

India's Total Gem & Jewellery Exports witness an increase of 6.32% in FY 2005 - 06

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Mumbai, April 12, 2006 : The Gem & Jewellery Export Promotion Council (GJEPC) of India, announced the performance figures for the Indian Gems & Jewellery Sector for the FY 2005. Indian Gem and Jewellery industry has witnessed a 6.32% increase in total gem & jewellery exports reaching **US\$ 16669.11 million** (Rs. 73304.29 crores) as compared to **US\$ 15678.14 million** (Rs. 70245.95 crores) in the same period last year.

The growth in the sector was primarily driven by the **Cut & Polished Diamonds (CPD)** segment, which witnessed a remarkable increase of 6.87%. The export sales of CPD grew to **USD 11860.49 million** during FY 2006 from **USD 11181.56 million** in the corresponding period in FY 2005, while total volume of CPD was **432.72 Lakh carats** during FY 2006 as compared to **479.47 lakh carats** in the corresponding period in FY 2005.

Gold Jewellery Exports registered a growth of 1.28% with exports recorded at **US\$ 3861.57 million** in FY 2006 as compared to **US\$ 3812.88 million** in FY 2005.

Colored Gemstones grew by 21.05% to **USD 233.32 million** in FY 2006 as compared to **US\$ 192.75 million** in FY 2005.

Commenting on the industry's performance, **Mr. Bakul R. Mehta , Chairman, GJEPC** , said, "**Industry through its consistent efforts has shown immense fortitude and has managed to maintain its year on year growth of the total gem & jewellery exports. The Gem & Jewellery Sector continues to be the frontrunner and highest contributor to the total value addition of the country, contributing US\$3.5 billion in FY2006.** "

"Industry for last few years have grown consistently at 15%-20%. The last two quarters of FY 2005-06 have witnessed diminishing exports. This is primarily because of market slow down in USA , the largest export destination for Indian Gem & Jewellery sector. Industry has achieved remarkable growth in its previous years and now it has reached a stage where it needs to consolidate and focus on value addition and increasing the value chain. Industry marks the year 2005-06 as 'year of consolidation' and looks forward to transform and establish itself as a trading hub for gem & jewellery globally" , adds **Mr. Mehta**

The **United States , Hong Kong and UAE** were the top export markets for the Indian Gem and Jewellery products accounting for **28%, 21% and 15%** of the total exports followed by **Singapore and Belgium** accounting for **9% and 8%** respectively.

On the **Import** front, total imports of Gem and Jewellery increased by **11.79%** to with imports increasing from **US\$ 11640.21 million** in FY 2005 to **US\$ 13013.11 million** in FY 2006

Rough Diamonds were imported to the tune of **US\$ 8708.98 million** ; **Gold Bar** for **US\$ 856.60 million** and **Cut & Polished Diamonds** for **US\$ 3009.02 million**.

“Hon'ble Finance Minister's budget announcement of setting up of expert body to look into the potential of the gem & jewellery industry & the prevalent taxation practices in this sector in India & abroad, and make suitable recommendations to enable India to be a hub for this sector. The recently announced Foreign Trade Policy by Hon'ble Minister for Commerce & Industry Mr. Kamal Nath, has given immense support, boost and confidence to the industry to perform with full zeal and take the industry to great heights . It is only with conscious multi-pronged and multi-dimensional efforts by both the Government and Council will help India emerge as the Global hub for quality gem & jeweller” , adds **Mr. Mehta**

The buoyant performance of Gem & Jewellery sector is also expected to be reflected at forthcoming **India International Jewellery Show scheduled from 4 th -8 th May 2006** at NSE complex Goregaon Mumbai. IIJS 2006 is set to achieve success and confirm its position as 2 nd largest B2B fair, with exhibitors and 1500 stalls spread across 46000 sq. mts of area. IIJS 2006 is expected to attract approximately 30,000 both domestic and international visitors. IIJS 2006 will witness **delegations** from countries like Saudi Arabia , Italy , Bangladesh , Cy Morocco , Hungary , Thailand , and Poland in addition to the regular visitors from US, Europe South East Asian countries.

Notes to the Editor:

The Gem & Jewellery Export Promotion Council is an all India apex body representing more than 6500 gem and jewelry traders from India . Set up in 1966, it operates under the supervision of the Ministry of Commerce and Industry, Government of India and elected representatives of the industry. The Council is a non-profit organization involved in promoting the exports of the Gem & Jewellery sector.

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