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2020

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Bimonthly newsletter of the Gem & Jewellery Export Promotion Council

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February-March 2020

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Printed by: Silverpoint Press Pvt. Ltd.

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MANDATORY HALLMARKING: Good intentions, but needs efficient implementation

After much discussion and hand-wringing for over two decades, the mandatory hallmarking of gold will finally become a reality in India. The industry has been unequivocal in its support for the regulation, but experts believe much remains to be done about improving and upgrading jewellery manufacturing standards and the quality standards of the assaying and hallmarking centres

By REGAN LUIS

Students being taught standardized assaying techniques at the Precious Metals Assay and Training Institute launched by the World Gold Council and MMTC-PAMP India Pvt. Ltd in Mumbai



In India, gold – the most noble of all metals – is set to become nobler still. Gold hallmarking will be made mandatory, almost twenty-five years since the first discussions on the subject. The Department of Consumer Affairs is giving jewellers until January 2021, a year from the government notification, to register with the Bureau of Indian Standards (BIS), clear their existing stocks, and ensure the sale of only hallmarked gold.

The industry has been unequivocal in its

support for the regulation, which it agrees will bring several benefits to consumers and to the trade, including to the export segment. Industry observers believe that much remains to be done about improving and upgrading jewellery manufacturing standards as well as the quality standards of the assaying and hallmarking centres. However, there can be no doubt that mandating hallmarking is an important milestone on the road to reforming the Indian gold sector.

‘Hallmarking centres are not meant to be treated as the quality control department of the jewellery retailer. Instead, they are doing only random verification of the jewellery submitted to them, to certifying it as per BIS standards. Hallmarking is 10 per cent testing, and 90 per cent trusting the jeweller’s quality control systems and procedures,’ emphasises James Jose, Managing Director of CGR Metalloys Private Limited, Cochin, and the past secretary of The Indian Association of Hallmarking Centres.

An equitable exchange of money for goods or services is one of the basic tenets of business – one that has been flouted by jewellers time and again. This alleged widespread under-karatage of gold by jewellers across the country has been well-documented by the BIS market surveys of 2001 and 2006, in which a shocking 90 per cent of the samples had failed quality testing.

Ram Vilas Paswan, the Union Minister for Consumer Affairs, Food and Public Distribution, stated at a press conference in New Delhi on 14 January 2020 that the purpose of making hallmarking mandatory for gold jewellery and artefacts is ‘to ensure that consumers are not cheated while buying gold ornaments and that get the purity as marked.’

Concurring with the minister’s point of view, K Srinivasan, Convener – Gold Jewellery Panel, GJEPC (Gem & Jewellery Export Promotion Council), notes, ‘The government’s decision to make gold hallmarking mandatory is the right move. Customers must get the purity of gold for which they are paying, that is, they must get value for their money. This measure will make the industry more disciplined

WHY HALLMARK?

In the BIS market surveys of 2001 and 2006, a shocking 90 per cent of the samples failed quality tests

MANDATORY HALLMARKING

❖ **Covers gold jewellery of three karatages: 22 karat, 18 karat and 14 karat**

❖ **Every hallmarkd piece of jewellery will feature four marks**

1. the BIS mark
2. the purity in karat and fineness (22K916 for 22 karat, 18K750 for 18 karat, and 14K585 for 14 karat jewellery)
3. the assay centre’s identification mark
4. the jeweller’s mark



and highly competitive.’

Dr C Vinod Hayagriv, Managing Director and Director of heritage jewellery house C Krishniah Chetty Group of Jewellers, and past chairman of the All India Gem & Jewellery Domestic Council (GJC), offers his perspective: ‘I was part of the delegation that went to The Kathmandu Convention in 1995 to rally for bringing hallmarking to India. BIS is the appropriate body to monitor standards. I have no regret about the current hallmarking standards or the laws/policy implemented. I do believe it’s among the best in the world.’

Surendra Mehta, National Secretary, India Bullion & Jewellers Association Ltd (IBJA), adds that he would have preferred hallmarking to have been implemented in phases over the next few years. Mehta states, ‘Mandatory hallmarking at one go in the entire country may not be a good idea, but must be implemented in a phased manner, first in the metropolitan cities and thereafter in ‘B’ and ‘C’ cities, gradually over a period of five-seven years. The industry must adhere to consumer requirement of hallmarking jewellery instead of disputing the mechanism to implement hallmarking. This is a must to regain the confidence and trust of the customer.’

Citing the technical nature of the hallmarking process, Surendra Mehta wants jewellers to be exempt from prosecution for any wrongdoing related to hallmarking for a period of two years. ‘Every change in the policy will have its own challenges and each problem coming out of such challenges can be resolved by the industry itself. Hence, it is necessary that for the first 24 months of its



In the lab at the Precious Metals Assay and Training Institute, IIGJ, Mumbai

LETTER OF THE LAW

The BIS Act, 2016, states

Chapter III Section 18.1 (Obligations of license holder, seller, etc.) The license holder shall, at all times, remain responsible for conformance of the goods, articles, processes, systems or services carrying the Standard Mark.

Relevant sections from the Draft Regulations quoted below:

Section 1.71: The certified jeweller shall remain responsible for purity and fineness of the hallmarked article sold by him.

Section 1.72: The certified jeweller may sell hallmarked precious metal articles, which are marked with the identification mark of any other certified jeweller, provided evidence of purchase or authorization in any other form is available with him.

Section 1.74: The certified jeweller, who makes the sale to the consumer, shall pay compensation to consumer for any shortage in purity or fineness as specified by the Bureau irrespective of whether the article bears his identification mark or he is selling articles under provisions of sub-regulation (2).

Section 1.75: The certified jeweller may also sell such hallmarked precious metal articles, which are marked with the identification mark of any other certified jeweller, provided evidence of purchase or authorization in any other form is available with him. In such cases, the jeweller getting the article hallmarked and whose identification mark is on the article shall be responsible for purity and fineness.

Section 1.710: The certified jeweller, who makes the sale to consumer, shall pay compensation to consumer for any shortage in purity or fineness as specified by Bureau irrespective of whether the article bears his identification mark or his selling articles under provisions of regulation 7(5) above.

implementation, penalties and prosecution are not launched against jewellers. It is important for the government to understand that hallmarking is a technical subject and goods are hallmarked based on a sampling mechanism. Hence, penalizing someone from day one may not be a good idea. Let the mechanism evolve by itself.'

The majority of experts whom *Solitaire* spoke to agreed that a year's time was more than sufficient for jewellers to clear their existing inventory. On that point, Rajesh Khosla, Chairman Emeritus of LBMA-accredited gold refinery MMTC-PAMP India Pvt. Ltd, states, 'Gold jewellery lends itself to recycling ad infinitum, with the underlying asset not losing its characteristic. One year seems quite reasonable.'

WGC INDIA MD SOMASUNDARAM PR'S VIEWS ON HALLMARKING

'The gold industry in India is at the cusp of transformation, as transparency, standards and infrastructure begin to define the next phase of reforms. Making hallmarking mandatory is a much-awaited progressive step that safeguards the interests of the consumers, particularly women, who put their hard-earned savings into this asset class. This reform should be backed by a tight enforcement mechanism and has the potential to enhance trust in Indian gold jewellery, thereby enabling a favourable environment to market our famed handcrafting skills appropriately. Employment potential in assaying and hallmarking will increase. Hallmarking will also create a level playing field, benefitting small players. The transition time of one year will allow the industry enough time to sell the existing inventory, while simultaneously plugging any gaps in infrastructure and making suitable changes in logistics. To make this a smooth process, government and the industry players should also create a strong consumer pull through consumer awareness campaigns.

However, GJC Chairman Anantha Padmanabhan asserts in an email interview that jewellers should be given more than 18 months to shift to the approved karatages, besides other suggestions for the government. 'Yes, we would

Hallmarking centres are not meant to be treated as the quality control department of the jewellery retailer. They are doing only random verification of the jewellery submitted to them, to certify it as per BIS standards. Hallmarking is 10 per cent testing and 90 per cent trusting the jeweller's quality control systems and procedures

— JAMES JOSE

Managing Director, CGR
Metallurgy Private Limited,
Cochin, and past secretary,
The Indian Association of
Hallmarking Centres

like to add a few more categories like 20 karat, 23 karat and 24 karat. And the time period that the government has given us is 12 months, but we expect beyond 18 months for the jewellers to shift to the announced karatages,' Padmanabhan asserts.

Taking issue with the demand for additional purity grades, IBJA's Surendra Mehta states, 'While there is demand for hallmarking of 20-karat jewellery, I personally feel this demand is illogical, it has been made with no basis or thought. The records of the gem and jewellery sector will not show even 1 per cent sale of 20-karat jewellery. Making such a demand raises suspicion in the eyes of the government that the entire industry might have been manufacturing 20-karat jewellery but selling it as 22-karat.'

In the same vein, James Jose adds, 'The restriction on multiple karatages, limiting them to the

sufficiently wide selection of 14 karats, 18 karats and 22 karats, was initiated by the Honourable Minister for Consumer Affairs, Ram Vilas Paswan, for better consumer protection.'

As of now, the hallmarking scheme does not extend to bullion. 'But in due course, a regulatory authority for good delivery bullion, acceptable to banks and commodity exchanges, shall be coming up and mandatory hallmarking of bullion bars also may be introduced, providing full traceability, using blockchain technology and ensuring responsible sourcing practices,' reveals Jose, who started the first BIS-recognized gold hallmarking centre in the country on 11 April 2000 in Cochin.

THINKING GLOBAL

The move to make gold hallmarking mandatory is likely to enhance the Indian jewellery industry's reputation worldwide and have a positive impact on sales to tourists as well as on jewellery exports.

Responsible Jewellery Council (RJC) Executive Director Iris Van der Veken says, 'We welcome the gold hallmarking initiative from the Indian government. It is a positive step and should provide consumers with additional

Syed Asif, TOI



confidence about the purity of the gold they are buying. This is especially important in a market where gold is bought predominantly by weight.'

When asked whether India should pursue membership of the International Hallmarking Convention, she notes, 'This is definitely something worth looking into as otherwise, the Indian hallmarking scheme may not be recognised internationally.'

Jose informs, 'India is pursuing membership of the International Hallmarking Convention, with its own processes and procedures taking several years' time for completion. Several of the hallmarking centres in India have expressed their willingness to join the Vienna Convention. As and when the country becomes a member of the Vienna Convention, these hallmarking centres will be audited by the international team, subsequent to which, these centres shall be permitted to hallmark the fifth mark, that is, the mark of the Vienna Convention on hallmarking.'

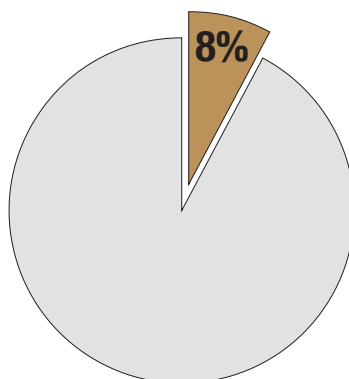
EXPORT BONANZA

Although the mandatory hallmarking scheme relates primarily to the domestic sector, the unintended but grateful beneficiary of a standardized, national hallmarking scheme may just be the export segment.

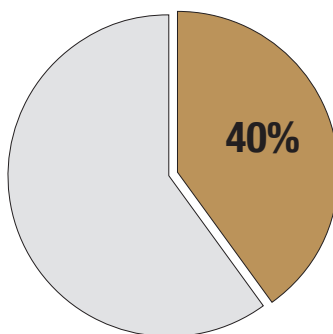
The World Gold Council (WGC), in its 2015 report 'Developing Indian hallmarking - A roadmap for future growth', notes, 'Artisanal Indian jewellery is widely prized for its intricacy and craftsmanship. Yet, India currently (as of 2013) exports around \$8 billion of gold jewellery, equivalent

INDIA'S GOLD JEWELLERY EXPORTS 2013

Around \$8 billion (8 per cent of global gold market)



If quality control is addressed and international buyers can trust Indian gold, this could go up to...



...\$40 billion, creating up to 2.5 million jobs

– WGC's 2015 report 'Developing Indian hallmarking – A roadmap for future growth'

to just 8 per cent of the global gold market. This has significant potential to increase if quality control is addressed.

'Our firm belief is that enhancing the hallmarking system in India will rebuild trust in the purity of Indian gold, increase consumer confidence, enhance exports and create employment. It would also be an essential element in any successful gold monetization programme and a critical element to India becoming "jeweller to the world",' the WGC states in the same report.

Quoting from the same World Gold Council report, GJEPC Vice Chairman Colin Shah states that mandatory hallmarking could increase India's jewellery exports to \$40 billion and create 2.5 million jobs 'if global markets had more faith in the integrity of Indian jewellery, and if local consumers, overseas buyers and financial markets could place their trust in the quality and purity of Indian gold.'

All jewellery exports from India are mandatorily checked at the port of entry of their destination countries because the country has, so far, lacked a national hallmarking system. Instituting such a system will allow India to become a signatory to the Vienna Convention, which grants an automatic waiver of all such inspections to member countries.

CATCH 22-K

The spectre of mandatory hallmarking hovered for several years over the domestic jewellery industry, which resisted it with the argument that there wasn't adequate infrastructure to implement the order, given the country's large retailer base and logistics issues in smaller towns and villages, where

Hallmarking by itself is not the solution. Jewellery manufacturing technology also needs an upgrade. And assay and hallmarking need serious international collaboration and intervention, which also includes review of the BIS norms, which are two decades old. There is simply too much of a trust deficit between jewellers and hallmarkers, and Band-aid therapy will lead us nowhere

– RAJESH KHOSLA

Chairman-Emeritus, MMTC-PAMP India Pvt. Ltd

the majority of gold is consumed. The BIS too was cautious about opening more hallmarking centres due to poor demand at existing ones – leading to a type of chicken-and-egg situation.

However, as of 31 December 2019, there are 892 Assaying and Hallmarking Centres (AHCs) spread across 234 districts and so far, 28,849 jewellers have been registered by the BIS.

Refuting the ‘inadequate infrastructure’ argument, James Jose explains, ‘Each hallmarking centre has the capacity to mark 1,000 pieces in a shift, which is around 10 kg per shift or 3,000 kg (3 tonnes) per year. At this rate, the 892 hallmarking centres in the country can easily hallmark 2,500 tonnes of jewellery per annum, as against the

average sales of 1,000 tonnes per annum in the country. Hence, we do not visualize any capacity constraints or infrastructural bottlenecks in the mandatory hallmarking regime.’

In an interview with *Solitaire* in 2006, a top BIS official had spoken of two possible approaches to making hallmarking mandatory: the first was the top-down approach of simply declaring it so, and the second, bottom-up approach would entail generating enough publicity about hallmarking so that jewellers would have to give in to consumer pressure and provide hallmarked jewellery.

Industry bodies like the IBJA and GJC have committed themselves to raising consumer awareness about hallmarking. ‘Yes, we will promote



The next generation of skilled assayers in the making at the Precious Metals Assay and Training Institute in Mumbai

awareness of hallmarking in all our B2C activities,' asserts Padmanabhan.

Dr Hayagriv adds, 'There is adequate consumer awareness about hallmarking in the cities. However, trade bodies need to do more to educate customers in smaller towns and cities. BIS alone cannot do this. We must lend a hand in the interest of fair trade practice.'

Surendra Mehta remarks, 'IBJA, through its social media and other websites, recommends people buy only hallmarked jewellery. At IBJA, we regular conduct multiple hallmarking seminars across India. Apart from this, BIS also conducts various workshops to raise awareness among jewellers. As far as consumer awareness is concerned, BIS has launched a campaign promoting the purchase of hallmarked jewellery. We have also carried out a survey and have found 40 per cent of consumers asking for hallmarked jewellery. This number is rising by the day.'

THREAT OF TECHNOLOGICAL OBSOLESCENCE

Rajesh Khosla believes that there is a danger of India's hallmarking technology becoming obsolete and requiring further investment. 'That is the clear and present danger, as the technology, introduced as far back as the late 1990s, is sorely in need of an upgrade to international standards. Hallmarking of jewellery enjoins upon the jeweller tendering jewellery for hallmarking to declare the gold purity in the jewellery being tendered, and upon the hallmarking centre to do a scientific assay to verify that the gold content is not less than that declared. Both participants are liable for any misdeclaration or misdemeanour.

We would like to add a few more categories like 20 karat, 23 karat and 24 karat. And the time period that the government has given us is 12 months, but we expect beyond 18 months for the jewellers to shift to the announced karatages

– ANANTHA PADMANABHAN

Chairman, All India Gem & Jewellery Domestic Council (GJC)



Industry associations need to take the lead in addressing this trust deficit by creating a network of AHCs of the highest integrity. This needs investment, and the government does provide financial support. But in the current race of descending to the lowest common denominator, quality and consistency are the first casualties. The only answer is a radical technology leap, akin to the leap we saw in the automobile and telecom industries. Regrettably, there are no shortcuts,' Khosla warns.

DIGITAL UPGRADE

In response, Jose says that although

hallmarking technology periodically becomes obsolete, it is simultaneously upgraded by the BIS, with the addition of new operating standards and technological improvements such as the digital hallmarking scheme. 'Digital hallmark will take Indian hallmarking to greater heights, with improved transparency of operations, for which the hallmarking centres may have to upgrade their machinery in terms of precision and faster turnaround time. In addition to the existing chemical method of fire assay, new operating standards for analytical methods such as Silicone drift detector-based XRF, spark optical emission spectrometry, etc., are in various stages of development by the BIS, making the Indian hallmarking industry truly world class.

'It is understood that the mandatory regime announced by the minister, with a grace period up to 15 January 2021, shall coincide with the launch of the BIS digital hallmarking scheme, ensuring 100 per cent consumer protection,' Jose reveals.

