



B V R Subrahmanyam, Commerce Secretary Assures Full Support To Gems & Jewellery Industry to Boost Exports

7th September 2021, Mumbai: In an exclusive interactive session organised by the Gem and jewellery Export promotion council (GJEPC), Shri B V R Subrahmanyam, Commerce Secretary, MOC & I , Govt of India spoke to the gem and jewellery exporters on 4th September in Mumbai. The session was also attended by Shri Suresh Kumar, Joint Secretary, Ministry of Commerce & Industry; Shri Colin Shah, Chairman, GJEPC; Shri Vipul Shah, Vice Chairman, GJEPC; Shri Sabyasachi Ray, ED, GJEPC along with prominent exporters from the industry.

The meeting was an effort to take forward the government's announcement of the "Atmanirbhar" vision of achieving the target of USD 400 billion merchandise exports.

During the interaction a range of points were covered including GST, The Reserve Bank of India norms of the export community as well as Customs related policies and issues.

The members representing Cut and Polished diamonds, Gold Jewellery, Coloured Gemstone, Seepz, banks, nominated agencies presented the issues and challenges faced by the trade during the full day session. The trade interaction was followed by interaction with banks and Govt officials, visit to GJEPC office and a tour of BDB.

B.V.R Subrahmanyam, Commerce secretary of India, said, "India has a huge amount of vacant SEZ land, around 10 crore sq ft inside SEZ is idle, undeveloped. People do not have an incentive to be at SEZ. To help, we are trying to resolve issues around sales, reverse jobs, tariff areas and denotifying certain parts of a Sez building. We should have an interim agreement with Australia and the Dubai FTA by December, and a full agreement with Australia by the end of next year. Trade Negotiations are underway for three big markets: UAE, EU and US. We will constitute a committee along with the council on board to look after the issues related to the Gem and Jewellery

sector. Quarterly meetings will be held with the committee, customs, income tax, RBI, Banks and the council to solve the mentioned issues seamlessly".

Thanking the Commerce Secretary for spending the whole day with gem and jewellery exporters, Colin Shah, Chairman, GJEPC said, "I express my gratitude to Shri B V R Subrahmanyam, Commerce Secretary for not only giving patient hearing to the concerns of the sector but also guiding the stakeholders for taking actions to facilitate for the growth of exports. I am confident that with the support of the Govt. and other stakeholder, the sector will achieve its target of USD 70 billion in the coming few years. I am confident that most of the sectoral issues raised today will be resolved when we meet Commerce Secretary again after 6 months."

The Commerce Secretary has assured to meet the exporters again after six months to update on the issues raised today. Also, talking about the plans for the sector, he further said that he would constitute a committee to look after the interest of the sector.

On the request of the sector for making a mega CFC in SEEPZ, Commerce secretary has asked the SEEPZ authorities to finalise the plan and expedite the process to see the mega CFC up and running by October next year.

Another concern of the SEEPZ - Transfer of Property/Assets – Commerce Secretary commented that, this is also taken care of, and a notification would be released soon.

Shri Vipul Shah, Chairman, GJPEC said, This is a labour-intensive industry and has the potential to grow manifold with conducive environment in terms of policies and infrastructure. The Government's timely relief measures during the pandemic has helped the sector to bounce back its exports to pre-covid levels. I am sure the sector will achieve its export target of 43.75 billion dollar for financial year 2020-21, and contribute significantly to Hon'ble Prime Minister Shri Narendra Modi's Vision of accomplishing 400 billion dollar exports this Financial year."

With regards to the diamond sector some of the concerns raised by the exporters included:

- Turnover/presumptive tax regime for special notified zone
- Re-introduction of diamond impost licence

- Import duty not to be charged on sawn diamonds imported under kpcs
- Import payment not getting released due to technical issue in icegate
- Rationalisation of gst rate on certification and grading services - certification/grading of diamonds to be treated as job work
- Accumulation of input tax credit (itc) under the goods and services tax (gst) regime in case of gems & jewellery industry
- Abolition of equalisation levy of 2% for purchase of rough diamonds
- Reduction in import duty of cut & polished diamond

With regards to the SEZ, the concerns raised by the exporters included:

- Diamonds to be imported free of payment in seepz
- Allowance of reverse jobwork in SEZ
- Exorbitant NSDL charges
- Exemption from stamp duty on transfer of space within SEZ & from state electricity duty & tax
- Supply of precious metals from foreign buyer to sez units
- Request for increase of time limit for subcontracting the production of jewellery in DTA & overseas
- Valuation of old capital goods
- Empowerment of DC office for certain decisions
- Allowing movement of precious metal and other goods of nominated agency from one sez to other, under transit bond or customs preventive escorts

With regards to the jewellery, the concerns raised by the exporters included:

- Promoting e-commerce of gems & jewellery from India
- India jewellery Park Mumbai
- Non-availability of raw material – gold
- Introduction of repair policy in foreign trade policy
- Duty drawback rates to be at par with prevailing import duty
- Change in the limits for export promotion tour and exhibition in FTP
- Hand- carriage of gems & jewellery to be allowed in other ports like Mumbai, Kolkata, etc
- Reduction in import duty on precious metals gold and silver from 7.5% to 4%
- Foreign trade agreements – USA, Canada, UAE & Australia

With regards to the coloured gemstones, the concerns raised by the exporters included:

- Reduction in import duty of cut & polished coloured gemstones
- Reduction in import duty on rough coloured gemstones
- Certification- coloured gemstones

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 the 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.

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