

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 1600
TO BE ANSWERED ON 05th MARCH,2018

EXPORT OF GEMS AND JEWELLERY

1600. SHRI RAJENDRA AGRAWAL:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the export of gems and jewellery shrank during the last year and the current year;
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps taken by the Government in this regard;
- (d) whether the gems and jewellery sector is also facing several issues related to the compliance of GST; and
- (e) if so, the details thereof and the steps taken by the Government in this regard?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सी. आर. चौधरी)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI C. R. CHAUDHARY)

(a) & (b) As per DGIC&S data, the gems and jewellery export has increased by 10.51% during last year (2016-17) to USD 43.41 Billion as compared to USD 39.28 Billion in 2015-16. However, during the current year (upto December 2017), gems and jewellery export was USD 31.24 Billion showing a decline by 3.25% over the corresponding period last year. The slow demand in consuming market such as USA and Europe and slowdown in the industry are main reason for decline for a short period in gems and jewellery export during the current year.

(c) With a view to promote the Gems and Jewellery sector, Government has taken a number of steps such as setting up of Common Facility Centres for gems and jewellery sector; amendment of wastage and value addition norms for gems and jewellery items; and providing financial assistance for participation in international fairs, organizing buyer-seller meets, creation of export related infrastructure, etc. under various schemes of the Department of Commerce.

(d) & (e) The gems and jewellery sector, which primarily comprises of the unorganized and smaller segments, is gearing up for successful transition from the traditional documentation to new statutory forms and procedures under GST. The representations made by Gem & Jewellery Export Promotion Council (GJEPC) for changes in GST to give relief to the sector has been taken up with Ministry of Finance and the same has been addressed by the GST Council, such as reduction in GST rate on job work, treating industrial rough diamond at par with non-industrial rough diamond, exempting nominated agencies/banks from payment of IGST on import of gold and reduction in GST rate of cut and polished diamonds, coloured gemstones and synthetic stones from 3% to 0.25%.

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