Khosla offers a final word of advice: 'Hallmarking by itself is not the solution. Jewellery manufacturing technology also needs an upgrade. The use of quality alloying elements, quality solders, etc., must become a sine qua non for the gold jewellery manufacture. And assay and hallmarking needs serious international collaboration and intervention, which also includes review of the BIS norms, which are two decades old. There is simply too much of a trust deficit between jewellers and hallmarkers, and Band-aid therapy will lead us nowhere.' ■

2020 UNION BUDGET

Industry welcomes MSME boost, bullion exchange proposal

Ashwani Nagpal, TOI

The gems and jewellery industry cheered the 2020-21 Union Budget, which proposes invoice financing, working capital and debt financing by banks and NBFCs, increase in audit threshold from ₹1 crore to ₹5 crore to encourage MSMEs, and the establishment of a bullion exchange at Gift City

Finance Minister Nirmala Sitharaman, in the Union Budget for the fiscal year 2020-21, presented a gamut of initiatives that gave the gems and jewellery industry reason to cheer. The government proposed to reduce the import duty on platinum from the existing 12.5 per cent to 7.5 per cent. Also, the proposal to establish a bullion exchange at Gift City in Gandhinagar is a move that will attract international bullion trading.

BULLION EXCHANGE IN GIFT CITY

GJEPC Chairman Pramod Kumar Agrawal, said, 'We welcome the Union Budget announced by the Finance Minister. It certainly has measures to boost domestic consumption and to put the overall economy on growth trajectory. We strongly believe that the government is determined to make India a \$5 trillion economy. The proposal to establish a bullion exchange in Gift City will attract international bullion trading to India. It will also help in establishment of a full-fledged



Finance Minister Nirmala Sitharaman, holding a folder containing the Union Budget documents, at the Ministry of Finance with her deputy Anurag Thakur and a team of officials in New Delhi

bullion exchange in India in the future.’

‘However, we understand that the government has now equated the gold bullion sector under a single import duty regime by increasing the import duty on gold coins from 10 per cent to 12.5 per cent. Our demand was to decrease the import duty on bullion to 4 per cent from 12.5 per cent,’ added Agrawal.

EASIER FINANCE AND AUDITING CONDITIONS

Speaking about other important points in the budget, Agarwal said, ‘Initiatives like invoice financing, working capital and debt financing by banks and NBFCs, raising the threshold for audit from ₹1 crore to ₹5 crore will address the existing demands of the G&J sector and accelerate growth in the sector. The industry also believes that the NIRVIK Scheme will result in increase of export credit disbursement to the gems and jewellery sector. With these initiatives, the government marches ahead to make India a global gems and jewellery hub by 2025.’

WITHDRAWAL OF DIVIDEND DISTRIBUTION TAX

This is an encouraging move. The decrease in tax on various income slabs will empower purchasing power of common people, said Agarwal.

IMPORT DUTY HIKE ON ROUGH COLORED GEMSTONES AND OTHERS

Commenting on the proposed import duty rise on rough coloured gemstones, rough semi-precious gemstones and pre-forms of precious and semi-precious gemstones, Agrawal said, ‘These rough gemstones are primarily imported for cutting and polishing work and are later exported internationally. There is miniscule domestic consumption of coloured gemstones and India competes in exports in this segment with China and Thailand. This rise in import duty of rough coloured gemstones could upset the exports of gemstones from Rajasthan, the hub of coloured gemstones processing, which employs around 1.5 lakh workers. We earnestly request the government to roll back the proposed import duty on these rough coloured gemstones in the interest of gemstone exports from India.’

THE UNION BUDGET 2020-21 CONTAINS THE FOLLOWING PROVISIONS FOR THE INDIAN GEMS AND JEWELLERY SECTOR:

1. Basic customs duty on rubies, emeralds and sapphires, unset and imported uncut, falling under heading 7103, increased from nil to 0.5%
2. Basic customs duty on rough coloured gemstones, falling under heading 7103, increased from nil to 0.5%
3. Basic customs duty on rough semi-precious stones, falling under heading 7103, increased from nil to 0.5%
4. Basic customs duty on pre-forms of precious and semi-precious stones, falling under heading 7103, increased from nil to 0.5%
5. Basic customs duty on rough synthetic gemstones, falling under heading 7104, increased from nil to 0.5%
6. Basic customs duty on rough cubic zirconia, falling under heading 7104, increased from nil to 0.5%
7. Basic customs duty on polished cubic zirconia, falling under heading 7104, increased 5% to 7.5%
8. The end use-based exemption available on gold in the form of wire, ribbon, pre-form of purity 99.9% and above used in manufacture of specified goods withdrawn
9. The end use-based exemption available on gold wire with phosphorous or antimony doping used in manufacture of specified goods withdrawn
10. Basic customs duty on platinum and palladium reduced from 12.5% to 7.5% for use in manufacture of all goods (including noble metal compounds and noble metal solutions) and catalysts with precious metals or containing precious metals as active substances, subject to actual user condition
11. Basic customs duty on spent catalyst or ash containing precious metals imported for recovery of precious metals reduced from 12.5 % to 11.85% subject to certificate from Ministry of Environment, Forest and Climate Change
12. Basic customs duty on all goods falling under heading 7118 increased from 10% to 12.5% by increasing the tariff rate of all goods falling under this heading
13. GIFT IFSC has an approved Free Trade zone for housing vaults. It already has 19 insurance entities, 40 banking entities. It has also provided for setting up of precious metals testing laboratories and refining facilities. With the approval of the regulator, GIFT City would set up an International Bullion exchange(s) in GIFT-IFSC as an additional option for trade by global market participants. This will enable India to enhance its position worldwide, create jobs in India and will lead to better price discovery of gold.



27th March - 05th April
Ahmedabad

08th May - 17th May
Bangalore

AN INITIATIVE BY MINISTRY OF COMMERCE & INDUSTRY, GOVT. OF INDIA

ORGANISED BY INDIA TRADE PROMOTION ORGANISATION (ITPO)

India has emerged as one of the main tourist & shopping destinations worldwide. With an objective to give a major boost to sales and tourism and also to increase exports, Hon'ble Finance Minister of India, *Smt. Nirmala Sitharaman* has announced The Great India Shopping Festival 2020 across 4 cities in India.

Under the aegis of Ministry of Commerce and Industry, Govt. of India, The Annual Shopping Festival 2020 will witness active participation from Ministry of Tourism, Ministry of Culture and will feature gamut of Cultural and other activities across all the days to attract tourists and local visitors.

OPEN FOR GEMS & JEWELLERY RETAILERS AND MANUFACTURERS

TO PARTICIPATE AND FOR FURTHER QUERIES, CONTACT GJEPC

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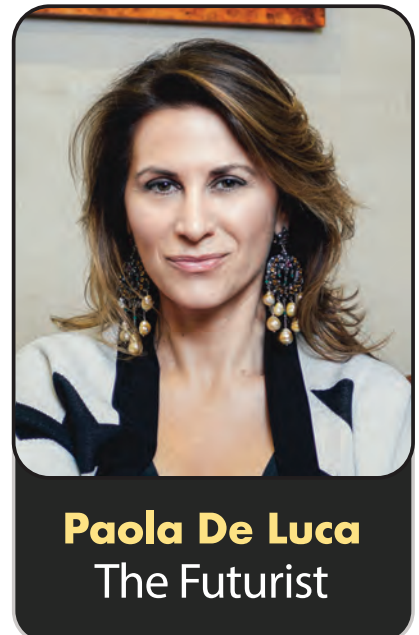
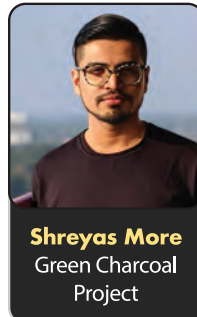
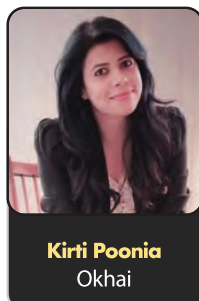
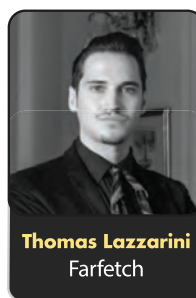
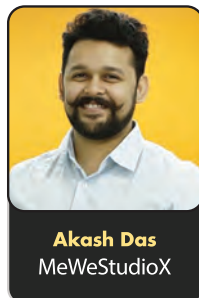
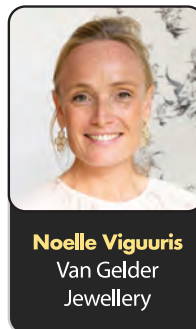
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For registration, contact, Poonam Ghare at +91 9987753828 or poonam@gjepcindia.com

Surat International Diatrade Centre in the Gujarat Hira Bourse notified as an SNZ

The GJEPC, which has been making representations to get the Surat International Diatrade Centre (SIDC), set up in the Gujarat Hira Bourse, declared a Special Notified Zone (SNZ), has recently met with success.

Through a notification issued on 16 January 2020 by the Principal Commissioner of Customs, Ahmedabad, the SIDC has now been declared an SNZ. The order states that it is considered 'as a Customs area for the purpose of import, trading and re-export of Rough Diamond and such other similar items which may be specified from time to time.'

While some routine procedures still need to be completed, it is understood that the new SNZ will swing into action sometime later this year, most probably in the new financial year. While it is well known that Surat is the hub for the diamond cutting and polishing industry dealing mostly in small gemstones, diamond manufacturing has recently also blossomed in other centres like Bhavnagar, Navsari, Ahmedabad, Visnagar, Palanpur, Amreli, Junagadh, etc.

'However, availability of raw material at competitive prices to SMEs of this sector remained a major concern for policymakers and stakeholders,' said the GJEPC. 'The major source of supply and centre of procurement for such SME manufacturers is primarily Surat. Even the rough diamonds imported

to Mumbai are forwarded to Surat or other centres in Gujarat for processing.'

The setting up of an SNZ in Surat will provide the SMEs of the sector based in Gujarat direct access to mining companies which can exhibit their goods there. In the routine course of things, these smaller companies find it both difficult and uneconomical to travel to Mumbai for rough buying.

'A large number of reputed global diamond companies like De Beers, Dominion Diamond Corp, Rio Tinto, Alrosa and Okavango Diamond Company have expressed their willingness to hold their auctions or viewings in Surat, if the necessary infrastructure is available and the required statutory permissions are granted,' the GJEPC said.

The Surat International Diatrade Centre (SIDC) is an SPV promoted by the GJEPC and is limited by guarantee and registered under Section 8 of the Companies Act, 2013. The SIDC had expressed a wish to set up an SNZ in Surat to hold viewing of rough diamonds for the benefit of diamond manufacturers/traders of the region, who are mainly in the SME sector. In preparation, SIDC had taken approximately 3,000sq ft constructed area on a long-term lease from the Gujarat Hira Bourse at Ichhapore, Surat, and has set up a state-of-the-art viewing facility there. ■

The setting up of an SNZ in Surat will provide the SMEs of the sector based in Gujarat direct access to mining companies which can exhibit their goods there

GJEPC videos choose humour over sentiment to promote gold, diamonds

GJEPC has partnered with Times Studio to create six videos that promote gold investments and diamond gifting, but instead of using emotional appeal, like jewellery ads, they use humour to make a point about financial realities

By CHANDNA ARORA

Most jewellery ads feature tears, but the GJEPC has chosen laughter to do the job. The Council has commissioned six promotional videos to promote gold investment and diamond gifting, but unlike traditional jewellery ads, these do not use sentiment to appeal to the viewers' hearts. Instead, the videos employ humour to reach the consumers' minds and make some practical financial points.

The Times Studio, a digital video content company of the Times group, has created these six videos for GJEPC as a follow-up to the two created initially. The Council tested the waters with the first two videos, and the promising response led to latest six. Three of these six videos promote gold investment to buffer life's big expenditures. The other three promote diamond gifting as the most enduring, financially sound indulgence for life's landmark events.

One of the six humorous videos commissioned by GJEPC shows a young woman imagining that her husband's 'big, romantic surprise' is going to be a diamond ring





This gold investment video uses humour to assert that gold investments can cushion sudden expenditure like hospitalization

THE VIDEOS

Three of the videos that promote gold investment feature varied age groups.

- The first video shows a mature couple, in their 30s, dealing with an unexpectedly large bill for a hospitalization. To their dismay, their insurance does not cover the entire bill. However, the voiceover says that gold is an investment that can meet unforeseen expenditures like hospital bills.

- The second video shows a similar, almost middle-aged couple planning purchases to furnish a new home. The video conveys that whether it's imported furniture or quality furnishings, gold can help fund planned expenses like these as well.



On diamonds, we wanted to emphasize that unlike everything else in one's life, which perishes, a diamond is truly forever and is the ultimate gift of love. On gold, we wanted to emphasize the importance of gold in your life and how it can help in any and every situation as it is probably the only asset class that is risk-free

— COLIN SHAH

Vice Chairman, GJEPC

- The third video shows a father exploring higher education options for his teenaged son. The sale of other tangible assets, like land and property, can fund only so much, while gold can easily be used for cash to fund better options in important expenses like higher education.

The other three videos promote diamond gifting over spending on indulgences like designer clothing, cars or gadgets to mark life's big occasions.

- The first video shows a young couple, with the husband announcing that he has a big surprise for his wife. Since it's a big and important surprise, she expects diamonds, but is disappointed to

Another humorous gold investment video shows a middle-aged father exploring higher education options for his teenaged son



The idea was to try a tonality very different from typical jewellery ads – the appeal to emotions, tradition, the focus on relationships and the generally warm and fuzzy feel. As the Council, they wanted their communication to look different, so we chose humour

– PUNIT SHETH

Senior VP, content and creative,
Times Studio

find it's just a dress. The husband's big romantic surprise would have been much more powerful if it were diamond jewellery.

- The second video shows the husband gifting his wife a new camera, but there are newer, more advanced models of the same camera in the market. The wife's delight turns to disdain and there is no pleasure in the gifting.

- The third video shows the couple gushing over their new car. But the neighbour drives up in the same car and reminds them that he has a better equipped, upgraded

model. The wife's pride in their swanky car is dashed and the joy of the acquisition evaporates instantly.

THE THOUGHT

Punit Sheth, Senior VP, content and creative, Times Studio, explains what the challenge was before them. 'When we met the GJEPC, we learnt that the younger generation was losing faith in traditional commodities like gold and diamonds. People today are more inclined towards experiences, their choices are more brand-oriented, and they are less keen to buy

jewellery. But gold and diamond are extremely liquid in nature and can be encashed quickly. So we needed to figure out how to make gold and diamonds contextual and relevant to the young-but-settled consumer for occasion gifting and investment.'

Colin Shah, Vice Chairman, GJEPC, explains what they were trying to achieve with the videos. 'We at GJEPC were trying to create awareness on the various relevant reasons a consumer should buy diamonds and gold. On diamonds, we wanted to emphasize that unlike everything else in one's life which perishes, a diamond is truly forever and is the ultimate gift of love. On gold, we wanted to emphasize the importance of gold in your life and how it can help in any and every situation as it is probably the only asset class that is risk-free.'

However, the Council was keen that its communication not look like that of jewellery brands. The aim was to motivate the consumer and benefit the industry in general, much like the 'mutual funds *sahi hai*' campaign. 'The idea was to try a tonality very different from typical jewellery ads – the appeal to emotions, tradition, the focus on relationships and the generally warm and fuzzy feel. As the Council, they wanted their communication to look different, so we chose humour,' explains Sheth. 'We wanted to convey financial practicalities and the harsh realities of life, but through the lens of humour.'

Shah adds, 'We tried to break the clutter by bringing some humour into the ads so that they catch anyone's attention.' He also says that featuring various age groups in the videos – from middle-aged parents to young couples – is a way of reaching out to diverse consumer

groups. 'With the style and the content of the videos, we are trying to reach out to all ages, varied target groups, as the message is generic in nature,' he adds.

THE STRATEGY

The videos, says Sheth, present situations in which gold can bail you out more quickly than other investment options. The other message, which the diamond videos convey, is that of investing in diamonds as a more thoughtful gift than depreciating assets like phones.

Hence, says Sheth, the six videos depict situations in which an asset class has failed. 'The life situations depicted in the gold investment videos are in the 5-6 lakh or 10-12 lakh price points, which can be managed through investments like gold. The diamond videos portray diamonds as the ideal gift. We acquired insights about how consumers are buying for "big-moment" gifting, for landmark events like anniversaries, the birth of a child, auspicious occasions and, of

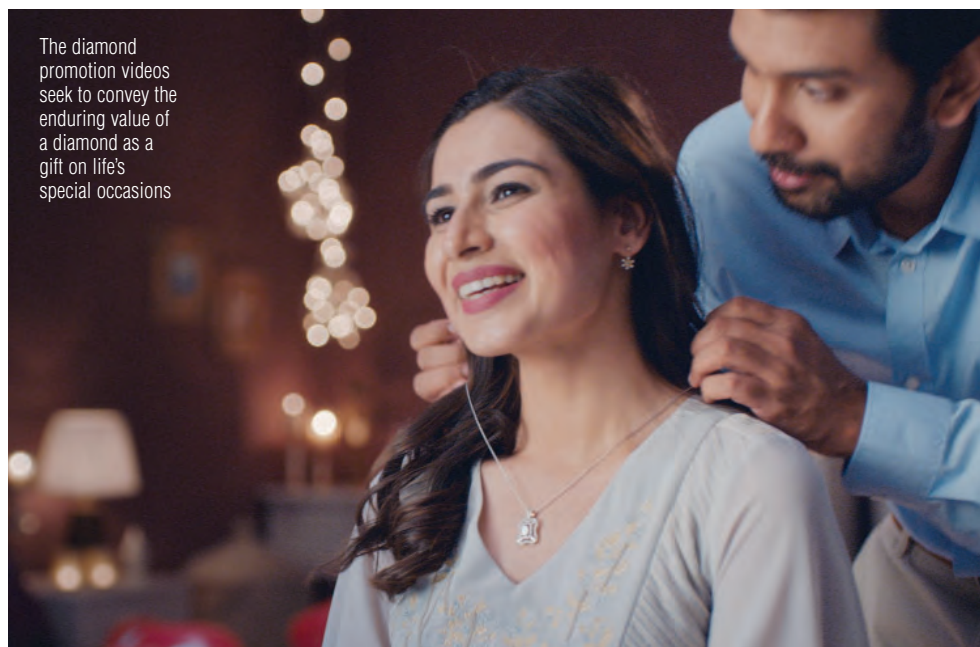
course, weddings. The videos pitch diamonds as enduring gifts over cars, dresses, etc., for which there will always be upgrades,' he explains.

