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January 19, 2009

## TO ALL MEMBERS OF THE COUNCIL

Dear Members,

Council had made various representations to the Government to resolve the problems faced by the exporters of Kundan, Meena and Thewa Jewellery particularly from DPCCC, Mumbai. We had duly clarified with them the issues with regard to the assessment of Kundan, Meena and Thewa Jewellery. After due persuasion, the Ministry of Finance, Department of Revenue has now issued an Office Memorandum F.No.DGEP/G&J 101/2008 dated 12th January, 2010 defining the procedure for the assessment of Kundan, Meena and Thewa Jewellery for the benefit of our member exporters. The said memorandum is attached herewith for your reference and information.

Thạnking you,

Yours faithfully

SABYASACHI RAY

EXECUTIVE DIRECTOR

Encl: as above

(भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय द्वारा प्रायोजित)

मुख्य कार्यालय : डायमंड प्लाजा, पाँचवी मंजिल, 391-ए, डॉ. दादासाहेब भडकमकर मार्ग, मुंबई - 400 004, भारत. Head Office : Diamond Plaza, 5th Floor, 391-A, Dr. Dadasaheb Bhadkamkar Marg, Mumbai - 400 004, India.

फोन / Tel. : 91-22-4354 1800 फैक्स / Fax : 91-22-2380 8752 ई-मेल / E-mail : giepc@vsnl.com ● इंटरनेट / Internet : http://www.gjepc.org F. No. DGEP/G&J/101/2008 Government of India **Ministry of Finance** , Department of Revenue

19 JAN 2010

ल तथा आधुरण निर्योह एंटर्सन एक्टि For The Gern & Jeweilery Export Fromotion Council

Directorate General of Export Promotion Hotel Janpath, New Delhi-110001. आवक क्रमांक/Inward No.\_

मुंबई/Mumbal-400004

New Delhi, 12<sup>TH</sup> January, 2010

## OFFICE MEMORANDUM

Subject:

Minutes of the meeting on 'the assessment of Kundan, Meena and Thewa jewellery' held on 9.12.2009

A meeting chaired by the Director General of Export Promotion was held on 9th December, 2009 to discuss and resolve the problems being faced by the exporters of Kundan, Meena and Thewa Jewellery particularly from Diamond Plaza Customs Clearance Centre, Mumbai. The following officers attended the meeting:

- O.P. Dadhich, Addl. Director General, DGEP (1)
- Gurdeep Singh, Addl. Director, DGEP (2)
- D.D. Rishi, Commissioner of Customs (Export), Delhi (3)
- P.K. Das, Commissioner of Customs, Jaipur (4)
- Tarun Kumar Govil, Commissioner of Customs (CSR Airport), Mumbai (5)
- Somesh Chander, Asstt. Commissioner of Customs, DPCC Plaza, Mumbai (6)
- Shri Sabyasachi Ray, Executive Director, G&J EPC Shri K.K. Duggal, Regional Director (North) G&J EPC and Shri Konal Doshi, Convenor, Gold Jewellery Panel Committee also participated in the discussion.
- The Commissioner of Customs, Mumbai informed that Kundan jewellery, Jadau jewellery and jewellery set with rose diamonds etc is being examined in accordance with the procedure of first verifying the net weight of khokha (shell), sealing such khokha with Customs Seal, and giving it back for Kundan, Thewa, Jadau work. The artisan has to work upon the khokha with the customs seal / tag attached to it. At the time of export the customs only verify the seal / tag on the khokha to ascertain the net weight / purity of gold. This procedure is based on public notice dated 09.10.1991 issued by the Assistant commissioner of Customs, DPCCC, Mumbai. The Commissioner of Customs Delhi and Jaipur informed that the procedure of sealing khokha is not being followed in their formations. In respect of Jaipur, the same are cleared after examination of 10% from each of the lot. However, the practice being followed at Delhi is not available on record. All members present at the meeting agreed that the procedure followed at Mumbai is very cumbersome resulting in increased cost of manufacture and wastage of time and felt that there is need to promote export in consonance with Foreign Trade policy without compromising with Customs Rules and Regulations.

Garpen ( March)

- It was agreed that technically Kundan jewellery, Thewa jewellery etc is also studded jewellery except that the value of the studdings is not very high in comparison to jewellery studded with diamonds, precious and semi precious stones. The present practice of examining normal studded jewellery at all ports is 100% physical examination of a certain percentage of jewellery from each lot of every consignment with a view to satisfying about the correctness of the declaration of weight and purity of the gold made by the exporters. It was agreed that the same procedure can be followed in case of export of Kundan, Meena and Thewa jewellery also and the procedure of sealing the khokha with Customs seal should be discontinued.
- 5. However, exporters of Kundan, Meena and Thewa jewellery would be required to submit self declaration signed by authorized signatory for all components/ constituents used in making of jewellery, indicating gross weight, net weight, purity of gold, number and size of gem stones, diamonds, Kundan, glass wax/lac and any other remaining items along with separate value of all. Goods would be subjected to 100% examination as per the existing practice at the port to check the quantity and purity of gold.
- 6. In case of doubt the Customs authorities would be free to resort to any method including opinion of expert panel to verify the purity and quantity of the gold.

Additional Director General

To,

All Commissioners of Customs –

Mumbai (Export Promotion) / Kolkata (Port) / Chennai (Port-Export) / Cochin /
Delhi / Jaipur (Air Cargo – Export) / Bangalore / Kochi / Coimbatore /
Ahmedabad / Goa and Hyderabad-II.

## Copy for information to:

The Gems & Jewellery Export Promotion Council, Diamond Plaza, 5<sup>th</sup> Floor, 391-A. Dr. Dadasaheb Bhadkamkar Marg. Mumbai – 400 004.