



## **India - UAE FTA To Boost India's Jewellery Exports to USD 10 Billion to UAE**

- **Gem & Jewellery Exports witness a growth of 12.28% during April 2021 to Jan 2022 with Total Exports recorded at INR 2.4 lakh Cr**

**16<sup>th</sup> February 2021, Mumbai:** The Indian gem & jewellery export sector has shown quick recovery post the pandemic with exports so far accounting for Rs. 2.4 lakh crores, a 12.28% growth (in dollar terms 6.5% growth to US\$ 32.37 billion) during April 2021 to January 2022 as compared to Rs. 2.14 lakh crore (US\$ 30.40 billion) during the same period in April 2019 to January 2020.

Among the top 10 gem and jewellery export destinations, UAE has witnessed the highest fall of 41.50% followed by Belgium 15.81%, Japan 12.20%, and Hong Kong 3.06% during April 2021 – January 2022 as compared to April 2019 – January 2020.

GJEPC, as the apex body of the gem & jewellery trade in India, is expecting that the imminent Foreign Trade Agreement (FTA) with UAE would help the industry to take a bigger leap in exports of Plain Gold and Gold studded jewellery which was hit badly during the pandemic.

For the FTA with UAE, GJEPC has recommended to the Govt. to seek abolition of import duty of 5% (MFN) in UAE on the exports of gold, silver, and platinum jewellery from India.

**Colin Shah, Chairman, GJEPC, said, "UAE accounts for 80% of India's plain gold jewellery exports and 20% of studded jewellery exports. The FTA between India and UAE has come at an opportune time when both countries are looking to rebound from the Covid-19 setback and recalibrate and realign their common business interests, including gold and diamonds. UAE is a gateway to the entire Middle East region and the proposed abolition of 5% import duty in UAE would lead to increased prosperity on both sides of the Arabian Sea.**

**“The FTA will provide impetus and much needed push to exports of gem and jewellery products to the Emirates as G & J exports to UAE declined significantly to US\$1.18 billion in 2020-2021 due to the Covid-19 pandemic situation. With proposed nil duty, we are confident that exports of plain gold jewellery and gold studded jewellery from India to UAE would boost to US\$ 10 billion (INR 74000 Crores) in 2023.”**

UAE is also India’s one of the major export destinations for studded gold jewellery. In the last few years, exports of studded gold jewellery declined from US\$1.04 billion in FY2017 to US\$400 million in 2020-2021. GJEPC is hopeful that studded gold jewellery exports from India to UAE could revert to its earlier average level of US\$ 800 million if the duty is withdrawn.

Some verticals of Indian gems & jewellery exports have shown significant recovery during April 2021 – January 2022:

During the month of **January 2022, the overall gross exports of Gems & Jewellery** at Rs. 24426 crores is showing a **growth of 18.24%** (13.23% in dollar terms to USD 3281.63 million as compared to Rs. 20658.85 crores (US\$ 2898.08 million) for the same period of 2020.

During April 2021 to Jan 2022, the overall gross Exports of **Cut & Polished diamonds at Rs. 149001 crores** is showing a growth of **29.59%** (22.94% in dollar terms to US\$ 20057.49 million as compared to Rs. 114980 crores (US\$ 16315.37 million) for the same period of April 2019-January 2020.

**In January 2022, Cut & Polished Diamond exports at Rs. 15261 Crore** is showing a growth of **29.81%** (24.32% in dollar terms to US\$ 2050.25 million) as compared Rs. 11756 crore (US\$1649.13 million) in January 2020.

**Gold Jewellery Exports** from April 2021 to January 2022 **declined 20.11% to Rs. 57109.73 Crore (declined 24.24%** in dollar terms to US \$ 7680.96 million) as compared Rs. 71483.72 Crore (US\$ 10130.38 million) from April 2019 to January 2020.

**Gold Jewellery Exports in January 2022** declined 8.79% to Rs. 5639.06 Crore (12.64% in dollar terms to US\$ 757.81 million) as compared to (Rs. 6182.79 Crore (US\$ 867.45 million) in January 2020.

**Plain Gold Jewellery Exports** from April 2021 to January 2022 **declined 53.52% to Rs. 23782.82 Crore (55.95 %** in dollar terms to US \$ 3198.47 million) as

compared to Rs. 51171.65 Crores (US\$ 7261 million) from April 2019 to January 2020.

**Studded Gold Jewellery Exports** from April 2021 to January 2022 **grew 64.07% to Rs. 33326.91 Crore (55.78 % to US \$ 4482.49 million)** from Rs. 20312 Crore (US\$ 2877.39 million) from April 2019 to January 2020.

**Silver Jewellery Exports** from April 2021 to January 2022 **grew 90.30% to Rs. 16300.92 Crore (81.05% to US\$ 2192.26 million)** as compared to Rs. 8565.88 Crore (US\$ 1210.87 million) from April 2019 to January 2020.

**Coloured Gemstone Exports** in April 2021 to January 2022 **declined 6.62% to Rs. 1909.90 Crore (declined 11.23% to US\$ 257.04 million)** as compared to Rs. 2045.35 Crore (US\$ 289.55 million) from April to December 2019.

#### **About The Gem and Jewellery Export Promotion Council (GJEPC)**

The Gem & Jewellery Export Promotion Council (GJEPC), set up by the Ministry of Commerce, Government of India (GoI) in 1966, is one of several Export Promotion Councils (EPCs) launched by the Indian Government, to boost the country's export thrust, when India's post-Independence economy began making forays in the international markets. Since 1998, the GJEPC has been granted autonomous status. The GJEPC is the apex body of gems & jewellery industry and today represents 7500 members in the sector. With headquarters in Mumbai, GJEPC has Regional Offices in New Delhi, Kolkata, Chennai, Surat and Jaipur, all of which are major centres for the industry. It thus has a wide reach and is able to have a closer interaction with members to serve them in a direct and more meaningful manner. Over the past decades, GJEPC has emerged as one of the most active EPCs, and has continuously strived to both expand its reach and depth in its promotional activities as well as widen and increase services to its members.

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