A LIGHT-HEARTED APPROACH

Sheth says that because the videos talk about life's big truths – emergency expenditure, financial crunch, saving and investments – a serious approach might have bordered on 'preachy'. 'Also, the emotional space is already dominated by traditional jewellery players. The idea was to promote buying of gold and diamonds, but in a different space from brands,' explains Sheth.

GJEPC's Shah feels the videos deliver their message effectively, and that the platform has the potential to further strengthen the Council's communication to the public. 'The videos are good as a start. As we evolve the themes and the style of the videos, based on feedback from the trade, we are sure they will become great,' he says.

The diamond promotion videos seek to convey the enduring value of a diamond as a gift on life's special occasions



IS SILVER the new gold?

According to the World Silver Survey 2019,
India represents 17.5 per cent of global silver
demand. Is there room to boost silver exports?
SHANOO BIJLANI finds out



Silver Emporium

Silver is gaining ground across the globe because of two main drivers – first, it’s precious yet affordable; the ‘democratic’ metal is well within everyone’s reach. Silver prices have stayed stable for a couple of years and are nearly eighty times lower than the price of gold. Second, silver is versatile – it correlates to fashionable, pret wear jewellery, which is an underlying lure for today’s generation, and it also fits into the slot of high-end designer jewellery, which is an investment and a keepsake.

But first, let’s talk some figures: India is a huge exporter of silver jewellery and silverware. Silver bullion imports rose 36 per cent in 2018 to 6,958 tons, according to the World Silver Survey 2019 report, published by the Silver Institute.

Industry experts estimate that the figure may have reached close to 7,000 tons in 2019 as well.

Ram Babu Gupta, convener of the Silver Jewellery Panel Committee, GJEPC, notes, ‘As exports have grown by about 20 per cent, it can

be estimated that the import of silver bullion will grow by 15 per cent to 20 per cent.’

In 2019, the figures could hover around 7,000 tons. India is the third largest exporter of silver jewellery in the world, according to a GJEPC analysis based on UN Comtrade 2018 data.

Abhineet Boochra, spokesperson and director of Sangeeta Boochra, a jewellery export firm, notes, ‘We estimate the increase in import to be around 20-25 per cent. However, the import bill in the last quarter of 2019 has increased from the October quarter. This means, in the last quarter, huge quantities are understood to have entered India. Indian consumers buy silver jewellery and investment grade bars and coins. Traders bought more silver this year than last year as a “tactical” purchase, which eventually has increased the imports volume. Excessively high price of gold, due to huge depreciation of the rupee, has also diverted precious metal buyers towards silver. There was arbitrage demand for silver import due

Karma Designs





Silver Emporium

Global silverware fabrication rose 6 per cent year-on-year to 1,900 tons, and India accounted for the bulk of the annual rise, increasing 10 per cent year-on-year to 1,301 tons and accounting for more than two-thirds of global consumption

to higher price difference between futures prices of silver on major exchange MCX and spot market price. Traders are buying at spot market and selling future contracts whenever the difference between the two markets is markedly higher than normal. Then, silver has industrial use as well, which has increased and hence would affect the imports.'

Global silverware fabrication rose 6 per cent year-on-year to 1,900 tons. India accounted for the bulk of the annual rise, increasing 10 per cent year-on-year to 1,301 tons and accounting for more than two-

thirds of global consumption.

'The annual increase in India was largely due to a rise in stock building from regional and national retail chains as consumer demand gathered pace, and a jump in exports, which more than doubled in 2018,' the survey noted.

TAPPING GREENER PASTURES

The United States of America and the Middle-East are the two major regions that register a major demand for silver jewellery. However, realizing the untapped potential, Indian silver exporting companies are also looking to penetrate markets such as China, Singapore, Sri Lanka, the Middle-East, Russia, Hong Kong, the Philippines and Australia.

Rahul Mehta, managing director, Silver Emporium, Mumbai, believes that apart from the established markets, countries such as Hong Kong, the UK, Italy, Germany and Africa can be good export destinations. 'Some regions offer great opportunity for contract manufacturing as the cost of labour for handmade jewellery is very low in India and we have highly skilled workers,' he notes, adding that his company is targeting China, the Middle-East and Russia.

According to Vivek Shah, owner and creative director of Karma Designs, Ahmedabad, a major silver jewellery export house that also has a domestic brand, Vega Vaan by Karma, smaller nations like Monaco, Switzerland, Fiji, etc., with more spending power can be options worth looking into. Shah's major export markets are America, Japan, France and Spain.

To boost exports, he believes that it is crucial to have more buyer-seller meets for silver in India as well as in key cities like New York, London, and Los Angeles, to promote Indian exporters. 'Indian silver jewellery exporters have a strong

INDIA'S QUARTERLY SILVER IMPORTS

	2018				2019		
(tons)	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Silver Imports	1199.7	2348.3	1081.9	2345.6	1152.3	2135.3	1993.6
Source: Thomson Reuters							

design database supported by quality manufacturing operations.

‘If the government makes hallmarking mandatory in silver jewellery, it will not only boost the confidence of foreign markets but will give a fillip to exports.’

THE WAY AHEAD

The room for export growth is tremendous, according to Rahul Mehta, managing director, Silver Emporium, Mumbai. However, he recommends that it is imperative to ‘market handcrafted Indian silver jewellery on a global platform and trade shows. I believe that we have an edge as our jewellery or silverware is



Silver Emporium

handcrafted.’

Ram Babu Gupta adds, ‘The government should provide financial help to undertake generic promotion of silver jewellery in various international markets. Identifying major silver

jewellery manufacturing clusters and creating shared manufacturing facilities to improve the quality would help empower our MSMEs to undertake exports. The MSME units manufacturing silver jewellery should be encouraged to participate in overseas foreign exhibitions by offering them booths at nominal prices, as the silver jewellery companies have to pay the same cost for a booth as the diamond or gold jewellery company is paying at an overseas exhibition. The government must earmark a fund to subsidizing such participation charges for silver jewellery manufacturers, which can be routed through an export promotion council. Silver jewellery should be considered a non-precious category from the freight point of view; in fact, the charges applicable to silver are the same as gold and diamond.’

On the home front, Mehta advocates upskilling and training MSMEs to produce

The government should provide financial help to undertake generic promotion of silver jewellery in various international markets. Identifying major silver jewellery manufacturing clusters and creating shared manufacturing facilities to improve the quality would help in empowering our MSMEs to undertake exports

globally acceptable finish and quality. ‘Sharing knowledge on alloys, conducting practical workshops with skilled trainers, and sharing global trends with manufacturers to develop collections is the way to go,’ Mehta suggests, adding that curated study tours abroad as well as in India for MSMEs would be an eye-opener for them. ‘Small and medium-sized manufacturing units should be allocated booths at trade fairs at subsidized costs.’

Lauding the GJEPC’s efforts to have a



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Designer Gallery at IJS Signature, Mehta says budding entrepreneurs and designers should be given the chance to showcase their creativity at such mega shows. ‘This is a confidence-building exercise that will ultimately boost our exports.’

To boost exports, Ram Babu Gupta recommends that steps need to be taken by the Indian government to equate the prices of silver in domestic and international markets, which are presently way too high due to a high import duty. ‘The duty drawback and replenishment available to an exporter is not giving full relief in lieu of duty drawback and actual duty difference on silver bullion. This initiative will boost the exports of silver jewellery from India, including exports of plain silver jewellery, for which countries like China and Thailand are our major competitors.’

He continues, ‘The scheme for refunding of all duties and taxes to a foreign tourist making jewellery purchases while in India should be rolled out immediately to make India a shopping destination like Dubai, Thailand, etc. Also, the baggage rules should be simplified for foreign buyers to enable them carry goods, bought during

their visit to India, without any hassle.’

Abhineet Boochra notes, ‘Increasing duty drawbacks by the government is one of the major steps towards boosting exports of silver.

‘Jewellery parks should be established which help a jeweller work in an organized environment, and that, in turn, can improve the quality and durability of the product. This would give an edge to Indian goods in the market.

‘Customs duties on jewellery machines should be reduced, as that would help India produce high-quality jewellery at par with China or Thailand, which are currently the market leaders in finishing and quality.

‘Seminars and know-how sessions should be conducted by the GJEPC domestically and globally to educate jewellers on various aspects of the trade.’

THE DOMESTIC SCENARIO

Back home, silver jewellery is becoming popular not just for its lower rates, but also because the metal is the go-to option for modern-day jewellery designers. Trendy designs and silver

almost go hand-in-hand.

Mehta says the Indian markets are warming up to silver items in categories such as home décor, furniture, personalized gifting options and others. 'New-age consumers prefer silver jewellery for daily wear and occasions. The price points as compared to gold are lower and they have the option of changing their jewellery more often.'

The current crop of designers are giving a contemporary look to silver jewellery and gifting articles and have clearly created substantial demand for the white metal. Surveys done in this regard have revealed that youngsters in particular have started appreciating silver more than gold because the current silver jewellery designs are so much more chic and in sync with the aesthetic sensibilities of today's generation.

In India, gifting coins and silverware for religious purposes and as decorative home items is popular. Silverware demand has steadily grown in the range of 15-20 per cent year-on-year. Indian exporters opine that there is huge potential for this segment to grow over 30-35 per

cent consistently, but this will require education and promotion.

As for hallmarking, Mehta comments, 'I strongly recommend that silver hallmarking should be made mandatory in the country. This will bring trust and help the market to grow as silver has huge potential.'

Ram Babu believes that to begin with, hallmarking each piece of silver jewellery weighing 30 grams or more should be made mandatory, as hallmarking smaller pieces would not be viable. 'However, the same can be extended to smaller pieces in future or they can be marked with the percentage and the maker's stamp,' he adds.

Vivek Shah adds, 'While it is important to make silver hallmarking compulsory, more awareness and promotion needs to be done to educate the public about purity standards and difference in quality.'

OVERVIEW

The World Silver Survey 2019 reports Indian



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New-age consumers prefer silver jewellery for daily wear and occasions. The price points as compared to gold are lower and they have the option of changing their jewellery more often

Silver Emporium

silver jewellery fabrication surged 16 per cent in 2018, setting a new record of 76.5 Moz (2,378 tons), helped by the migration to silver due to elevated gold prices and expansion of retail outlets. 'With the gold price at an average of ₹30,689/10gm in 2018, gold was considered expensive and a significant part of traditional gold demand spilled over to silver,' the report stated.

The World Silvery Survey 2019 noted, 'On the trade side, silver jewellery export contracted by 25 per cent year-on-year in 2018. However, if we look at value-to-volume ratio, last year's performance was actually better than that of 2017, since less bogus exports in form of "round

tripping" did occur. Regulatory reforms along with authorities cracking down on a few fraudulent exporters made the value of exports decline in 2018, but increased the volume ratio. That said, our interaction with genuine exporters revealed that they are now also exploring new destinations, such as Australia and Denmark, apart from shipping to their traditional partners such as the United States and Eastern Europe.

'Exporters believe that if the Indian government enforces mandatory hallmarking in silver jewellery, it will reduce the adulteration (using less copper) and raise confidence among foreign buyers,' it added. ■

EXPORTS OF GEMS & JEWELLERY, APRIL-DECEMBER 2019 (COMPARATIVE)

*(All figures in US\$ Million)

CUT & POLISHED DIAMONDS

APR - DEC
2018



17,863.03

APR - DEC
2019



14,666.48

▼ 17.89%

STUDDED GOLD JEWELLERY

APR - DEC
2018



2,459.15

APR - DEC
2019



2,640.24

▲ 7.36%

NET PLAIN GOLD JEWELLERY

APR - DEC
2018



2,037.49

APR - DEC
2019



1,911.71

▼ 4.70%

*Net Plain Gold Jewellery & Silver Jewellery data excluding Cochin SEZ

COMMODITY	APR - DEC 2018	APR - DEC 2019	%GROWTH (YTD)
ROUGH DIAMONDS	929.81	880.90	5.26
ARTICLES OF GOLD, SILVER & OTHERS	22.15	369.15	1566.60
OTHERS	47.95	38.92	-18.83
GROSS EXPORTS	24,838.64	22,940.80	-7.64

EXPORT

Note: * Others include - Pearls, Rough LGD, Rough Synthetic Stone etc.

SILVER JEWELLERY

APR - DEC
2018



571.01

APR - DEC
2019



1009.68

▲ 76.81%

GOLD MEDALLION & COINS

APR - DEC
2018



424.08

APR - DEC
2019



780.17

▲ 81.01%

POLISHED LGD

APR - DEC
2018



151.22

APR - DEC
2019



312.06

▲ 106.36%

COLOURED GEMSTONES

APR - DEC
2018



274.73

APR - DEC
2019



247.47

▼ 9.92%

IMITATION JEWELLERY

APR - DEC
2018



50.21

APR - DEC
2019



17.33

▼ 5.74%

PLATINUM JEWELLERY

APR - DEC
2018



7.75

APR - DEC
2019



6.39

▼ 17.61%

IIJS DAZZLES IN INDUSTRY'S FEBRUARY EVENTS CALENDAR

With over 1,300 booths and over 12,000 pre-registered visitors, the 13th edition of IIJS Signature, along with the concurrently held IGJME, promises to start this year's events schedule with dazzle

The India International Jewellery Show (IIJS) Signature 2020 has added excitement to the February calendar for exhibitors and visitors in the gems and jewellery industry. The first trade show of the year is starting things off with a bang, attracting domestic and international buyers alike. The GJEPC has left no stone unturned to make a truly exclusive event out of this mega show, considered the nerve centre of jewellery design and technology.

The India Gem and Jewellery Machinery Expo (IGJME), being held concurrently, is a major draw for those interested in upgrading machinery and technology. The IGJME is Asia's largest gems and jewellery technology fair, with over 100 participating companies from countries like the US, China, Turkey, Italy and others.

The IIJS Signature platform will also be known for giving exposure to the new comers in the industry. This year, IIJS Signature has a special **Design Pavilion**, which will feature the works of hand-picked women entrepreneurs and budding jewellery designers. The platform will be a great experience for our designers and entrepreneurs to network and meet buyers from India and abroad. This will also give them an understanding on the expectations of different buyers. GJEPC has offered special rates for

IIJS SIGNATURE 2020

700+ exhibitors

1300+ booths

45,000+ sq m

18,000+ trade visitors

325+ cities in India

55+ countries

12,000+ pre-registered visitors





these participants with the aim to encourage tomorrow's creative stars of India. Selection of jewellery designers and women entrepreneurs will be done by independent industry experts appointed by the Council in assistance with the Women's Jewellery Association – India. Preference will also be given to IIGJ past and present alumni.

Pramod Agrawal, Chairman, GJEPC states, 'IIJS Signature has defined itself as an important barometer of success for the Indian industry, showcasing the best of jewellery in terms of design, quality and finish, as well as high technology solutions – all under one roof. The show will undoubtedly help to boost India's jewellery exports from \$12 billion at present to \$18 billion by 2025.'

'As an endeavour to encourage design talent and entrepreneurship, this time we have created a special

Design Pavilion, which will showcase the works of nine hand-picked women entrepreneurs and nine budding jewellery designers from the industry. GJEPC has offered nominal rates for these participants, with an aim to bring forth such design talent. As GJEPC we indulge in a series of design initiatives across the year that helps nurture the skillset and talent of jewellery design. Design Pavilion at IIJS Signature is yet another such effort in that direction,' said Agrawal.

Colin Shah, Vice Chairman, GJEPC, notes, 'The heartening response received from exhibitors and visitors for IIJS Signature – in terms of record numbers of stall bookings and pre-registrations – is the best antidote to the slowdown that has affected our industry for so long. It is a clear indication that the trade believes 2020 will witness an

PRODUCT SECTIONS

- ◆ Loose stones
- ◆ Studded jewellery
- ◆ Gold jewellery
- ◆ Jewellery start-up zone (JSZ)
- ◆ Signature Club
- ◆ Laboratories and education

uptick in demand throughout the pipeline. In these stressful times, the optimism and positivity shown by our industry is perhaps our greatest strength. I envisage a more stable political and economic environment in the next few years, which will hopefully bring about further business-friendly policy changes related to taxation, export finance and so on.'

Mansukh Kothari, Convener - National Exhibitions, GJEPC, comments, 'IIJS Signature stands tall for its eclectic mix of high-design jewellery to cater to a variety of individual requirements. The first show of the Indian calendar year is perfectly timed to replenish inventory for the upcoming festivals that drive jewellery sales and the summer wedding season.'

