**ECON PBL 2018**

**Title:** Capital Investment on Gems and Jewellery Industry in India

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**Section:** S-3 **Group Label:** 6

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**Background**

In the Indian economy, the gems and jewellery industry plays a significant role. India has always been one of the largest markets for gems and jewellery in the world. Gold dominates the Indian jewellery market and contributes about 80 per cent of the market share.

Moreover, Southern India is the biggest and the fastest growing jewellery market in the whole country. While Andhra Pradesh and Karnataka are known as good markets for studded jewellery, Tamil Nadu and Kerala are popular for plain gold jewellery.

**Objectives**

Capital investment points to funds invested in a firm or enterprise in order to expand its business objectives. Capital investment also means a firm's addition of fixed assets or capital assets that are expected to become productive in coming years.

So, on my part, I would have a basic statistics of how capital is invested in gems and jewellery industry in India and monitor its growth, and compare it with rest of the world.

**Methodology and Data**

The variables that will be considered in order to monitor capital investment are company’s own operating cash flow, and company’s outside financing, debt, and/or equity to make up for any internal cash flow shortfall.

In 2016-17, the sector recorded a positive growth of 10.86%, occupying a share of 15.75% in India’s overall exports, with an export value worth US$ 43.55 billion.

Pearl, Precious and Semi-Precious Stones stood as the topmost export commodity from this sector with an export value of US$ 25.02 billion.

**Tentative Results and Conclusion**

The Indian Gems and Jewellery industry has become popular worldwide because of its skilled workers. The market in India is expected to grow at a compound annual growth rate of 16% over the period 2014-19 according to an industry report. The Industry presently gives employment to around 4.5 million skilled and semi-skilled workers across India and is expected to provide employment opportunities to above 8.23 million people by 2022.

**References**

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5. Indian Trade Portal
6. Make in India
7. Investopedia