



GJEPC's Foreign Trade Policy Recommendations To Make India The Gem & Jewellery Repairing Hub Of The World

4th February, 2022 Mumbai: GJEPC, the apex body of the gem & jewellery trade in India, owes a debt of gratitude to the Ministry of Commerce & Industry, whose constant, collaborative efforts have removed bottlenecks and paved a path for the rapid growth of the industry over the years. The Union Budget 2022-23 reflects this strong synergy.

The Indian gem and jewellery sector has been contributing in a big way to the country's economy with 4.3 million people employed in the sector, and annual exports of around USD 40 billion. The government has viewed this sector as a thrust area for export promotion.

Colin Shah, Chairman, GJEPC said, "There has been an ongoing, relentless and extensive support from the Ministry of Commerce & Industry to transform this industry and make it a global leader in all its verticals. India's Commerce & Industry Minister Shri Piyush Goyal, with his deep understanding of the challenges and pressing issues of the export sector, has been lending an empathetic ear to manufacturers in pursuit of their mission to grow the sectoral exports. The raft of favourable policy reforms announced in the recent Budget due to such strong support from Commerce Ministry further empowers the industry and puts it on a firm footing to capitalise on growth opportunities in the coming decade."

“The pace of change has kicked into high gear since Shri Goyal’s proactive regular interactions with the trade. He sets deadlines for the speedy implementation of various projects and diligently follows up for updates, which keeps everyone on their toes.”

For instance, in mid-December 2021, at the foundation stone-laying ceremony for the ₹70 crore Mega Common Facility Centre at SEEPZ SEZ, Shri Goyal stated that it should be inaugurated by 1st May 2023 without any compromise on quality. During an earlier visit to SEEPZ in September 2021, he sanctioned ₹200 crore for the complete revamp of the aging SEZ's infrastructure.

“I firmly believe that the policy reforms announced in the Budget 2022, is the result of the continued support and hard work by the Ministry of Commerce that has paved way for the favourable policy interventions. We keenly look forward to a favourable Foreign Trade Policy that will further help in strengthening the sector and attain USD 50 billion gem and jewellery exports by 2025”, **Colin Shah** further added.

“The Government is closely watching the performance of each industry and making sure that the manufacturing industry is not affected by the pandemic. We are happy that the Government has extended the Emergency Credit Line Guarantee Scheme” (ECLGS) for MSMEs up to March 2023, which is a great relief to the sector, and the outlay has been increased by ₹50,000 Crore to a total cover of ₹5 lakh crore.”

The Council is keenly awaiting the finalisation of the extension of **interest subvention scheme** for the export sector which the Commerce Ministry is currently working on with the Finance Ministry. The scheme provides for an interest relief of two per cent per annum to eligible MSMEs on their outstanding fresh/incremental term loan/working capital during the period of its validity. The coverage of the Scheme is limited to all term loans / working capital

to the extent of ₹100 lakh. The loan accounts on the date of filing claim should not have been declared as NPA as per the extant guidelines in force.

Government of India had approved the extension of Interest Equalization Scheme for Pre and Post Shipment Rupee Export Credit, with the same scope and coverage, for a further period of three months, i.e., up to 30th September, 2021. The extension takes effect from 01st July, 2021 and ends on 30th September, 2021 covering a period of three months. After that the scheme has not been extended. There has been a request from MSMEs for extension of the scheme, as this would help in a big way.

Post the pandemic, the Council is in discussion with the Commerce Ministry to work out important policy facilitations in the Foreign Trade Policy 2021-26 (FTP), to be announced shortly by the Directorate General of Foreign Trade (DGFT), Ministry of Commerce & Industry, in terms of formulation of a repair policy for jewellery which has the potential of turning India into a repairing hub of jewellery in the world. Such policy measures will ensure that the skills of Indian artisans are utilised internationally and the servicing hubs of major jewellery brands can be stationed in India giving fillip to employment of skilled workers of the industry.

Such facilitation in the FTP will further enhance ease of doing business, boost exports, and make India more competitive in comparison with neighbouring countries, and be very attractive as an investment destination.

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 7500 members 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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