IIJS Signature, besides being a perfect networking platform due to its unhurried pace, it is also a place to get the pulse of the market in terms of high design, market demand, and insights on inventive technology. The show is a platform that bridges the gap between manufacturers and trade attendees and is an ideal meeting point to introduce the right manufacturer to the right buyer. ■

STEPHEN WEBSTER

The artisan and the artist

Star jewellery designer Stephen Webster, founder and creative director of the eponymous brand in London, is in India at the invitation of the GJEPC, and speaks about his process, his preferences and how India has influenced them

By SHANOO BIJLANI



Stephen Webster, founder and creative director of the eponymous brand in London, is in India at the invitation of the GJEPC. He will be the chief guest at The Artisan Awards at a gala night in Mumbai on February 12.

Webster, who was awarded an MBE (Most Excellent Order of the British Empire) in 2013, is an outstanding jewellery artist, known for combining artfulness with audacity in his high-end pieces. His



(Above and below)
Pieces from the
collection Dynamite

near-Gothic but spirited pieces are provocative, infused with high drama – the uninitiated may refer to some of his past collections inspired by lobsters, bats, the crime fiction of Agatha Christie and more.

Stephen's strong technical expertise gives him an advantage in executing complex jewels crafted mostly in gold, a metal that he loves to work with.

Beneath his flamboyant persona lies an altogether different person – an artisan who gets a creative high when working with his tools. His workbench is the place where he is gripped by a feverish frenzy to experiment hands-on with gem cuts and metal textures.

There's excitement in the air as we, at GJEPC, prepare to welcome him to India again. His last visit as the Council's guest was at the India International Jewellery Week (IIJW) held in Mumbai.

Excerpts from a free-wheeling conversation on a long-distance call with the rock star of the jewellery industry.



How does it feel to be back in India after a long time?

I am excited. I have not been in India for some years. All my trips to India have been great, and I am happy to be coming back.

This year's theme for The Artisan Awards is Architectural Gems. It's one subject that is close to your heart, especially since your latest two collections, Dynamite and Vertigo, are structured in form.

Because I have been a jeweller for 45 years, I do tend to explore lots of inspirations for the direction where I am going. For the last two-three years, I have been looking at the sort of extraordinary architecture that feels like it plays with a bit of illusion; almost playful architecture, conceptual takes on what a building can be. We use that and extract elements that we could then incorporate into a jewellery collection. Vertigo has been a big success for us and it's very much about playing with perspectives. It's the sort of thing that architects like to do now and again. In some ways, it has got that sort of inspiration.

Tell us more about Vertigo and Dynamite.

The collections are part of a trilogy – they are not connected in any form other than it was about this idea about things not being what they first appear to be. The three collections were Jitterbug, Dynamite and Vertigo. We released Jitterbug and Dynamite first. And last year, Vertigo completed the story. Both Dynamite and Vertigo were, for me, a bit of a new direction. They are very much about angles, precision, and using cuts of stones that were different to the more organic forms that I often

(Below) Pieces from the collection Vertigo



play with. It's been a good challenge for us, and I like to challenge my clients as well otherwise it all gets to be a bit boring.

Those two collections are becoming more of a continued direction for us to explore.

Your previous collections have always been near-Gothic, with bats, lobsters and daggers – unexpected combinations leap out at us through your collections!

You are right. If you have got a body of work that's quite huge, you feel that you cover a lot of ground. When I did the collection called the Seven Deadly Sins, I did it for only one year, but it became such an iconic collection that those seven rings can define a bit of what you are.

I think some of these big storytelling pieces are what define you. They can be something figurative, something playful, and could be a bit dark in inspiration. I never go to a place that's really dark – I will go towards that place and then I'll add a bit of humour to it. I think people appreciate that I am not a Gothic designer. I am a bit more playful, and I love a lot of colour.

The two collections are different from each other... Vertigo is inspired by radically modern architecture, and Dynamite is about sharp, jagged silhouettes.

You are right. With Dynamite, the idea was that there was something that kind of exploded it and that created a kind of motion that became Dynamite, and it fragmented what may have been there before.

With Vertigo, it's more about playful perspectives and it visually

stuns people, which in a piece of jewellery is quite a challenge in itself, because jewellery by nature is not very big.

The success that we found in it has been with the more extraordinary pieces, like those that I made in titanium, so they got big volume, using enamel, baguette cuts, stones like spinels, diamonds to create an illusion of perspective.

You have worked a lot with titanium – does it give you that freedom of expression as a creative person?

Yes, it does. I first started working with titanium about 16 years ago and that was a real process of discovery because as far as I was concerned, the titanium jewellery I was creating wasn't very exciting. But it has these qualities of being very light, strong and you can colour it. I thought that was interesting, but I needed to form it. And forming titanium was the biggest challenge.

So I took it to a bit of an extreme by creating this collection that was

The Fighting Fish brooch



The Wrath Ring

based on Japanese fighting fish, which was very sculptural. I only made about four pieces, one of them was a bracelet, which is now in the Victoria and Albert Museum in London, partly because it was such an unusual piece at the time to be made in titanium; it was so sculptural.

Going forward, I am much more familiar with the challenges you can overcome, and then where you may not want to go with titanium – because it is not like gold. Gold, as you know, does everything. If you shout loudly at a piece of gold, it will do something for you, but titanium doesn't want to do anything.

You are happiest at the workbench with your tools, experimenting with various gem cuts. By your own admission, you are more of an artisan. Is that what gives you a creative high?

If I go back to my early years in jewellery, I went to art school when I was 16, to be a fashion designer. I very, very quickly realized that probably wasn't for me. In an art school, you start to see what else is going on, and the thing that drew me in was jewellery – not by design,

I am much more familiar with the challenges one can overcome, and then where you may not want to go with titanium – because it is not like gold. Gold, as you know, does everything. If you shout loudly at a piece of gold, it will do something for you, but titanium doesn't want to do anything

(Below) Pieces from the collection Jitterbug





(On this page) Pieces from the collection Jitterbug

because design was not the biggest part of what was going on. It was all about technique, all of the art school skills that were required for learning to make a piece of jewellery, and that was what totally seduced me into this industry. The craft skills are amazing!

And I am talking to someone who lives in a country where the craft skills that are applied to jewellery are probably second to none. India is phenomenal and it's all very much hand skills.

And almost the first five years of my existence as a jeweller were, first of all, learning to be a really good craftsman. And the next five years were about working with techniques that I've learnt in order to help me become more of a designer. Because I was never trained to be a designer. I was trained to be an artisan, a craftsman.

But I found that with jewellery, if you master the techniques, you can apply yourself to become a designer. We are not like architects, we are not designing cars! We are designing things that people wear on their body and that are very much centred on the materials; you can't avoid that.

When you introduce a new material, you are working with precious gems... then I'll go I don't

want my gems to look exactly the same as everybody else's, so I want to start playing with the cuts of gems. And then I start to do hand engraving on a piece of metal that gave me texture that looks like tapestry. So it is all about using craft skills. And that led to my style. And I think I have never left that. Sometimes people say, 'My God, everything about your jewellery looks so complicated!' But you know what? I don't know any other way of doing it.

Are there any collections inspired by India?

I want to say yes. When I first visited India with my wife, we were on vacation in Jaipur, where I wanted to go because of the gems, obviously.



Before that I wasn't very familiar with Indian cut gems, except for maybe rose-cut diamonds, etc. Later in my life, I became more familiar with Indian gems and then I really started to see what is the spirit and the heart of the Indian jewellery industry. I mean, the bridal jewellery that goes with India is wow!

I think what it's done for me is it's one more part of how much I love gems and Indians love gems, and then being bold, helps give you confidence in what you do. In that respect, I very much enjoyed my time there. And every time I've been there (in India) since that one

time on holiday, it's always been connected with work. So I'm always interacting with Indian jewellery and Indian jewellers... that's inspiring for me.

I'm not going to make a collection of jewellery that looks like an Indian would have made it. But I love looking at the techniques and incorporating those – in some ways, it's got incredible discipline. I love the Indian enamel work, cuts of gems, and they're all things that I feel, somewhere along the line, I have a bit of the spirit of in my work.

Everyone compares you to Bob Dylan...

(Laughs) Now and again it's either Keith Richards or Bob Dylan or someone, I don't know why.

...Has Dylan's philosophy rubbed off on you?

To be honest, I feel a bit like a nomad. I could maybe say I feel more like a Jack Kerouac than a Bob Dylan. I love the road, I love American roads – my biggest indulgence every year is I just drive in my 1969 Thunderbird around America. I've been everywhere for years with my best friend who's American. And we feel a bit like we're both Jack Kerouacs. It's a romantic way of looking at a country that's not always romantic. You know, it's that idea of the road, and Bob Dylan's got a bit of that about him, I guess. ■



Work begins on the gems and jewellery Common Facility Centre (CFC) in Kolkata

GJEPC will set up gems and jewellery CFCs, as projects of the Union Ministry of Commerce and Industry, across the country, and as part of these efforts, the ground-breaking ceremony of the CFC at Bow Bazar, Kolkata, was performed recently

The Ministry of Commerce and Industry has taken a host of initiatives at the grassroots level to increase the efficiency of and empower the MSMEs of the Indian gems and jewellery industry. Apart from introducing trade-friendly policies for the sector, the Ministry is also in the process of facilitating the industry through creation of infrastructure in the form of Common Facility Centres (CFCs).

As a part of that exercise, the ground-breaking ceremony of CFC, Bow Bazar, Kolkata, was recently held in the presence of Rupa Dutta, Economic Adviser, MoC&I; Pramod Agrawal, Chairman, GJEPC; Prakash Pincha, Regional Chairman, Kolkata, GJEPC; Senthil Nathan, Deputy Secretary, MoC&I; Sabyasachi Ray, Executive Director, GJEPC, and office-bearers of the Swarno Shilpo Bachao Committee (SSBC), among others. The CFC in Bow Bazar will enhance the productivity and quality of products, especially of the small gems and jewellery units set up there and in surrounding areas, by introducing cutting-edge technology in jewellery manufacturing to fringe karigars in the Kolkata gems and jewellery cluster. It will benefit nearly 1 lakh handmade jewellery workers in and around Bow Bazar, a major jewellery hub in Kolkata.

Setting up CFCs across the country to help the marginal workers upgrade their product quality and output has been carried out through the GJEPC with the help of Local Trade Associations (LTAs) of the respective manufacturing hubs. The Council has already set up CFCs at major diamond clusters like Amreli, Palanpur, Visnagar and Junagadh in Gujarat. These CFCs are already operational and have proved to be very helpful for process re-engineering and empowering the trade, especially the MSME units, become export-worthy. The work for the jewellery CFC in Coimbatore is underway and is expected to be completed by March 2020.

The objective of setting up CFCs is to give small and medium jewellery manufacturing units access to a common pool of high-end and capital-intensive state-of-the-art machinery/equipment which is otherwise not affordable for individual units.

Rupa Dutta, Economic Advisor, Ministry of Commerce and Industry, said, 'Exports of gem and jewellery accounts for \$40 billion annually. It is one of the most employee-intensive sectors, employing more than 4 million people across the country, from backward sections of society. The

industry has a huge potential to grow and reach the next level. Our target is to take exports to \$75 billion by 2025. CFC is one of the initiatives in which our effort is to enhance the productivity and quality of products of our MSME units and make them contribute to exports. The concept of CFCs is ideal as small units can now get easy access to capital-intensive cutting-edge technology to process their products, which is normally beyond the investment capacity of a small-scale individual jewellery manufacturing unit-holder.'

Pramod Agrawal, Chairman, GJEPC said, 'India is a leading player in the global gems and jewellery market. To sustain its leadership, GJEPC has been facilitating the industry, especially the MSMEs, who are the backbone of the industry, with modern machines and tools at affordable prices at CFCs. Currently, the artisans are manufacturing jewellery on a make-to-order basis for retail jewellers or wholesale manufacturers. The use of technology like casting technology, finishing techniques such as tumbling, magnetic polisher, etc., are found in only some of the units. Bench work is also carried out using old techniques. In tier two cities like Coimbatore, Hyderabad, Jaipur, Rajkot and interior villages,



(L-R) Samar Kumar Dey, Working President, SSBC; Senthil Nathan, Deputy Secretary, MoC&I, GOI; Pramod Kumar Agrawal, Chairman, GJEPC; Rupa Dutta, EA, MoC&I, GOI; Prakash Chandra Pincha, Regional Chairman, ER; Sabyasachi Ray, ED, GJEPC; Subir Kumar Sen, President, SSBC

jewellers are still operating using the old technology, and this has affected the quality of the finished goods produced. Our effort is to give small and medium jewellery manufacturing unit-holders access to a common platform where they could benefit from the equipment globally used in the jewellery industry, thus improving their overall performance when it comes to manufacturing jewellery.'

The CFCs will empower the trade and increase overall productivity, yield and timely delivery. It will make the trade self-sustainable by offering all types of services under one roof to meet the requirements of their clients. CFCs will be instrumental in generating more revenue for SMEs and will be a tool for the socio-economic transformation of these regions.

The jewellery CFC at Kolkata

PERFORMANCE OF CFCs			
CFC	Sq ft area	Beneficiaries	Diamonds processed
Visnagar	2,398	50+	25 lakh
Palanpur	2,600	166+	23 lakh
Amreli	1,967	18+	6 lakh
Junagadh	1,795	102+	4 lakh
Coimbatore	Likely to be completed by March 2020		

will help the local handmade jewellery sector upgrade their value addition and compete with the best by taking advantage of this CFC. SSBC, on whose premises the CFC is being set up, will eventually run the centre to benefit the local workers. Other than SSBC, representatives from Howrah Jewellers Association, Calcutta Jewellers Association and Bangiyo

Swarno Shilpi Samity were also present to witness this momentous occasion for the local trade. As part of this visit, the team from the Union Commerce Ministry led by Rupa Dutta also visited the imitation jewellery cluster in Singur to explore its potential in exports from the region. The CFC in Kolkata is expected to be commissioned in April 2020. ■

Artisan Awards 2020 concludes with final jury round

An impressive panel comprising jewellery designers, industry experts and design consultants from India and abroad chose the nine winning designs in the final jury round of the Artisan Jewellery Awards 2020

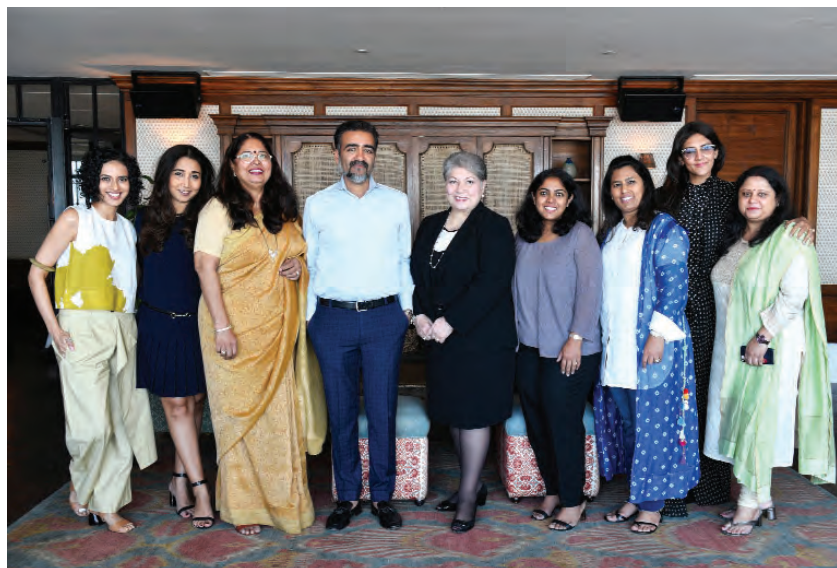
An illustrious jury comprising experts from across the fashion, jewellery and design industries come together late last month for the final jury round of the Artisan Jewellery Awards 2020. This is the third edition of the prestigious jewellery awards, organized by the GJEPC at Soho House in Mumbai.

With the theme Architectural Gems, the Artisan Awards is celebrating three key periods from different architectural eras – Art Deco, Islamic Arabesque and Neo-Futurism.

A whopping 625 sketch entries were received from talented designers all over the world across various design disciplines. From these, 27 jewellery pieces were shortlisted from across the three categories – nine creations from each category – in the first jury round, held in November 2019.

These 27 crafted pieces were then judged by the esteemed jury in the final round on 28 January 2020. The judging criteria were physical design, technicality, innovation and functionality.

Milan Chokshi, Convener – Promotions, Marketing and Business Development, GJEPC, remarked, 'It has been a great process, right from receiving entries to selection and manufacturing. The designs have been extremely promising and have given us an insight into the design capabilities of



Pics: Prashant Jadhav, TOI



THE ILLUSTRIOUS JURY

Aparna Badlani

Co-Founder at Atosa

Ambika Anand

Fashion consultant and TV anchor

Neha Dani

Fine jewellery designer

Anna Martin

Board President and Executive Committee member, GIA

Nirupa Bhatt

Managing Director, GIA India & Middle East

Smriti Bohra

Creative Director, Jewels Emporium



the young generation. The country's young talent has displayed a knack for injecting the DNA of their own individuality into the pieces through their unique ideas. It's been especially heartening to see that the design and interpretation of the concepts has been non-linear and the creators have used a variety of raw materials, metals and

gemstones.'

