



For Immediate Release

Exemption of AIDC on Gold/Silver Bars and Dore to boost Jewellery Exports: GJEPC

Mumbai, 18th February 2021: The Finance Ministry has issued a notification dated 17th February 2021, of the amendments made to the finance bill 2021 with regards to the Agriculture Infrastructure and Development Cess (AIDC) exemption on gold/Silver bars and dore for exporters. However, it maintains that the gold/silver bars and dore imported for domestic use will attract AIDC.

In the Finance Bill, 2021, Agriculture Infrastructure and Development Cess (AIDC) of 2.5% was levied on import of Gold/Silver Bars and Dore.

Colin Shah, Chairman, GJEPC said, “Exemption of AIDC on Gold/Silver Bars and Dore is a master stroke by Govt. which would have positive implications on the growth of the gem and jewellery export sector. This has come as a much relief to our exporting community. This charge of cess made the jewellery exports unviable and uneconomical, as the cess is not a part of import duty. Jewelleries are sold on International pricing of gold and this additional cess hampers the export & growth of the industry. On behalf of the entire gem and jewellery export sector, I express my deepest gratitude to Smt. Nirmala Sitharaman, Hon’ble Minister of Finance for considering our pleas to exempt AIDC on Gold/Silver Bars and dore for exporters.”

As an advocate to the Gems & Jewellery fraternity, Council represented the issues to the Ministries of Finance and Commerce, to waive off the applicable cess charge on import of Gold/Silver Dore and Bars for exports under the various export promotional schemes.

On 17th February 2021, Finance Ministry, through a notification no. 18/2021- Customs dated, 2021 Department of Revenue including Notification no. 56/2000- Customs and 57/2000- Customs announced the exemption of AIDC on import of Gold/Silver Bars and Dore for exporters.

The Indian gem and jewellery industry expects a major transformation after two landmark announcement made by the Government recently. One is the import duty on precious metals like Gold and Silver was reduced from 12.5 percent to 7.5 percent. Also, last week government made series of amendments to the Gold Monetisation Scheme (GMS) and have given access to domestic gold to come in the system by empowering banks, large jewellery stores as BIS certified gold collection centres.

About The Gem and Jewellery Export Promotion Council (GJEPC)

The Gem & Jewellery Export Promotion Council (GJEPC), set up by the Ministry of Commerce, Government of India (GoI) in 1966, is one of several Export Promotion Councils (EPCs) launched by the Indian Government, to boost the country's export thrust, when India's post-Independence economy began making forays in the international markets. Since 1998, the GJEPC has been granted autonomous status. The GJEPC is the apex body of gems & jewellery industry and today represents 7000 exporters in the sector. With headquarters in Mumbai, GJEPC has Regional Offices in New Delhi, Kolkata, Chennai, Surat and Jaipur, all of which are major centres for the industry. It thus has a wide reach and is able to have a closer interaction with members to serve them in a direct and more meaningful manner. Over the past decades, GJEPC has emerged as one of the most active EPCs, and has continuously strived to both expand its reach and depth in its promotional activities as well as widen and increase services to its members.