

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:2062  
ANSWERED ON:06.12.2005  
EXPORT OF GEM /JEWELLERY  
Barman Shri Hiten;Chakraborty Shri Ajay

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) the export of gems/jewellery during each of the last three years and the current year alongwith foreign exchange earned therefrom, country-wise;
- (b) whether gold/jewellery sector has been neglected;
- (c) if so, the reasons therefor;
- (d) whether there is any proposal to evolve a strategy to enhance the export of gold jewellery;
- (e) if so, the details therefor; and
- (f) the steps taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY ( SHRI E.V.K.S. ELANGO VAN)

(a) The export of gems and jewellery during the last three years and the current year are as follows:-

Year Total Export of Gem & Jewellery  
(US\$ in million)

2002-2003 9057.73  
2003-2004 10711.90  
2004-2005 13705.44  
2005-2006  
(April-August) 6294.65

Source: DGC&S

Major country-wise foreign exchange earnings from the export of gems and jewellery are as follows:-

(In Million US\$)

S.No. Name of the 2002-2003 2003-2004 2004-2005 2005-2006  
Country (April-August, 2005)

1. U S A	3345.84	3699.50	4040.95	1635.91
2. HONG KONG	1878.26	2334.64	2735.31	1411.04
3. U.A.E.	661.88	1373.55	2495.05	716.16
4. JAPAN	417.53	355.42	499.99	196.51
5. THAILAND	232.08	202.05	293.37	117.27
6. U.K.	202.96	221.06	220.97	93.87
7 SWITZERLAND	115.94	149.31	170.08	61.34
8. GERMANY	51.95	64.60	85.02	0.63
9. ITALY	29.10	34.33	46.17	19.33
10. FRANCE	28.07	27.44	37.06	13.09

Source: DGC&S

(b) No, Sir.

(c) Does not arise.

(d), (e) & (f) Export of gems & jewellery has been identified as a thrust sector in the Foreign Trade Policy effective from 1st September, 2004. In the Foreign Trade Policy updated as on 31st March, 2005 following facilities have been extended to this sector:

(i) Import of gold of 8 carat and above shall be allowed under the replenishment scheme subject to the import being accompanied by an Assay Certificate specifying the purity, weight and alloy content.

(ii) Duty free import entitlement of consumables for metals other than Gold, Platinum shall be 2% of FOB value of exports during the previous financial year.

(iii) Duty free import entitlement of commercial samples shall be Rs.300,000.

(iv) Duty free re-import entitlement for rejected jewellery shall be 2% of the FOB value of exports.

(v) Cutting and polishing of gems and jewellery, shall be treated as manufacturing for the purposes of exemption under Section 10A of the Income Tax Act.

Some other facilities extended to the gold jewellery export sector are creating training infrastructure in this sector with the financial assistance from the government to impart skills in designing in jewellery sector. Participation in international fairs and organizing buyer-seller meets abroad, etc is supported through assistance to exporters under Market Development Assistance (MDA) and Market Access Initiative (MAI) Schemes of the Department of Commerce.