The grand award ceremony is scheduled for 12 February 2020 at Hotel Four Seasons, Mumbai. At the ceremony, the winners will be awarded internships at prestigious jewellery design houses along with cash prizes by internationally acclaimed jewellery designer Stephen Webster. ■

It has been remarkable to see the incredible shortlisted designs come to life in their physical form. Through this platform, we have tapped talent that not only has the vision to create designs that push the boundaries of creativity, but also imbibe factors that give jewellery a 360-degree touch to make it accessible to the end user

— COLIN SHAH

Vice Chairman, GJEPC



OCTOBER 2019
625 design entries
received

**NOVEMBER 2019,
FIRST JURY ROUND**
27 pieces selected,
nine from each of the
three categories

**JANUARY 2020,
FINAL JURY ROUND**
9 winning pieces,
three from each
category

ART DECO



WINNER
HARJAS KAUR
A'Star Jewellery



FIRST RUNNER-UP
ARIF HOSSAIN
A'Star Jewellery



SECOND RUNNER-UP
MONU JAIN GUPTA
Monu Jain Gupta

FINALISTS

Juhee Bolakhe

Vummidi Bangaru Jewellers

Saurabh Jhaveri

Tiara Silver Pvt. Ltd

Budoor Albudoor

La Marquise Diamonds, Dubai

Shruti Sharma

KP Sanghvi

Ashishkumar Doshi

Oopal Diamonds

Hema Harika Chandana

Imaginarium (India) Pvt. Ltd

NEO-FUTURISM



WINNER

NAMRATA BHARDWAJ

A'Star Jewellery



FIRST RUNNER-UP

KOSHA SHAH

Anand Shah



SECOND RUNNER-UP

JINAL PATEL

Reliance Jewels

FINALISTS

Juhee Bolakhe

Vummidi Bangaru Jewellers

Anant Jain

Mukti Gold

Saayli Dhongade

Diagold Creation Pvt. Ltd

Ashishkumar Doshi

Oopal Diamonds

Mitali Kikani

H. Ajoomal Fine Jewellery

Archangel Caszo

Reliance Jewels

ISLAMIC ARABESQUE



WINNER
KAUSHIK MONDAL
Tanvirkumar & Company



FIRST RUNNER-UP
KETKI AMBARDEKAR
Jewel Goldi



SECOND RUNNER-UP
SONALI SHETH
Sphere

FINALISTS

Pratiksha Gandle
Reliance Jewels

Saloni Kaushik
Titan Company Limited

Tanaya Agarwal
Imaginarium India Pvt Ltd

Jaydeb Dolui
Tribhuvandas Bhimji Zaveri

Bhagyashree Vaidya
Tanvirkumar & Company

Rakesh Bakuly
Kiran Gems Pvt. Ltd.

BRIGHTER DAYS AHEAD

An overview of the US jewellery market

Despite a disappointing 2019, reports and industry analyses say the US market might pick up in 2020, with self-purchasers and casual designs competing with bridal jewellery

by CYNTHIA UNNINAYAR

Simple gem and/or diamond necklaces are a definite design direction for 2020. This delicate emerald and gold piece is by Sorellina

As we enter a new decade, the gems and jewellery industry in the United States – the world's largest market for luxury jewellery – faces both new opportunities and new challenges. According to Polygon, sales in jewellery stores in the United States amounted to US\$39.7 billion in 2018, a year-over-year increase of \$7.3 billion. Yet, 2019 showed slower growth as we head into the new decade.

The US jewellery and watch market is diverse, with more than 21,000 retailers and e-commerce

companies in a highly competitive market. Stores range from jewellery mega-sellers generating more than \$100 million in revenue per year to small independent family-run businesses. The top ten on the list of the \$100 Million Supersellers are Signet Jewelers (\$5.64 billion in sales), Walmart (\$2.76B), Tiffany & Co. (\$1.62B), Costco (\$1.59B), Richemont group (\$1.55B), Macy's (\$1.49B), Amazon.com (\$1.34B, online), Helberg Diamonds (941M), JC Penney (\$816M) and Jewelry Television (\$571M, television, online), according to National

\$100 MILLION SUPERSELLERS TOP 10

Signet Jewelers
(\$5.64 billion in sales)

Walmart
(\$2.76B)

Tiffany & Co.
(\$1.62B)

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Helberg Diamonds
(941M)

JC Penney
(\$816M)

Jewelry Television
(\$571M, television, online)

JEWELLERY STORE CLOSURES IN THE US

2018

852 independent jewellery retailers

2019 first half

464

Source: Jewelers Board of Trade



(Above and below) Stackable rings are a popular trend. In this case, they come together in these gemstone and diamond rings by Giovanni Ferraris



Jeweler's 2019 State of the Majors report. The types of jewellery sold range from unbranded or store-branded to a variety of well-known names. The report also lists the top fifty specialty jewellers, ranked by store count, but not sales volume. The top ten are Signet Jewelers, The Kroger Co, Helzberg Diamonds, Swatch Group, Swarovski AG, Kering SA, Pandora, Diamonds International, Tiffany & Co., and Richemont group.

Examination of the \$100 Million Supersellers shows that the larger retailers have fared better over the last few years, with total revenue among the companies increasing. With large marketing budgets for both traditional advertising and social media, they understand how to attract the right customers.

But there is another side to the story. A number of jewellery retailers have shuttered less profitable stores or closed entirely. Even the top seller, Signet Jewelers (3,300 stores primarily under the brands Kay, Zales, Jared and Piercing Pagoda), closed 150 stores last year, following the closure of 232 stores the previous year in North America. And, in 2018, 852

independent jewellery retailers closed their doors, up from 2017, according to Jewelers Board of Trade. Figures from the first half of 2019 indicated 464 closures already, some due to retirement/lack of succession or other reasons.

Because the jewellery industry is so fragmented, we take a look at the various sectors of the industry and the major factors influencing them. To get a more up-front-and-personal viewpoint, we also interviewed four independent retailers representing different segments of the industry to get their take on the state of their market.

DIAMONDS

Diamond jewellery reigns supreme, by far, in the global jewellery sector, with a value of \$80 billion, and the US is no different, accounting for nearly half the demand. These gems are the backbone of nearly all jewellery sold in the US, from bridal to fashion, from centre stones to accents.

Yet, the industry is facing a number of challenges. According to Bain & Company, the sector is feeling softer demand for polished and rough diamonds, driven in part by geopolitical and macroeconomic tension that lowered consumer confidence as well as increased e-commerce that decreased the need for inventory on hand. The softer demand for polished diamonds led to a 3 per cent drop in prices and is expected to lead to 10 to 15 per cent lower revenues for midstream players. The results are the lowest profit margins in years, combined with high inventory, which has been building since 2017. Among major diamond players, both Alrosa and De Beers finished 2019 with a sales decline of 26 per cent.

But all is not gloom and doom. Bain notes that the market has historically returned to pre-crisis levels within a couple of years. The midstream should clear its backlog in early 2020, paving the way for a better year, even if not a full recovery, with a good chance to rebalance by 2021. And, while non-branded and mid-range jewellery face an uncertain mid-term future, the branded high-end diamond jewellery segment, (about 15 per cent of the total) is expected to grow by high single digits in 2020, in line with the growth of

personal luxury goods.

Other factors affecting the diamond sector – and indeed the entire jewellery industry – are changing consumer preferences, most notably of millennials and Gen Z consumers, who prefer experiential purchases and electronics. The diamond sector is finding it challenging to make diamonds top-of-mind for these young consumers. But, to encourage the emotional attachment to diamonds for these and other potential customers, miners and some industry players are increasing marketing budgets. In 2019, more than \$200 million was invested, including \$70 to \$80 million of generic marketing by the Diamond Producers Association (DPA), with campaigns such as ‘Real is Rare, Real Is A Diamond’, which includes a short video, ‘The Diamond’s Journey.’ DPA’s latest campaign focuses on women self-purchasers with its ‘For Me, From Me’ marketing strategy. According to De Beers, the number of women buying diamond jewellery for themselves has risen steadily since 2005, and now accounts for more than one-third of diamond purchases in the US.

Also influencing diamond sales is the heightened awareness and focus by consumers on transparency and sustainability along the supply chain. This provides a good opportunity for the industry to practise corporate social responsibility (CSR) and ensure minimal negative impact on the environment. In terms of traceability, blockchain technology is being adopted by some miners to follow a gem’s path from mine-to-market. De Beers launched its diamond provenance program ‘Diamonds from DTC’ in 2019,

while Alrosa launched a similar provenance program. Tiffany & Co traces its individually registered diamonds (0.18 carat and larger) using a unique ‘T&Co’ serial number laser-etched into the stone, that provides geographical sourcing information. The diamond giant also has stated that in 2020, it will provide details on each diamond’s craftsmanship journey – location of cutting and polishing workshops. Initiatives such as Diamonds Do Good, a non-profit



The Paraiba tourmaline accented by diamonds in gold by Sutra

organization supported by the international diamond industry, has a mission to support programmes that develop and empower people in diamond communities and to share stories of positive impact.

Despite the diamond industry’s slowdown and other challenges, Bain estimates that the long-term outlook is positive. If middle-class growth is strong, combined with effective marketing efforts, demand for diamond jewellery is expected to

grow at an average annual rate of up to 3 per cent, with the USA, China and India leading the way. Of note, however, are the really bright spots in the diamond sector – coloured diamonds. These beautiful gems have garnered much attention, especially at auctions, where prices have soared.

LAB-GROWN DIAMONDS

Although still quite small – estimated at less than 2 per cent of the diamond market – the lab-grown diamond (LGD) sector grew 15 per cent to 20 per cent in 2019. Most LGDs are purchased in the United States, but are produced in China and India, as well as the US, which consumes 80 per cent of production. The prices of LGDs have come down and have stabilized – for a polished 1 ct G SI – to about 45-55 per cent of the price of an earth-mined diamond at retail, and 15-20 per cent at wholesale.

Over the last few years, increasing numbers of manufacturers have jumped onto the LGD bandwagon, not the least of which is De Beers, when it made its surprising – or maybe not so surprising – U-turn with the creation of its lab-grown diamond sub-brand, Lightbox Diamonds. In addition to white LGDs, Lightbox Diamonds has been promoting shades of pink and blue LGDs while merchandizing engagement rings with fashion designs.

Another heavy hitter to jump aboard is Atelier Swarovski, which has partnered with luxury-rock designer Stephen Webster and Big Screen celebrities, including Penelope Cruz, to create lines of LGD jewellery at affordable prices. Atelier Swarovski offers a blend of

In 2019, more than \$200 million was invested in marketing, including \$70 to \$80 million of generic marketing by the Diamond Producers Association (DPA)

Diamond jewellery reigns supreme in the global jewellery sector, with a value of \$80 billion, and the US is no different, accounting for nearly half the demand

coloured Swarovski-created diamonds as well as created coloured gemstones. Webster and Cruz both tout the 'greener' aspects of LGDs as among the reasons for including them in their jewellery collections, although the earth-mined diamond sector wasted no time challenging the 'eco' value of LGDs. A controversy to follow...

As LGDs shake up the market, there are questions about disclosure. To protect consumers in the US, the Federal Trade Commission has issued a set of revised guidelines, which state that man-made diamonds must be clearly labelled as such, with the recommended terms of laboratory-grown, laboratory-created or [manufacturer name]-created. The term 'synthetic' was removed from the recommended list, although it may still be used. The biggest and most controversial

change in the FTC guidelines was the removal of the word 'natural' from the official definition of a diamond, while insisting that the terms 'real,' 'genuine,' or 'natural' cannot be applied to a lab-grown diamond.

Following the revisions to the FTC's Jewelry Guide in 2018, regulators sent warning letters to jewelers about deceptive marketing practices related to the sale of LGDs, thus forcing the industry at large to clarify how they market and talk about LGDs.

COLOURED GEMSTONES

Unlike the diamond sector, the coloured gemstone sector is composed primarily (about 80 per cent) of small-scale and artisanal miners, although international industrial companies have entered

Over one-third of diamond purchases in the US are by women buying diamond jewellery for themselves

this space over the decade. Among them is Gemfields, with extensive emerald mining in Zambia and ruby mines in Mozambique, along with various operations in Madagascar, Ethiopia and other countries. Another major player, Fura Gems, extracts emeralds in Colombia, rubies in Mozambique, and sapphires in Australia, among others.

While diamonds enjoy the lion's share of jewellery purchases, coloured gemstones continue to increase in popularity, with a wide range of colours and price points to suit any budget. Long considered



Coloured gemstones offer myriad possibilities for designers, such as this pair of gemstone earrings in gold accented by diamonds by Caratell

the Big Three, rubies, emeralds and sapphires have been joined by a plethora of gems that are rarer than diamonds and sometimes more expensive – think red beryl from Utah, for example, a uniquely American gemstone, among others. Coloured gems also tend to fall into two tiers, the high-end that supplies the premium client base and the low-end that seems to be the bread-and-butter for most designers. According to Future Market Insights, the coloured gem sector should see growth of more than 4 per cent over the next year.

Some of the challenges facing the coloured gem sector are the same as those facing the diamond industry, namely CSR, sustainability, and a transparent supply chain. Industrial players Gemfields and Fura, among others, have expended money and effort to ensure that their gems are sourced responsibly, with support for local communities. To take transparency to the next level, the miner partnered with Gübelin, whose Provenance Proof blockchain technology not only shows a gem's origin, but also creates an encrypted record of its journey from mine-to-market.

GOLD

In 2019, gold had its best performance since 2010, rising 18.4 per cent to around US\$1,560 an ounce as of the writing of this article. And, in light of financial uncertainty, price volatility, lower interest rates and weakening global growth, the World Gold Council indicates that the outlook for 2020 remains bullish.

Of the 1,90,000 tons of gold above ground in the US, nearly 48 per cent is in jewellery. Since high prices impact this market, we are



Themed designs to suit the tastes of some consumers are seen in these earrings by Brent Neale, crafted in malachite, blue topaz, peridot, citrine, tourmaline, amethyst and diamonds

seeing greater shifts of gold jewellery manufacturers into vermeil designs using coloured gems and diamonds. Others offer designer silver (whose price rose more than 15 per cent in 2019) with gold accents.

In terms of CSR, gold faces similar issues as the diamond and coloured gem sectors. Artisanal mining generally uses mercury, and industrial miners are sometimes criticized for poor working conditions. Organizations such as No-Dirty-Gold are working to ensure that gold mining respects human rights and the environment. To this end, American jeweller Toby Pomeroy created 'The Mercury Free Mining Challenge,' which will give US\$1 million to anyone providing artisanal gold miners with a reliable, cost-effective alternative to using mercury. 'We cannot just stop mining gold,' he says. 'What we need is responsible mining.' He adds that a pilot

Some of the challenges facing the coloured gem sector are the same as those facing the diamond industry, namely CSR, sustainability, and a transparent supply chain

programme is underway in Ghana, and the hope is that encouraging results will be announced soon.

OTHER FACTORS

Internet sales of jewellery continue to climb. In 2020, online sales are expected to rise to 25 per cent of all jewellery sales, up from 23 per cent in 2019 and 21 per cent in 2018. Online sales are not limited to lower-priced pieces, however, as can be seen by fine retailers such as Tiffany & Co, which just partnered with Net-A-Porter to offer pieces from the Tiffany T Collection.

As the usage of social media increases, especially Instagram, the way consumers interact with jewellery brands is evolving. Reaching a wider audience at less cost than traditional advertising, jewellers can adjust their collections according to consumer opinions or market them through influencers, which is especially important for selling to self-purchasers.

In terms of design directions, if we can translate jewels from the recent fashion catwalks to Main Street sidewalks, 2020 should see more designer hoops, asymmetrical earrings, chain links, Y-necklaces and art-inspired pieces in the designer sector. For the bread-and-butter segment, small diamond or coloured gemstone-studded pendants and earrings, stacking rings and bracelets, along with the layered look, should prevail. In the bridal world, halo settings seem to be less popular while traditional solitaires and streamlined designs are gaining market share. The landscape is also shifting towards customization as consumers look for jewels not only as accessories, but as a part of their identity.

So, as the new decade opens, and

Earrings in 18K gold and diamonds by Magerit



the jewellery industry makes strides in overcoming its challenges, we can look forward to a positive 2020.

UP FRONT WITH RETAILERS

The first part of this article is a general overview of the US market, but to get closer to the source, we interviewed retailers from different sections of the country to get a clearer idea of what is selling where and at what price points.

'NECESSARY TO ADVERTISE MORE AND FIND CREATIVE WAYS TO REACH THE CUSTOMER'

An author, certified appraiser and talented award-winning designer in her own right, Susan Eisen is the owner of Susan Eisen Jewelry in El Paso and Austin, Texas. Her stores carry a broad range of branded, non-branded and store-branded jewellery as well as watches.

Her outlook for diamond jewellery in general and bridal in particular? 'Optimistic, even though the market is somewhat difficult,

which means it's necessary to advertise more and find creative ways to reach the customer.' She says that 'white diamonds are the preferred choice for bridal,' and there is little demand for coloured diamond or coloured gemstone centres in engagement rings. Susan states that there are 'no requests for lab-grown diamonds,' which she doesn't carry. In terms of colour, quality, and cut, her answer is 'I and SI and up, generally ideal cut.' She only uses ideal cut for melee. 'People also want large stones, so it is important to source from different vendors to get the best pricing for high quality diamonds,' she adds.

Favoured categories or price points? For engagement rings, the bestsellers are in the low and high-end segments. 'The sweet spots are \$1,000 to \$2,500 at the lower end, while for premium customers, prices range from \$25,000 to \$50,000. The mid-range is difficult.' Her customer base is central to southern Texas as well as customers from Mexico who are looking for

higher quality.

The types of jewellery that sell best? ‘Diamond pieces are the bestsellers, in all categories, but I do sell colour, mostly the Big Three as well as a variety of other coloured gemstones,’ she explains. ‘Aside from bridal, most sales are occasion-driven – birthdays, anniversaries, and other special events. Custom work is a large part of my business, both original design and inherited pieces that clients bring to be redesigned.’ Many of her clients want casual pieces that can be worn with any outfit, although ‘self-purchasers are not a large part of my business.’ She also enjoys good online sales (susaneisen.com).

