Exports of Gems & Jewellery surges by 71% in first 3 quarters

By TIOL News Service

NEW DELHI, JAN 27, 2022: INDIA'S
exports of Gems and Jewellery shot up by a whopping 71% during the first three quarters of the current Financial Year, April-December 2021(Provisional) over the same period previous year. The sector clocked USD 28.9 Billion exports as compared to USD 16.9 Billion during same period in the year 2020. Compared to the same period before the Covid pandemic struck, the Gems and Jewellery sector registered a growth of 3% over USD 28.0 Billion achieved in April-December 2019.

In the month of December, 2021 alone, India exported Gems and Jewellery worth USD2.99 Billion, registering a growth of 16.38% over USD2.57 Bn in December, 2020.

With USD28.9 Billion worth of Gems and Jewellery exports already achieved during the first three quarters of the current Financial Year, it has already surpassed USD26.02 Bn exports registered during the last FY (April, 2020-March, 2021) and is likely to better the previous high of USD35.89 Bn scaled during the FY (April, 2019-March, 2020).

The Gems and Jewellery sector makes up 9.6% share of India's entire exports basket during the period (Apr-Dec, 2021), accounting for the third largest commodity share (Engineering first and Petroleum Products second). Top 5 export destinations in April-November 2021 (latest available, share% in bracket) are: U S A (38.7%), Hong Kong (24.6%), UAE (11.9%), Belgium (6.6%) & Israel (3.9%).

Gems and Jewellery industry contributes about 7% of India's total GDP & employs the largest skilled and semi-skilled workforce of more than 50 lakh workers. More than 450 organised jewellery manufacturers, importers & exporters are based in Surat city of Gujarat, making it the jewellery manufacturing hub of the world.Â

Â It may be noted that the Government has declared the Gems & Jewellery sector as a focus area for export promotion.

Government has taken various measures to promote investment for growth of the sector, - Revamped Gold Monetisation Scheme, Reduction in import duty of gold and mandatory hallmarking. Various schemes that are working as a catalyst for the sector are Common Production/Processing Centre, Design Centers, Testing Facilities including Plug & Play Facilities, where assistance of 90% is being given by the Government of India. Marketing Hubs/Exhibition Centres by Associations are receiving GoI Assistance of upto 80% of project cost.Â

Centre has laid out four points to make India's Gems & Jewellery a pioneer industry in the world:

1. Focus on Design (creation of patented designs) in order to increase value add of our products and make our manufacturing more profitable.

2. Diversification of export products: Emphasis on products like pearls, silver, platinum, synthetic stones, artificial diamonds, fashion jewellery, non-gold jeweller, etc.

3. Collaboration with other nations for cost-effective methods to enhance production of fusion jewellery, andÂ

4. Promote Lab-Grown Diamond: They are environment friendly & affordable and will contribute to India's export as well as generate employment.