

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.1820
TO BE ANSWERED ON 05.12.2024

JEWELLERY TRADING INDUSTRY

1820. DR. D RAVI KUMAR:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) the steps being taken by the Ministry to address the issue of misrepresentation of jewellery weight in the jewellery trading industry and whether there are any plans to introduce regulations that standardize and disclose weight loss during the manufacturing process;
- (b) if so, the details thereof;
- (c) the manner in which the Ministry intend to ensure fair compensation for skilled labour in the jewellery industry, particularly considering that only three percent of the wastage compensation currently reaches these workers;
- (d) whether the Government has conducted studies or held consultations with stakeholders in the jewellery industry to assess unethical practices such as weight misrepresentation and inadequate labour compensation and if so, the major findings thereof; and
- (e) whether any initiatives or policies are being proposed aimed at promoting transparency and ethical standards within the jewellery industry while ensuring fair practices for consumers and workers?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a) & (b): Under the Legal Metrology Act, 2009 and Rules made there under, the verification of weighing instrument and weights used for trading of Jewellery, as also the enforcement there under, is done by the State Governments. In the case of exports of gems & Jewellery, there is 100 per cent appraisalment of goods by customs with respect to Jewellery weight at the time of exports. Labour compensation value addition norms, as prescribed by the Handbook of Procedures notified under the Foreign Trade Policy 2023, are also checked by customs at the time of exports.

(c) & (d): In the case of exports of Gems & Jewellery, wastage or manufacturing loss for gold/silver/platinum Jewellery is admissible as per the Handbook of Procedures notified under the Foreign Trade Policy 2023.

The National Institute of Labour and Economic Research and Development (NILERD) under the aegis of NITI Aayog published a paper in 2020 called 'Socio-economic and working conditions of workers in the Indian gold industry'. To encourage and streamline the manufacturing of gems and Jewellery, various state governments are looking at promoting the set-up of Jewellery parks by themselves or by industry bodies. These integrated industrial parks provide access to facilities under one roof, including manufacturing units, commercial areas, residences for industrial workers, commercial support services and an exhibition centre. Jewellery parks would also help modernize the trade, as units would be better designed and there would be ample space available for modern machinery.

(e): Under section 24 of the Legal Metrology Act, 2009, and Rules made there under, the verification of weighing machines used for trading of Jewellery is done by the Legal Metrology Offices of the State Governments every year as per the provisions of the Legal Metrology (General) Rules, 2011.