‘IT IS IMPORTANT TO BE UNIQUE, TO CARRY ITEMS NO ONE ELSE DOES’

Drawing on her expertise in pearls and experience with jewellery while living overseas, Susan Fotos created Higashi Pearls and Fine Jewelry, offering a broad selection of jewels and eyewear, located near Harrisburg, Pennsylvania. She recently sold the business, but even in retirement, she is active in helping companies succeed in the US market. ‘There is so much that new companies don’t realize about how to make jewels wearable,’ she says, ‘for example, that it is important to have the right type of backing for earrings, clasps that are easy to open, etc.’ So, after decades of advising her vendors, she decided to use her retirement years helping newcomers to the market. She shares her insight into the jewellery market below.

Her outlook for diamond jewellery? ‘The market has been ok, but somewhat difficult, requiring us to think outside the box,’ she says,

‘It is important to be unique, to carry items no one else does, and that is what we are known for.’ Part of being unique is travelling the world, looking for things the other retailers in town don’t have, from Paris to Bangkok, from Hong Kong to Sao Paulo, seeking out interesting designers. ‘It’s more work, but it pays off,’ she muses. As for diamonds, ‘they continue to be a strong category since they go with everything, and small pieces of diamond jewellery are easy for everyone to wear. Diamond-set rings and earrings are easy to sell and range from simple to dressy. These are big self-purchasing items, and self-purchasers are a big part of my business.’

What about LGDs? ‘My customers have not asked for lab-grown. I am a bit uncertain about them, although I am open to the idea.’

Favoured categories or price points? ‘For self-purchasers, \$2,500 and under are good sellers. Fashion pendants or small stackable diamond rings at around \$900 sell really well. Millennials love them.’ The sweet spot, in general, is between \$1,500 and \$2,500. Above \$3,500, it is a different customer, and fashion pieces above \$10,000, she notes, are a hard sell in her area. In

Online jewellery sales in the US as a percentage of all jewellery sales

2018: 21%

2019: 23%

2020 (expected): 25%



Designer Stephen Webster recently joined the LGD mini-wave with his collaboration with Atelier Swarovski. Shown here is a gold and rose quartz bracelet featuring Swarovski-created diamonds (Photo: Atelier Swarovski)

terms of designs, she feels that 'cocktail rings are passé.'

What about coloured gemstones? Most of her clients buy diamonds for themselves, 'but when it comes to coloured gem pieces, they are usually gifts.' While she sells sapphires and rubies, most requests are for other gems, among them aquamarine, indicolite and other tourmalines. 'My clients consider emeralds to be old people's jewels,' she smiles. Because of the high price of gold, she notes that a number of formerly 18K gold-only brands are now doing vermeil. 'They use the same beautiful coloured gems as before, but in gold-plated silver, which brings the price down as much as 70 to 90 per cent.' Especially for her self-purchasers, a coloured gem ring at \$700 is a good seller, but these same customers will think twice about spending \$5,000 for the same stone set in 18K gold.

And bridal? 'For engagement rings, \$6,000 seems to be the sweet spot for bridal, although we offer a range.' In terms of colour, white diamonds are preferred, but Susan gets requests for black diamonds as well as a small demand for blue sapphires. 'The rules on bridal seem to have disappeared.'

Other categories? 'Most people want casual jewellery, something they can wear for nearly all occasions. This is the best category to be in and what self-purchasers mostly want.' These include small pendants, stackable rings and bangles, simple earrings, including hoops. While millennials love this category, ageing boomers also want casual, easy-to-wear pieces. As a boomer herself, she can relate to this demographic. 'For example, boomers might want a necklace that is 18–20 inches for increased

For self-purchasers, \$2500 and under are good sellers. Fashion pendants or small stackable diamond rings at around \$900 sell really well. Millennials love them. The sweet spot, in general, is between \$1500 and \$2500. Above \$3500, it is a different customer, and fashion pieces above \$10,000 are a hard sell... In terms of designs, cocktail rings are passé

– SUSAN FOTOS

Higashi Pearls and Fine Jewelry



Expandable rings are another innovation to meet the needs of today's consumers. Shown here is a selection by Picchiotti

necklines vs 16 inches, or they might want a clasp on a casual necklace that is easier to open, or they might want a ring that is expandable. 'It is important that jewellers know their customers and their needs (susan@scenarioimports.com).'

'WE HOLD JEWELLERY PARTIES FOR OUR SELF-PURCHASERS'

Christensen & Rafferty Fine Jewelry is a rare success story – two long-time friends operating a successful partnership in a fine jewelry establishment in San Mateo, California. We caught up with one of the partners, Colleen Rafferty, to get her take on retailing jewellery in Northern California.

Her outlook for the diamond jewellery market in 2020? Optimistic. 'While we certainly sell a lot of diamond pieces, our clientele tends to gravitate more towards coloured gemstones, but not in a traditional sense. Many of our vendors offer

original, one-offs in interesting colour combinations,' she explains, adding that 'tourmaline, spessartite garnet, aquamarine and spinel are popular, while pink and blue sapphires are good sellers in three-stone rings. We also sell full circle, simple pendants in diamonds or gemstones, layered jewels, and a lot of casual pieces.'

Most popular price points and categories? 'We have a cross-section of clients. The self-purchasers will easily buy the \$350 to \$1,100 range, with an average of \$500. Among good sellers are designer sterling silver designs set with white sapphires.' For 18K gold enamel and diamond bracelets, prices start at around \$3,200. The \$1,800 to \$3,500 price range attracts a slightly older self-purchaser. 'During holiday periods, larger diamond studs, bought generally as gifts, range from \$5,000 to \$10,000, while diamond-set hoops sell for \$13,000 to \$30,000. Our clientele includes a fair number of affluent executive women who will drop \$49,000 on larger coloured gemstone and diamonds studs, for example a "Me to Me with Love" purchase,' she smiles.

How is the bridal segment? 'We are selling more non-traditional engagement rings to a younger clientele that is being recommended to us by their parents and


grandparents.' The sweet spot for engagement rings seems to be around \$10,000, although some rings sell for \$30,000. In terms of colour, Colleen says white diamonds are the norm, although they have been asked for grey and even some coloured diamonds such as cognac, and sometimes unusual shapes. There is not, however, much demand for coloured gemstone centres in bridal. 'Most important for our clients is quality. If it is not up to par, the sale won't happen,' she adds. Colleen and her partner Diane Christensen are always searching for well-made

to a piece that the birthday girl wants.' She adds that for this type of occasion, sales are in the \$500 to \$1,200 range. 'For our gentlemen clients, we host a men's shopping night, which includes some of the best martinis in town and where we encourage the men to plan ahead for upcoming anniversaries, birthdays or holidays. We remind them that while the jewelry is virtually free, the martinis start at about \$5,000! (crfinejewelry.com)'

'THE TREND IS DEFINITELY CASUAL JEWELLERY THAT WORKS WITH A CASUAL LIFESTYLE'

To say that Tiny Jewel Box, in the heart of Washington DC, has had a rich history would be a gross understatement. The iconic multi-generational store began in 1930 and soon attracted an array of clients that included presidents from Franklin Roosevelt to Barack Obama, a bevy of first ladies, ambassadors, members of Congress, actors and many foreign dignitaries. The store is now under the leadership of the third generation, and Matthew Rosenheim shares his insight into the fine jewellery world.

His outlook for diamond jewellery sales in 2020? 'We are bullish, based on a solid 2019, a solid Christmas, and a lot of activity in January,' says Matthew, adding that the market has 'good momentum, and fears of a recession have subsided. Bridal is a strong category, and although people are



The self-purchasers will easily buy the \$350 to \$1,100 range, with an average of \$500

With the high price of gold, jewellers are turning to silver, which is sometimes plated with black ruthenium and yellow gold as in this necklace by Jorge Revilla

products that can work for their clients. 'We look for unusual ways to help our customers as well, thinking outside the jewellery box, so to speak. One way is to hold jewellery parties for our self-purchasers. A group of girlfriends will get together and all contribute



Diamond jewellery is a staple for nearly all jewellery wardrobes. Shown here is a diamond pendant featuring baguette and round diamonds in gold by Emily Wheeler

marrying at later ages, there is still plenty of business.’ He adds that while ‘fashion jewellery was a bit soft in 2019, it had an excellent comeback during the holidays and has started the year strong.’ In addition to fine jewellery, Tiny Jewel Box carries a selection of high-end Swiss watches. ‘Our watch business is extremely strong and we are seeing significant demand for Rolex and Patek Philippe.’

And bridal? ‘We cater to higher-end bridal, specializing in finely cut stones and platinum.’ Most demand is for diamonds up to 2 carats although they see a lot of sales in 2 to 5 carats. Prices range from \$20,000 to \$1,00,000, with most in the \$20,000 to \$50,000 segment, although Matthew indicates that they do carry some engagement rings in the \$5,000 and up category. White diamonds are the most popular, with little demand for coloured gemstone centres. ‘As for shape, rounds are the most popular, although ovals and cushions are also strong sellers, with an occasional emerald shape. Classic solitaires in streamlined settings are most requested, while the halo setting is off its peak.’

Price-point differentiation? The range of \$5,000 to \$15,000 is the sweet spot for this retailer. ‘We also have good sales in the \$15,000 to \$50,000 segment,’ adds Matthew. ‘While diamonds rule the day, we have significant sales in coloured gemstone jewellery.’ These include the Big Three as well as other types of gems. ‘Blue has been the better seller, whether in sapphires or other stones. It is also a fashion colour, so we accessorize with blue gemstone jewels.’ When asked about requests for LGDs, he is quick to answer that

no, they don’t carry them. ‘They don’t align with our business strategy, although we are paying attention to that sector and how it evolves.’

Types of clientele? ‘While many sales are occasion-driven and the jewels given as gifts, we have lots of self-purchasers. These are mainly professional women for whom purchasing a piece of jewellery is quite normal. They want something that is relevant to their lifestyle, and is unique and different. The trend is definitely casual jewellery that works with a casual lifestyle (tinyjewelbox.com).’

While these four retailers are from different parts of the country, with different types of customers, a few things stand out. The diamond category is by far the most important for both

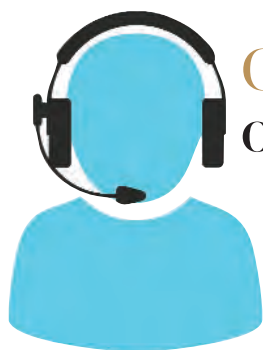


Hoops set with a rainbow of gems by Harwell Godfrey

Most demand is for diamonds up to 2 carats although we see a lot of sales in 2 to 5 carats. Prices range from \$20,000 to \$100,000, with most in the \$20,000 to \$50,000 segment

– MATTHEW ROSENHEIM
Tiny Jewel Box

ends of the price spectrum. While the lower and the high-end segments are doing well, the mid-range is suffering. For three of the four, self-purchasers are a major component of their store’s clientele. And the trend towards casual purchases is strong at all four stores, as their clients want jewels they can wear for nearly any occasion. ■



GJEPC helpdesk achieves over 1 lakh outbound calls in first year

Besides the impressive number of outbound calls, the GJEPC's helpdesk processed 29,190 inbound calls and successfully reverted to 14,246 missed calls

A year ago, the GJEPC set up a call centre to reach out to members in every corner of the country, resolve their doubts and disseminate information about the Council's initiatives and activities. The toll-free number of the GJEPC helpdesk is 1800-103-4353.




Member details were confirmed and updated in a massive exercise, and inbound call facilities and a chat module were added to create a fully realized CRM module.

A year on, the initiative has lived up to its potential. The CRM centre made 1,05,654 calls in one year, raising awareness of the Council and its activities all across the country. Additionally, it has processed 29,190 inbound calls over the course of the year, answering members' queries and resolving doubts.

A missed call service was also launched on the number 7208048100. Under this service, members giving a missed call will get a return SMS from GJEPC, and this will be followed up with a call from one of the team members, who help the member with their issue. Under this service, the CRM centre successfully returned 14,246 missed calls over the course of the year. ■

Activity Month	Inbound Calls attended	Missed Calls connected	Outbound Calls done
Jan 19	974	414	9460
Feb 19	1601	546	9425
Mar 19	639	280	7503
Total Q1	3,214	1,240	26,388
Apr 19	1,160	564	2,127
May 19	2,566	440	1,574
Jun 19	2,617	1,523	9,762
Total Q2	6,343	2,527	13,463
Jul 19	3,231	2,158	9,508
Aug 19	1,440	1,020	3,468
Sep 19	367	178	9050
Total Q3	5,038	3,356	12,976
Oct 19	295	275	8130
Nov 19	1241	502	10507
Dec 19	1062	464	8019
Total Q4	2,598	1,241	26,656

The toll-free number of the GJEPC helpdesk is 1800-103-4353. A missed call service was also launched on the number 7208048100. The caller gets a return SMS from GJEPC, followed by a call

Activity	Q1	Q2	Q3	Q4	Total
	3,214	6,343	5,038	14,595	29,190
	1,240	2,527	3,356	7,123	14246
	26,388	13,463	12,976	52,827	1,05,654

IIGJ MUMBAI

Students visit Italy to attend Vicenzaoro 2020



A group of 34 students and two faculty members from the Indian Institute of Gems and Jewellery (IIGJ), Mumbai, visited Italy last month to attend the Vicenzaoro jewellery exhibition

Global immersion is an integral part of the curriculum at the Indian Institute of Gems and Jewellery (IIGJ), Mumbai. The institute ensures that all the students have had an opportunity to look at the world and see things from a different perspective.

With the aim of imparting high-quality training to the students to become future leaders of the jewellery industry, every year, IIGJ Mumbai organizes an international tour for the students of their degree and postgraduate programmes, during which they attend popular jewellery shows in the world.

This year, the students attended Vicenzaoro 2020 in Italy.

A group of 34 students, along with two faculty members, visited Italy from 15 to 22 January 2020 to attend the jewellery exhibition.

Vicenzaoro 2020 gave the students meaningful exposure and added experiential learning in understanding different design trends, elements, stones, visual merchandising, store branding, innovative jewellery-making techniques and many more.

Students got an opportunity to visit the Murano Jewellery glass factory at Venice, Italy. The students were fascinated to see the



artwork and technique of making glass jewellery and glass sculpture. They also examined in detail the spectacular finished pieces, and it gave them an inspiration to create their own work of glass jewellery.

The students also explored the beautiful cities of Italy, like Rome, Florence, Venice and Milan.

IIGJ strongly believes that the learning from the show and the factory visit will help students to step forward into the jewellery industry confidently.

The international educational tour to Italy was an enthralling experience for the young minds, who are always eager to learn more about the intriguing world of jewellery. ■

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- Fashion Jewellery
- Loose Diamonds, Gemstones
- Lab Grown Diamonds

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FOR ANY FURTHER QUERIES

Exhibitor Registration

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Good US season offers hope for diamonds in 2020, but impacted by China outbreak

Following a dull, distressing 2019, the Bonas Market Report on diamonds says there's a glimmer of hope after a brief upswing in demand from the US and China seasons, but says the overall industry sentiment remains cautious despite this

After grim reports of acute midstream distress and shrinking demand for most of the past year, the Bonas Market Report for January 2020, for the first time in months, has some optimism to offer. Bonas, a global diamond brokerage and consulting firm, compiles a report each month on the latest rough and polished diamond trends from each of the industry's major centres in the world. This includes an overview of the global synthetic diamond industry, on behalf of the GJEPC, plus reports on various other topics like the current state of the Swiss watch industry and chronicling diamond manufacturing activity in Southern Africa.

2020 BEGINS WITH OPTIMISM DUE TO US AND CHINA SALES

'2020 began with cautious optimism following what is thought to have been a reasonable season in the US, and some decent sales into China prior to Chinese New Year,' says the report in its general overview. 'Factories in most manufacturing centres looked to normalize production levels, following the

sharp reductions during the second half of 2019. As a result, rough sales have been relatively strong, and for the first time in many months premiums have been offered on boxes.'

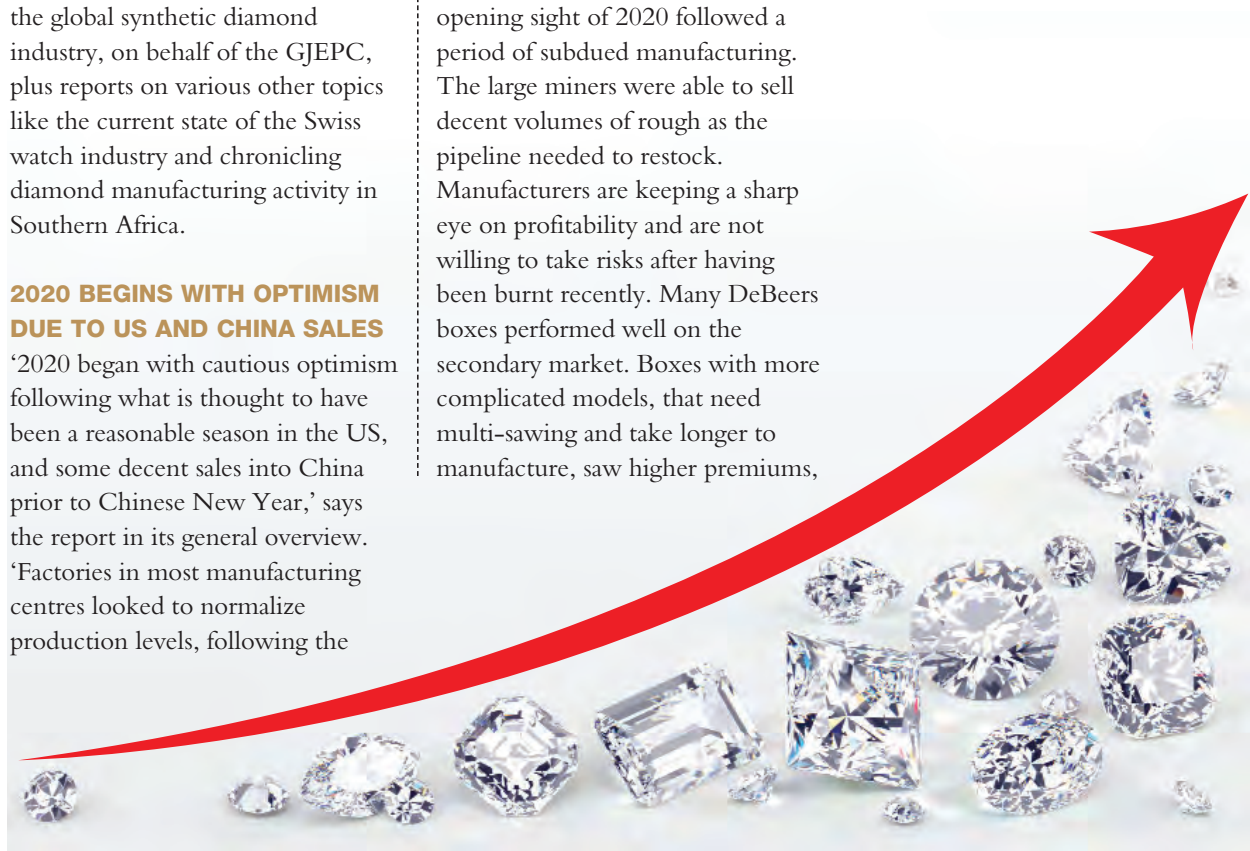
However, it struck a note of caution for the industry (see excerpt on right).

