GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE
LOK SABHA
UNSTARRED QUESTION NO. 2607
ANSWERED ON 05/08/2025

DECLINE IN DIAMOND IMPORT AND EXPORT

2607. MR PATHAN YUSUF:

Will the Minister of **COMMERCE AND INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

(a) whether the Government is aware of the sharp decline in diamond import and export in the country;
(b) if so, the details thereof, year-wise;
(c) the reasons behind this downfall and the steps taken by the Government is taking to support the diamond industry;
(d) the number of jobs that have been lost in the diamond industry due to factory closures and defaults; and
(e) the measures being taken to support displaced workers and ensure their re-employment?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्यमंत्री (श्री जितिन प्रसाद)
THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a), (b) & (c) Export and Import of diamonds have declined in 2024-25 as compared to 2023-24.

Values in USD million	**Rough Diamonds**		**Cut and Polished Diamonds**		**Total**	
	2023-24	**2024-25**	**2023-24**	**2024-25**	**2023-24**	**2024-25**
Export	1,003.06	566.66	17,367.60	14,527.61	18,370.66	15,094.27
Import	15,511.78	11,376.18	7,483.74	5,814.43	22,995.52	17,190.61

Source: DGCI&S

*Diamond includes HS 7102 (Natural diamonds), HS 7104 21 and HS 7104 91(Laboratory-grown diamonds)

The consumer demand for luxury items has generally declined across the world due to effects of geopolitical conflicts in Ukraine and West Asia. Diamond being a luxury item has also seen a decline in consumer demand in India’s export destinations. G7 sanctions on Russian diamonds and the challenge of the identification and traceability of non-Russian diamonds by the importing G7 and EU countries have also impacted diamond trade. The global exports of cut and polished diamonds have declined significantly from USD 75.68 billion in 2023 to USD 54.77 billion in 2024.

In response, Department of Commerce (DoC) is implementing multifaceted strategies to comprehensively address declining exports and imports. These include:

1. DoC has been engaging with the G7 to protect India’s diamond industry following G7 sanctions on Russian diamonds. As a result, following has been achieved:

(i) Full-traceability scheme was shifted from 01 March 2025 to 01 January 2026.
(ii) 'Grandfathering of diamonds' was permitted for diamonds that entered G7/EU before sanctions.
(iii) Jewellery Studded with Russian diamonds processed in 3rd Countries was exempted from the purview of sanctions.

2. DoC in tandem with industry stakeholders is undertaking initiatives to explore new markets, while sustaining export of diamond in existing major markets.

3. DoC has awarded an R & D project to IIT-Madras in 2023-24 with an outlay of Rs. 242.96 Cr over 5 years for indigenous manufacturing of both Chemical Vapour Deposition (CVD) and High Pressure and High Temperature (HPHT) systems along with the recipes for expanding the Lab Grown Diamond (LGD) business.

4. The Customs (Import of Goods at Concessional Rate of Duty or For Specific End Use) Rules, 2022 (IGCR) condition for customs duty exemption on import of seeds used in rough Lab-Grown Diamond manufacturing has been removed. Further, duty free import of LGD seeds extended upto 31.03.2026.

5. Safe Harbour Rates (SHR) for sale of rough diamonds in Special Notified Zones (SNZs) by foreign mining companies (FMC) was notified in November 2024 to enhance direct sales of rough diamond by foreign mining companies to Indian entities.

6. Diamond Imprest Authorization scheme has been implemented from April 1, 2025 for duty free import of natural cut and polished diamonds, of less than one-fourth carat, thereby promoting value addition and exports.

(d) & (e) Department of Commerce does not maintain such data.

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