points reduction in the basic customs duty (BCD) on imported mobile phones, previously set at 22 per cent.

Additionally, the 2024-25 Budget reduced the BCD on chargers and printed circuit board assemblies (PCBAs) — a crucial component in assembling smartphones in India — from 20 per cent to 15 per cent.

The sharpest price cut in percentage terms by Apple is for the entry-level iPhone SE, which is assembled in India and is not affected by the BCD reduction on phones. The maximum retail price (MRP) has been reduced from ₹49,900 to ₹47,600 — a 4.6 per cent decrease that aims to further expand Apple's presence in India's smartphone market.



SALES PITCH
MRP in (₹)

iPhone model	Before Budget announcement	After cut in prices
15 Pro Max	159,900	154,000
15 Pro	134,900	129,800
15 Plus	89,900	89,600
15	79,900	79,600
14 Plus	79,900	79,600
14	69,900	69,600
13	59,900	59,600
SE	49,900	47,600

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Source: Based on Apple Inc prices

iPhone models assembled in India see minimal price cuts

Apple also announced price reductions for the iPhone 15 Pro and Pro Max, which are the only smartphones the company imports to India. The iPhone 15 Pro is now cheaper by ₹5,100, while the iPhone 15 Pro Max's MRP is down by ₹5,900. The iPhone 15 Pro is now priced at ₹129,800, reflecting a 3.7 per cent price reduction, and the iPhone 15 Pro Max is priced at ₹154,000, after 3.68 per cent decrease.

Price cuts for other iPhone models assembled in India are minimal, with a reduction of ₹300 in MRPs of the latest iPhone 15 and iPhone 15 Plus, as well as the previous generation iPhone 14 and iPhone 14 Plus. These models are assembled locally and do not benefit from the BCD reduction.

The reduction in BCD on mobile phones does not benefit

Samsung, another key player in the ₹45,000+ ultra-premium smartphone market, as the company assembles all its phones, including the Flip, Fold, and Ultra models, in India. However, Google's Pixel, which is also imported (though it will soon be assembled in India) and has a small presence in this country, may follow Apple's lead, according to analysts, although no announcements have been made yet.

Apple Inc has experienced dramatic revenue growth in the Indian market -- up sevenfold from ₹11,000 crore in FY19 to an expected ₹67,000 crore in FY24. Apple, in last financial year, captured the top spot in terms of India revenue share at 23 per cent, pushing Samsung down by one percentage point to the second position.