ROUGH

On Mumbai, Surat and other Indian centres, the report said, 'The opening sight of 2020 followed a period of subdued manufacturing. The large miners were able to sell decent volumes of rough as the pipeline needed to restock. Manufacturers are keeping a sharp eye on profitability and are not willing to take risks after having been burnt recently. Many DeBeers boxes performed well on the secondary market. Boxes with more complicated models, that need multi-sawing and take longer to manufacture, saw higher premiums,

2020 began with cautious optimism following what is thought to have been a reasonable season in the US, and some decent sales into China prior to Chinese New Year... For many in the mid-stream, the priority this year is for some stability, with decent profitability to be allowed to return. Another year like last will likely force significant, permanent change in the complexion of the industry

– Bonas Market Report



Shutterstock



eg, MB Clivage 3grs+7 sold at 10 per cent more than in December and Preparers Low 3-6grs sold at 25 per cent, 120 days. These were also in limited supply. Following news of the coronavirus, the positivity that was coming back to the market has evaporated. It is felt that those who bought rough at higher prices may regret their decision.

Manufacturers of better quality, sawn material continue to migrate to makeable product. Overall, manufacturing levels are higher than the Diwali sight, but still not at the same levels as this time last year.'

Tel Aviv, Botswana, Dubai, South Africa and Namibia all saw increased demand and healthier buyer appetites at the start of the year. On Antwerp, the report says that while the market maintained its positive momentum over the Christmas holidays, 'demand for rough has mostly been driven by factory replenishment rather than by

genuine polished demand. This is a cause for concern for most of the Antwerp players. If activity in the pipeline does not pick up over the weeks to come, the current positive sentiment might evaporate quickly.'

POLISHED

'Trading picked up marginally in the Indian market in the run-up to the Chinese New Year, as well as on the back of late US-driven demand,' says the report. 'It helped that other centres were closed for the Christmas and New Year's holiday.'

The mood in the markets in Tel Aviv and New York was similarly positive, but the Chinese coronavirus outbreak is causing concern in Tel Aviv. Hong Kong is similarly affected by the epidemic. Brick-and-mortar sales in the US are seeing falling sales despite a healthy economy and a good season.

Following news of the coronavirus, the positivity that was coming back to the (Indian rough) market has evaporated... Overall, manufacturing levels are higher than the Diwali sight, but still not at the same levels as this time last year

– Bonas Market Report

MARKETS

India

The Bonas report was released just before the Budget, and it had this to say about the Indian market: 'Like last month, all high-value items continue to struggle in India, like real estate, cars and even jewellery. Major retailers in India have performed well, but sales for smaller players have been softer on the back of high gold prices and a weak economy. Jewellers are appealing to the government for a reduction in duty in the Budget, which will be announced on 1st February, to help stimulate the industry.' The duty cut did not quite materialize, though Minister Sitharaman did announce a slew of other measures to benefit the industry.

Europe

'The consumer confidence indicator in the Euro Area stood at -8.1 in January 2020, unchanged from the previous month and below market expectations of -7.8, a flash estimate showed. It remained at the lowest level since February 2017. Considering the EU as a whole, consumer sentiment was flat at -7.0. (source: European Commission). Brands have been holding back ordering due to the instability and uncertainty in the Hong Kong/China region. Suppliers have been busy fulfilling orders from the end of last year, however new ordering has been soft at the start of 2020.'

USA

'The Conference Board Consumer Confidence Index increased in January, following a moderate increase in December. The Index now stands at 131.6, up from 128.2 (an upward revision) in December. "Consumer confidence increased in

January, following a moderate advance in December, driven primarily by a more positive assessment of the current job market and increased optimism about future job prospects. Optimism about the labour market should continue to support confidence in the short-term and, as a result, consumers will continue driving growth and prevent the economy from slowing in early 2020," according to The Conference Board... According to Mastercard Spending Pulse, jewellery sales rose almost 2 per cent in the US over the holiday period, largely as a result of strong e-commerce growth. Online sales of jewellery are believed to have grown 9 per cent in the run up to Christmas.'

Hong Kong/China

'The spread of the coronavirus has undermined all hope of a good Chinese New Year sales season. While some cases exist outside China, China is very much the epicentre, and this is where the economic impact will mostly be. This is particularly dramatic as our industry has been underperforming in the region for some time now, mainly on the back of the social unrest in Hong Kong and the China-US trade war. Our hopes for a good retail season in mainland China, at the start of the year of The Rat, have now turned into a distant dream as restrictions on movement and travel imposed by the authorities have brought the economy to a standstill. Shops, offices and factories remain closed, and the Shanghai Diamond Exchange has halted all operations at least until February 9. Following feedback from mainland retailers, sales have plummeted by 60-80 per cent.' ■

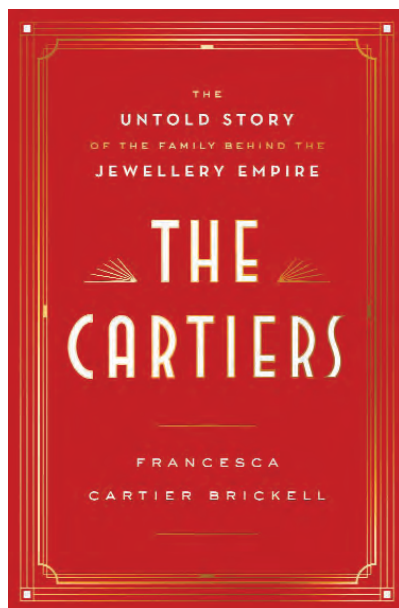


Like last month, all high-value items continue to struggle in India, like real estate, cars and even jewellery. Major retailers in India have performed well, but sales for smaller players have been softer on the back of high gold prices and a weak economy

– Bonas Market Report

THE CARTIERS

From a family enterprise to a global luxury brand



Brand Cartier owes its success to the entrepreneurial spirit of Louis Francois, his son Alfred Cartier and his three grandsons. While the mercurial, Louis was a visionary designer, Pierre was the deal-making networker, an impeccably dressed suave salesman who could sell ice to eskimos. The youngest of them, Jacques, was a patriotic, globetrotting gem expert.

Louis-Francois, the patriarch, had humble beginnings. His mother was a washerwoman. Every client to walk into a Cartier store was to be treated with respect and enjoy the experience. 'Be very kind' was the key tenet of Cartier philosophy that he passed on. He may not have had the resources to afford a showroom in the prestigious locations but he knew that the personal touch was one way in which his firm could

Francesca Cartier Brickell's book, *The Cartiers: The Untold Story Of The Family Behind The Jewellery Empire*, was unveiled in Mumbai recently. Most business biographies tend to be either hagiographies or elaborate PR dossiers. The Cartiers, however, turned out to be an exception. The page-turner of a book keeps the reader engaged throughout by its anecdotal and conversational narrative. India features prominently in the book as it has played an important role in Cartier's initial success. Many of the Cartier's iconic collections such as the panther motif and the Tutti Fruity necklace are inspired from India. The jewellery industry in India is dominated by family jewellers and they will gain several interesting insights from its reading

By ANIL PRABHAKAR

distinguish itself from others.

In order to raise their economic status, the Cartiers sought alliances with business families richer than them. Louis-Francois got Alfred married to Alice, a metal dealer's daughter, for a large sum of dowry, thereby doubling their net worth.

When the time came for Alfred's son Louis Joseph Cartier to get married, Alfred got him married to Andree Caroline Worth, the granddaughter of Charles Frederick Worth, a renowned couture designer. Louis was against the alliance as Andree and he were incompatible. However, Alfred literally pushed him as it was good for business.

The love stories of Louis, Pierre and Jacques have all the ingredients of a Bollywood potboiler and make an interesting reading. Pierre met the thirty-three-year-old American Elma Rumsey for the first time in Cartier's Paris store. She had entered the store with her mother to escape from the rain. It was love

at first sight. While listening to this chapter on the audio book, I could almost hear the romantic song *Ek ladki bheegi bhagi si* in the background.

Jacque fell in love with Nelly Harjes who was a divorcee and 12 years older to him. Her protective father was against their marriage as her previous husband had married her for money. He considered Jacque far too inferior a match for the Harjes name with its lofty reputation in banking circles. He however, came to a compromise and laid down a condition that Nelly and Jacque shall not meet each other for one year. If at the end of twelve months, if the two were still convinced that they wanted to be together, he would allow their union.

Louis' marriage with Andree Caroline Worth was not working out. He had an eye for the ladies and used to hang out at Maxim's, a popular restaurant in Paris. After his divorce, he met Jeanne Toussaint,

whose parents were very poor. She frequented Maxim's and mixed in the circles of the demimondaines (ladies of the night). Both of them fell for each other. The status-conscious Alfred was against this liaison and opposed their marriage. Family pride came in the way of their union. However, they continued their clandestine relationship even after Louis' second marriage to Jacqueline Almassy, who was from the Hungarian aristocratic family.

Jeanne Toussaint had a long-lasting relationship with the Cartiers after Louis hired her in the handbag department. Nicknamed 'Pan-Pan' (for her love of panthers), she became the creative director of Cartier and oversaw the design function.

Toussaint, who was rejected for her unsuitable background, was to become an integral part of the Cartier family.

She and the talented designer Lemarchand shared a common love of birds and animals. Toussaint had created the panther vanity case as early as 1917. After the death of both Louis and Jacque, she built on the earlier idea of the panther and popularized the motif among a group of powerful women.

Cartier's tryst with India began when Jacque visited Bombay for the first time in 1911. He stayed at the iconic Taj Mahal hotel and later visited Hyderabad and Patiala before attending the King's durbar in Delhi.

The durbar opened up the world of Indian royalty to Cartier. Jacque travelled far and wide from Calcutta to Baroda and from Indore to Patiala.

Francesca describes vividly the episode where Jacque visited Patiala on the invitation of Maharaja Bhupinder Singh to sell him a large

pearl. The Maharaja did the vanishing trick with the pearl under the pretext of showing it to his women. Most of us in sales would relate to the trouble that one has to take to recover outstanding dues from evasive customers.

The same maharaja, 14 years later, commissioned Cartier to make the Patiala necklace that contained 2,930 diamonds weighing over a thousand carats. It was mounted on platinum and enhanced by rubies. At the centre was the yellow 234.6-carat De Beers diamond.

Jacque was to develop long-lasting relationship with the royal families of Baroda, Nawanagar and Kapurthala among others. His friendship with Maharaja Ranjit Singh of Nawanagar deserves a special mention. Both of them loved gemstones. Among the various jewels that Cartier made for Ranjit Singh was an emerald necklace at a



The book signing event took place in Mumbai on 28 January 2020, at the Title Waves bookstore. It was organized in association with Penguin Random House and jewellery influencer Prerna Makhariaa. (From left) Special guests at the event included novelist Shobhaa De, GIA India managing director Nirupa Bhatt, GJEPC chairman Pramod Agrawal, Forevermark India president Sachin Jain, and GJSCI chairman Sanjay Kothari. Also seen are the author Francesca Cartier Brickell (third from right) and jewellery influencer Prerna Makhariaa (in the foreground)

price of £115,640 (\$8.4 million today).

Jacque Cartier also created a diamond necklace called the Toussaint necklace for Maharaja Ranjit Singh. It included the 136.25-carat blue-white Queen of Holland Diamond, a 12-carat olive-green diamond and several substantially sized pink diamonds among other huge white diamonds. Named after Jeanne Toussaint the necklace was recreated for the Hollywood film *Ocean's 8* that was released in 2018.

Before the term 'disruption' became a buzzword, disruption in the jewellery industry occurred in the year 1867 when South Africa's first authenticated diamond was discovered. It weighed 21.25 carats.

It was brownish yellow in colour and would later be named as the Eureka diamond. It would later lead to the discovery of large diamond deposits and founding of the De Beers mine in the 1880s.

Previously, diamonds had been found in small quantities in India and Brazil. Their scarcity had meant that they were far more expensive than pearls. Now with diamonds becoming affordable, high quality natural pearls became the costliest objects in the world.

Forty years later, from 1928 onwards the steady rise in the availability of cultured pearls had put the natural pearl market under severe pressure. This resulted in the price of natural pearls plummeting by 85 per cent.

Cartier, who relied on natural pearls, teamed with rival Rosenthal to fight for the fair classification of cultured pearls. They had asked that Mikimoto Kokichi, the Japanese cultured pearl pioneer, should be forced to label his pearls as cultured



Maharaja Bhupinder Singh wearing the Patiala necklace

to distinguish the real from the fake.

Mikimoto insisted that his pearls, made by seeding the oyster with a small amount of mother-of-pearl, were no less real. As the natural diamond industry faces competition from lab-grown diamonds, what will happen in future is anyone's guess.

The success of Cartier was built on the foundation of the trust and team spirit that existed between Louis, Pierre and Jacques. While they had freedom in taking the operational decisions in their respective territories, they had also invested in each other's businesses. This was the reason they could be at three different places at the same time.

Their children were brought up in different environment. They barely knew each other as their approach towards business was entirely different.

After Louis' demise, Claude had a major difference of opinion with his uncle Pierre as a result of which the business was split.

Claude was the first to sell his business and after Pierre passed away, Marion Cartier too sold her shares to the Danziger brothers.

Jean-Jacque Cartier continued to run the London business for some time. The business conditions were tough, and he was unable to cope up with changing consumer tastes. To make matters worse, due to the oil crisis of 1973, there were more consumers selling their jewels than buying them.

Multiple factors convinced Jean-Jacques to sell his business. Among them was the possibility of all three branches, Paris, New York and London, being reunited. The end of the family business became imminent.

The ownership of Cartier passed hands several times and today it rests with the Geneva-based Richemont Group.

Francesca, in her afterword, quotes a Harvard study that found that 70 per cent of family-owned business either fail or are sold before the second generation takes over. Cartier was unusual in enduring to the fourth generation as a family-managed firm.

Many family businesses in the Indian jewellery business are being run successfully. Some of the names that come to mind are PC Chandra Jewellers in Kolkata, Waman Hari Pethe (WHP) in Mumbai and Ranka Jewellers in Pune.

The siblings and other family members enjoy operational autonomy as well as ownership benefits.

They will find the book very interesting indeed. ■

Francesca Cartier Brickell's new book, *The Cartiers* (<https://www.the-cartiers.com>) is available now on Amazon and leading bookstores.

Hari Krishna Exports hosts fifth edition of Kisna Diamond Marathon



Hari Krishna Exports Pvt. Ltd, India's leading manufacturer of cut and polished diamonds, hosted Kisna Diamond Marathon on 22 December 2019 at BKC, Bandra (E), Mumbai. The aim of this event was to promote the noble cause of Swachh Bharat Abhiyan. In its fifth edition, the company marathon successfully registered more than 8,000 runners.

The chief guests present at the marathon were Ujjwal Nikkam, Public Prosecutor; Madhukar Pandey, Joint Commissioner (Traffic); Kapil Arora, marathon runner and author; and Manisha Gupta, CNBC Awaaz Editor.

Hari Krishna Exports is the sole company in the diamond industry to host a marathon every year in

order to encourage fitness and the cause of Swachh Bharat Abhiyan. The collected amount will be utilized for this cause. The organization has already placed bins and signboards across various areas in Mumbai. The Group has also built toilets across many villages in Maharashtra to create awareness about Swachh Bharat Abhiyan among the masses.

Hari Krishna Group also organized practice and diet sessions for the runners thrice a week, to boost running among employees and participants. The marathon also witnessed great participation from the diamond industry. Winners of the marathon were entitled with exciting prizes worth ₹4,00,000.

Shri Ghanshyam Dholakia, Founder and Managing Director,

Hari Krishna Group, said 'We at Hari Krishna always believe in fitness and health. With Kisna Diamond Marathon, we always aim to encourage fitness and the noble cause of Swachh Bharat Abhiyan among employees and masses. The management has worked hard to put up a great show and it turned out to be successful event.'

Savji Dholakia, Founder and Chairman, Hari Krishna Group, said, 'Sports and fitness is a way of life at Hari Krishna Group. It is heartening to know that Kisna Diamond Marathon has been witnessing a massive number of participants each year and with this event, we have been successful in creating awareness about Swachh Bharat Abhiyan.' ■

IJES 2020: A HEARTENING SUCCESS

The first edition of India Jewellery Excellence Symposium (IJES), an initiative of the Gem and Jewellery Skill Council of India (GJSCI), was held at Hotel, The Leela in Mumbai on 8 and 9 January 2020. GJSCI works toward the advancement of the gems and jewellery industry through its various skilling initiatives. It covers skilling under all areas and functions of the industry under various sub-sectors.

