

PRESS STATEMENT FOR IMMEDIATE RELEASE

**STATEMENT ISSUED BY THE GEM & JEWELLERY EXPORT PROMOTION COUNCIL ON
“The News on Closure of Antwerp Diamond Bank and the Indian Diamond
Industry going on discount spree”**

October 10, 2014, Mumbai : Closure of Antwerp Diamond Bank and News Articles stating diamantaires offering discounts of 5%-20% is not only false but also baseless with News being reported without substantial understanding of the functionary guidelines of bank's trade with the diamond industry and without adequate and right feedback from the industry pertaining to the issue.

Closing of ADB does not have any immediate direct impact on the trade neither has it created an overnight liquidity crunch as stated in the news reports. Any International Bank while closing down provides an adequate time period for their clients for repayment of loans and does not demand an overnight settlement. In case of ADB it provides a minimum period of one year to their clients in India and similar if not more period to the clients in Antwerp and other centres which is adequate for the trade, and gives no reason to emerge in a havoc scenario as wrongly stated.

For the Diamond Jewellery industry, the mood is upbeat with the coming festive season with sales progressing as the season approaches. The industry witnesses largest sales during the period of October to December annually for Diwali and Wedding season and the thanks giving during Christmas. India consumes Diamonds worth US\$2 billion annually and exported Cut & Polished Diamonds worth US\$19635 Million in FY 2013-14. With US markets on the rebound and European markets steadying up after some turbulent times, in no circumstances trade has ever offered a discount of even 5%-10% in the past, neither is expected to offer such steep drop in price in near future or resort to any distress selling, as there is currently no reason for the same.

Gjepec **Chairman Vipul Shah**, states ***“The long term fundamentals of the diamond industry remain strong and robust as there are no new major finds and the sales of diamond is growing in emerging markets of China and India. The raw material /Rough Diamond prices by DTC has gone up by 3%-5% while the Russian goods have witnessed an increase of 2%-5% in the recent past. This only adds up to the Diamond and Diamond Jewellery prices due to which they witness an upward trend in the coming festive season and in the future.”***

India is the largest consumer of gold and soon emerging as the largest consumer of Diamonds globally. Both Domestic and global markets show a positive sign in the coming festive, wedding and thanksgiving season. Diamond traders in India are upbeat and look forward to robust business in this quarter.

About The Gem & Jewellery Export Promotion Council India (GJEPC India)

Set-up in 1966, the GJEPC has over the years effectively moulded the scattered efforts of individual exporters to make the gem and jewellery sector a powerful engine driving India's export-led growth. This apex body of the gem & jewellery industry has played a significant role in the evolution of the Indian gem and jewellery industry to its present stature. GJEPC is continuously working towards creating a pool of artisans and designers trained to international standards so as to consolidate the Indian jewellery industry and establish it as a prominent global player in the jewellery segment.

With strength of 5200 members spread all over the country, the Council is primarily involved in introducing the Indian gem & jewellery products to the international market and promotes their exports. To achieve this, the Council provides market information to its members regarding foreign trade inquiries, trade and tariff regulations, rates of import duties, and information about jewellery fairs and exhibitions. www.gjepc.org

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