IJES is an initiative of GJSCI to organize the only technology symposium for the jewellery industry in India in order to fill a long felt vacuum.

Dignitaries from ministry, NSDC and trade bodies made their presence felt at the grand inauguration of the symposium. The lighting of lamp was done by the chief guest, Rupa Dutta, Economic Adviser, Ministry of Commerce and Industry; the guest of honour, Manish Kumar,

MD and CEO, National Skill Development Corporation (NSDC); Pramod Agrawal, Chairman, GJEPC; N Anantha Padmanabhan, Chairman, GJC; GJSCI Chairman, Sanjay Kothari, and Director, GJSCI, Shishir Nevatia and Executive Director - CEO, GJSCI, Rajeev Garg.

Speaking on the occasion, GJSCI's Sanjay Kothari outlined the motive of skilling and achieving manufacturing excellence in the gem and jewellery industry to set the tone for the symposium. He said that the industry had a dream to have a knowledge platform similar to the Santa Fe Symposium for Indian jewellery companies, especially the small companies, at an affordable cost. He also said, 'India has the tremendous potential to become the preferred sourcing destination for the world's leading jewellery brands like Cartier, Tiffany, etc... IJES has been unique

in the sense that it could blend the combination of technical and management system-related topics.'

The first edition of IJES recorded a registration of over 300 delegates representing more than 140 companies all over India. IJES indeed turned out to be a one-stop source for bringing together the industry's most innovative and diligent experts to share their ideas, innovations, best practices, experiences, techniques and insights on manufacturing excellence. The event concluded with a felicitation of the eminent speakers and also demonstrated the commitment of GJSCI to continue IJES with yet another edition in January 2021.

It doesn't end here. On the successful execution of IJES, GJSCI is planning to organize exclusive workshops by renowned process experts with interested industry stakeholders to meet industry needs. ■



IGJS – a brand new show for a global audience

The Gem & Jewellery Export Promotion Council (GJEPC) introduces an exclusive trade show only for international buyers – the International Gem & Jewellery Show (IGJS), which will debut in Jaipur, the world's largest gem-cutting centre. It will be held from April 1-3 2020 at the world-class Jaipur Exhibition and Convention Centre (JECC), Sitapura.

The Council aims to push exports of the Indian gems and jewellery sector across all product categories. The standout show that will offer enhanced customer experience aims to bring together all Indian gem and jewellery exporters on the new, single platform that will focus on boosting business.

The GJEPC is hosting around 1,000 buyers who have been specially invited to the show. These buyers are from more than forty countries, including Australia, Bahrain, Bangladesh, Canada, China, CIS, Iran, Japan, Jordan, Kenya, Korea, Kurdistan, Kuwait, Latin America, Lebanon, Malaysia, Morocco, Myanmar, Nepal, New Zealand, Oman, Qatar, Russia, Saudi Arabia, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, Turkey, the UAE, the UK/Europe, the USA and Vietnam. The visitor profile includes wholesalers, retailers, design houses, importers and exporters, merchandisers and jewellery manufacturers.

Promoting Brand India has been one of the top agendas of the

Council and the show already has over 200 exhibitors on board, who will showcase the best range of gems and jewellery. IGJS hopes to provide a unique opportunity for Indian manufacturers to expand their client base and get a feel of the world market.

WHY JAIPUR?

The Pink City is the world capital of coloured gemstones and an important manufacturing hub for studded gold and silver jewellery. The historic city carries a royal legacy and evokes an old-world charm through its splendiferous palaces, heritage hotels and imposing forts, thus attracting many foreign tourists from all over the world during spring/early summer. ■

FAST FACTS - IGJS 2020

EVENT DATE
1-3 April 2020 (three days)

EVENT TIMING
10am-6pm

NUMBER OF BOOTHS
Approximately 400

HOSTED BUYERS
1,000 international buyers



Bhagirath, TOI

GJEPC members prioritize the 5th C: Charity

Various companies, members of the GJEPC, have been conducting social welfare programmes and CSR activities, ensuring that the industry makes a positive impact besides just profits

Succour to backward Gujarat areas

BHANSALI TRUST
MAHESH KIRTILAL BHANSALI,
 Partner, Bhansali & Co.

Registered in 1969, the Bhansali Trust was established by seven brothers of the Bhansali family (Bhansali & Co). It was formed with the aim of working for the benefit of the downtrodden in villages in the Banaskantha and Patan districts of Gujarat. Over the years, set in motion various projects in the fields of medical aid, education, income generation, de-addiction and other socio-economic areas of concern in various districts of Gujarat and other parts of the country.

It has been active in relief and rehabilitation

work when natural calamities have struck in states like Gujarat and Odisha. Most of the Trust's projects are carried out using family funds, while natural calamity relief projects employ funds from the diamond trade and friends. The area selected for their various projects is one of the most socio-economically backward parts of Gujarat, bordering Rajasthan. ■



Supporting artisan community in Rajasthan

BIRDHICHAND GHANSHYAMDAS JEWELLERS

DR NAWAL AGRAWAL, Partner

Birdhichand Ghanshyamdas Jewellers focuses on child health and education, providing the underprivileged access to healthcare, and a lot more. They identified the craftsmen specializing in kundan and meenakari and provided them modern tools and techniques. Since these workers are in Jaipur and surrounding areas in Rajasthan, documentation has been

prepared for geographical identification (GI registration) of these artisans to protect their rights.

BG has supported thalassemia-affected children by sponsoring the bone marrow transplant of two affected children. They also sponsor six children from the SOS children's village each year.

BG has been supporting a blind school in Jaipur, helped in carrying out cataract operations at Calgary Eye Hospital, supported Mahaveer Cancer Hospital for the treatment of poor children, and supported keratoplasty procedures for poor patients. ■



Cleanliness and infrastructure improvement in Salem

AVR SWARNA MAHAL JEWELRY PVT. LTD.
SRI AB SUDARSANAM, Chairman

AVR Swarna Mahal Jewelry Pvt. Ltd strives to ensure a corporate culture that integrated CSR values with business objectives. Among their efforts is the installation of a plastic bottle recycling machine at the Salem bus terminal. They have also installed a 1,500-litre water purification RO plant at the terminal and helped repair and beautify the walls of the terminal with the help of the Salem City Municipal Corporation.

AVR took up the responsibility of automated sweeping, cleaning and maintenance of eight bus terminals in Tamil

Nadu – Salem, Tharamangalam, Attur, Kalakurichi, Mettur, Dharmapuri, Krishnagiri and Tirupattur. They have supported the construction of eight traffic roundabouts in crowded areas of Salem and installed many barricades.

In education, AVR provides financial help to deserving young minds from weak economic backgrounds. They have distributed laptops to such students in collaboration with Ladies Circle India, and beautified the walls of Government Girls HR Sec School in Salem and Kallakurichi. ■



Packed calendar at GJEPC regional centres in Surat, Delhi

December 2019 and January 2020 were busy and productive months, with a plethora of GJEPC activities in the regional centres



GJEPC hosted a trade meeting to resolve the issue of ITC accumulation under the GST regime in Surat

SURAT

GJEPC Chairman Inaugurates B2B Jewellery Show Surat Sparkle 2019 13-16 December 2019

The Chairman of GJEPC, Pramod Kumar Agrawal inaugurated Surat Sparkle 2019, a mega B2B Jewellery Trade Show organized by the Southern Gujarat Chamber of Commerce and Industry (SGCCI) at Surat. It has emerged as a popular platform where companies exhibit their latest jewellery designs and products. Among the visitors are local and overseas buyers as well as some business delegations from other countries. Membership camp,

Parichay Card camp and visitor registration camp were organized during the show.

GJEPC Organises Diamond Grading Training Programme in Vadodara, Gujarat 16-21 December 2019, Vadodara

The Gujarat Regional Office of GJEPC organized a week-long training programme on Diamond Grading for the jewellery manufacturers of Vadodara. The programme was held under the banner of 'Kaushalyam .. Committed to Excellence'.

Conducted by GJEPC's

Knowledge Partner, Indian Diamond Institute, the sessions encompassed both theory and hands-on practice in the grading of polished diamonds.

The 41 participants were divided into two batches and all completed the course successfully. Certificates were distributed by hands of Regional Director, Gujarat, GJEPC and Deputy Director, IDI, followed by a trade meet with the office-bearers of Vadodara Jewelers Association.

Membership Awareness Seminar 22 December 2019

GJEPC Regional Office participated



in the Annual Function of Shri Surendranagar Sona Chandi Association. Mr. Kishan Detroja, Sr. Executive represented GJEPC and provided guidance on G&J Parichay Card, Swasthya Kosh and benefits of Membership with GJEPC. He explained the process to enrol with GJEPC, and how to apply online for IEC.

The function was attended by approx.. 200+ members of the association

**Hon'ble PM Shri Narendra Modi Meets Trade Delegation from Surat; GJEPC Regional Chairman Highlights Sectoral Issues
29 December 2019**

A trade delegation from Surat met the Hon'ble Prime Minister Shri Narendrabhai Modi and made representations regarding various trade issues being faced by different sectors. GJEPC Regional Chairman - Gujarat, Dinesh Navadiya, represented the gems and jewellery industry and spoke about the issues being faced by the sector in detail.

Some of the points he highlighted included:

- Input Tax Credit accumulation due to inverted duty structure

in diamond manufacturing

- Bank finance
- Introduction of Presumptive Taxation in Special Notified Zone
- Introduction of Technology Upgradation Scheme for G&J sector
- Introduction of Risk Management System to encourage profile-based monitoring system for clearance of import / export shipments.

EPFO Officials Address Seminar for GJEPC Members at Surat

10 January 2020, Surat

The Surat Regional Office of GJEPC organized an interactive session with the senior officials of Employees' Provident Fund Organisation (EPFO) in Surat last week to discuss the schemes on offer and their benefits.

Shashank Raizada, Regional Commissioner - II, Regional Office, Surat gave a presentation on the concepts and schemes of the EPFO. He gave clear definitions of the terminology used and explained the eligibility criteria, placing emphasis on the importance of compliance and the process for doing so. He apprised member about the duties of various stake holders of a business, such as employees, employers, contractors, freelancers etc. and made them aware of the various platforms EPFO has created to reach out to them, including mobile apps and other online platforms.

Ajeet Kumar, Regional Commissioner - I spoke about the importance of the EPFO. He explained that as per the International Labour Organization, EPFO provides one of the best

social security schemes for employees. He said that employers have a moral responsibility towards their employees and accepting this will create loyal employees delivering increased productivity, both factors that can impact a business positively. He described PF contributions and support to EPFO as a kind of CSR and an expression of humanity, giving the employers pride that they are contributing towards nation building.

In the interactive discussion that followed, participants put forward their queries, including many practical issues that arise due to change in birth date, change in name, change in employer, delay in receipt of interest, technical issues with portal etc.

Nearly 50 members of the OB of Surat Diamond Association, Surat Jewellery Manufacturers Association and other representatives of trade were present.

GJEPC Hosts Trade Meeting to Resolve Issue of ITC Accumulation Under GST Regime **January 29, 2020, Conference Hall, GJEPC, Surat**

The Surat Regional Office of GJEPC convened a meeting of trade members to discuss the way forward in addressing the issue of ITC accumulation under the GST regime.

It may be recalled that a few months ago, following earlier representations made by GJEPC, the central government had reduced the GST rate on job work from 5 per cent to 1.5 per cent. However, this did not resolve the issue of accumulation totally and the question of refund or utilization of accumulated tax credit persists.

GJEPC has now appointed M/s

Deloitte Haskins & Sells LLP as consultant to propose possible solutions to this issue.

More than 55 trade representatives, mainly from diamond manufacturing units, attended the meeting where they had detailed discussions with the consultants. The points covered included different working models, practical challenges and reasons for ITC accumulation, etc.

DELHI

January

- An interactive session was organized on 6 January 2020 wherein Pankaj Singh, Regional Head, ICICI had made the presentation. Key banking issues of member exporters of northern region were discussed in detail. Around twenty members attended the session.
- An exporters' meet was organized on 10 January 2020 to discuss the critical issue of re-import of gems and jewellery items exported through exhibition/export promotion tour mode. Around thirty members had participated in the deliberations.
- An interactive session was organized on 10 January 2020 wherein Anuj Sahai with his compliance team from Axis Bank had interacted with member exporters to discuss the key banking issues in detail. Around twenty members had attended the session.
- An interactive session was organized on 29 January 2020 wherein senior officials of Kotak Mahindra Bank were invited to discuss issues pertaining to E-BRC and other topics. The bank promised to resolve the queries of the members at the earliest.

December

- An exporter's meet was organized on 9 December 2019 to discuss the Public Notice No.1 dated 28 November 2019 issued by the Office of the Chief Commissioner of Customs, Delhi Zone, on Standard Operating Procedures to be adopted by jewellery exporters in hand carry of jewellery consignments in case of export through overseas exhibition and export promotion tour modes.
- Organized training session for 12 customs officials of Delhi Customs from 17-28 December 2019 at IIGJ-Delhi. ■





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India Diamond Week,
New York (Jan)

Vicenza Oro Winter 2020,
Vicenza (Jan 17–22)

JAN



GJEPC Presents India Diamond Week from 15th to 17th October 2019

INDIA GEM & JEWELLERY AWARDS, SURAT (FEB)

Artisan Awards 2020,
Mumbai (Feb 12)

Gems & Jewellery
Conclave, Mumbai (Feb 15)

Signature IIJS, Mumbai
(Feb 13–16)

Design Inspirations,
Mumbai (Feb 16)

Doha Watch & Jewellery
Expo, Doha (Feb 24–29)



FEB

EVENTS



MAR

HONG KONG INT'L
DIAMOND, GEM
& PEARL SHOW

2019 / 香港國際鑽石、寶石及珍珠展



Baselworld 2020
(Apr 30–May 05)

Hong Kong Int'l Diamond,
Gem & Pearl Show 2020
Asia World Expo

Hong Kong Int'l Jewellery
Show 2020

MAY

International Gem &
Jewellery Show 2020,
Jaipur (Apr 1–3)

JCK Las Vegas Show 2020, USA
(June 2–5)

India Gemstone Week in Shanghai
with China Gem & Jade Exchange
(Jun 16–18)

Hong Kong Jewellery & Gem Fair
2020 (Jun 25–28)



APR

JUN

India Australia Jewellery
BSM, Mumbai (Jul 3–4)

Singapore Intl Jewelry
Expo 2020 (Jul 23–26)

Banking Summit,
Mumbai (Jul)

JUL

India Silver & Fashion
BSM, Delhi

Jewellers for Hope
(Aug 6)

IIJS Premiere, Mumbai
(Aug 6–10)

India Diamond Week,
New York

AUG



Hong Kong Jewellery & Gem Fair (Jew)
Wan Chai (Sep 23–27)

India SAARC Jewellery BSM, Mumbai/Goa

SEP

CALENDAR

India Gemstone Week,
Jaipur (Oct 26–28)

India USA Jewellery
BSM, Mumbai
(Oct 29–31)

India Diamond Week
(Loose Stones), Mumbai
(Oct 30–Nov 1)

OCT



India Jewellery BSM, Kolkata (TBD)

DEC



India Gold & Jewellery
Summit, New Delhi (Nov)

Jewellery Arabia 2020
(Nov 17–21)

VicenzaOro Fall 2020
(Nov)

NOV



Council conducts MSME seminars in Satara and Ratnagiri

The GJEPC held two seminars each in Ratnagiri and Satara last month to educate the MSME sector and *karigars* and raise awareness about the Council's programmes

Syed Asif, TOI



The GJEPC is committed to the growth of the MSME sector in gems and jewellery and conducts many seminars, workshops and camps to educate and benefit the sector. As part of these efforts, the Council conducted two seminars each in Satara and Ratnagiri recently.

The two MSME activities in Ratnagiri were an MSME seminar and a Parichay card shivir, held on 19 January 2020. The Council organized these in collaboration with the associations Mumbai Suvarnakar Sangh and Shri Sant Narhari Sonar Karagir Sanghatna. The seminar was attended by more than 100 attendees. It began with welcome speeches by the heads of the Mumbai Suvarnakar Sangh and Shri Sant Narhari Sonar Karagir

Sanghatna, followed by speeches of the GJEPC secretariat and the Edelweiss representative.

The two activities held in Satara were a jewellers' seminar and a karigars' seminar. The GJEPC

organized these two seminars jointly with the Satara Saraf Association, Satara, on 28 December 2019. The focus of the seminars was to strengthen the MSME sector of the Indian gems and jewellery industry and create awareness about MSME and NSIC schemes, banking procedures and documentation, export and import procedures, cluster development program, Common Facility Centre (CFCs), lean manufacturing competitiveness scheme, GJEPC's health insurance, Parichay card and membership benefits among karigars and MSMEs. These seminars saw participation from around 300 attendees. Eminent speakers from the trade and from reputed government organizations were invited to participate and make the seminar more informative. ■

Uma Kadam, TOI





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PARICHAY CARD

for Gem & Jewellery workers

(Workers unattached to any company or contract workers)



GEM & JEWELLERY PARICHAY CARD

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ID : _____

D.O.B : _____

BLOOD G : _____

VALID FROM _____ TO _____

PHOTO

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- ◆ Identity Proof / Employment Proof
- ◆ Health Insurance (Subsidised) - Self & Family
- ◆ Job Opportunities*
- ◆ Access to Financial Institutions*
- ◆ Eligibility for Schemes - State & Central Govt.*

*Future benefits

Note: Candidate should be working for Gem & Jewellery Sector | Workers need to approach GJEPC through registered Trade Associations only.

Issued By:

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