

# SEZ Newsletter

JULY 21 . ISSUE #01

SEZ RELATED NEWS,  
VIEWS & ANNOUNCEMENTS

## THE PULSE OF INDIA'S GEM & JEWELLERY EXPORTS



**GJEPC**  
INDIA





# ✦ OUR VISION

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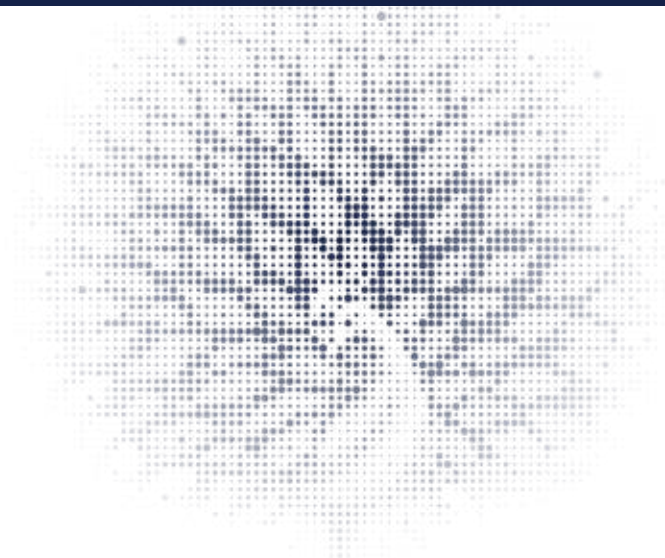
“Vasudhaiva Kutumbakam ...



‘ To Strengthen the SEZ Model  
for Serving the World Market as  
one Nation ’

# About SEZ

## Sub Committee



The GJEPC has formed a dedicated committee group for the Special Economic Zone (SEZ) in the year 2020-2021 with a broad objective of representing/resolving the trade concerns of its SEZ members and also supporting them in promoting their export businesses. The committee is also focused upon the promotion and development of the SEZ model w.r.t gem and jewellery sector by enhancing their infrastructure, technology and human resource capacities and improvising ease of doing business with the support of the Government. The committee consists of the six (6) key members with Mr. Suvankar Sen and Mr. Bobby Kothari serving as the convener and co-convener of the committee.

### Key members of the SEZ -Sub Committee

|                    |             |
|--------------------|-------------|
| Mr. Suvankar Sen   | Convener    |
| Mr. Bobby Kothari  | Co-Convener |
| Mr. Adil Kotwal    | Member      |
| Mr. Mehul Vaghani  | Member      |
| Mr. Neville Tata   | Member      |
| Mr. Ram Babu Gupta | Member      |



# SEZ

## Sub Committee Members

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### Convener



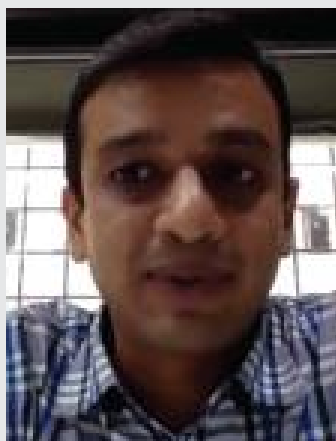
**Mr. Suvankar Sen**

### Co-Convener



**Mr. Bobby Kothari**

### Members



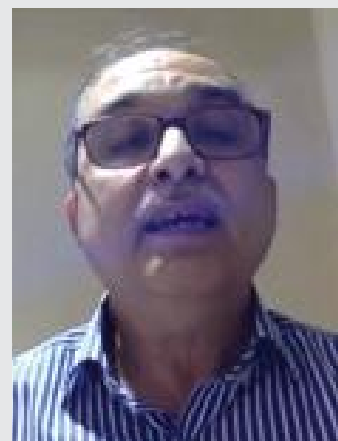
**Mr. Mehul Vaghani**



**Mr. Neville Tata**



**Mr. Ram Babu Gupta**



**Mr. Adil Kotwal**



# ✦ OBJECTIVES

## Objectives with special reference to SEZs:-

- Trade promotion ✦
- Enhancing membership value ✦
- Representing and resolving member's concerns. ✦
- Improving ease of doing business ✦
- Promotion of SEZs model across different countries ✦
- Developing and strengthening resources( Infrastructure, Human resources & Technology ) ✦



# About the ✨ Newsletter

In the light of the key objectives of promoting and developing the SEZ model the SEZ committee has been constantly planning and undertaking various initiatives. In order to apprise the SEZ members with all the activities that are being initiated for the SEZ units holders spanned across the various SEZs – Mumbai(SEEPZ), Jaipur, Kolkata, Noida, Surat, Chennai and Hyderabad among others, a Quarterly Newsletter – ‘**SEZ Focus**’ would be released on the quarterly basis. The newsletter would encapsulate the updates pertaining to the policy represented/resolved, projects commenced/progressed, SEZ export performance and key activities/events conducted under the guidance of the SEZ committee.

The first issue of the quarterly newsletter includes all the activities commenced in the year 2020-2021.

Hope you all enjoy reading the newsletter !!!!!

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## Messages from Chairman, Convener of SEZ Sub Committee and ED.

“ Our vision is to develop the SEZs model in such a manner that ensures India becomes a marketplace for the world in the gems and jewellery sector through the growth and development of the SEZs in the country. ”

**Mr. Colin Shah**  
Chairman  
**GJEPC**

“ India's gem and jewellery units in SEZs carry a great level of manufacturing prowess including high end technology and designing capabilities, highly skilled human resource and state of the art of infrastructure for producing wide range of gem and jewellery product including studded gold jewellery, coloured gemstones, silver jewellery that cater to the demand of the world market. ”

**Mr. Suvankar Sen**  
Convener  
**SEZ Sub-Committee**

“ SEZs spanned across the different locations of the country are home to over 500 gem and jewellery manufacturing units which are exporting numerous gem and jewellery products amounting to US\$10.62 constituting for around 30% of the country's total gem and jewellery exports. It makes the SEZ model catalyst to the growth of the gems and jewellery sector and the Indian economy ”

**Mr. Sabyasachi Ray**  
Executive Director  
**GJEPC**

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# SEZ ✨

## Sub Committee

### Actions-2020-2021

All the actions undertaken by the SEZ Sub-Committee during the FY 2020-21 are encapsulated below under the following categories :

### Infrastructural Projects

The committee has initiated key infrastructural projects to enhance the infrastructural capabilities of the gems and jewellery sector.

A brief snapshot of all the projects initiated by the committee along with the key updates are stated here below



### Mega CFCs

It is a new concept envisaged by the Ministry of Commerce & Industry as an advanced model of CFCs. The main objective is to make the industry future-ready keeping in line with the Government of India's initiatives 'make in India', 'skill India' and 'Atmanirbhar Bharat'. The Proposed components of Mega CFC are Tool Room, Centre of Excellence (CoE), Manufacturing Facility (CFC), Training Centre and Data Centre / Data Library. The council is set to

establish two mega CFC - One in Surat region and another in SEEPZ, Mumbai Region.

### Status Update :

The feasibility study for both Mega CFC projects has been completed after taking inputs/consultations from various stakeholders.

# Model Karigar Workshop



The Model Karigar Workshop has been conceptualized to create conducive/ desired working conditions for the workers by improving the processes, ensuring proper health and safety of workers and other compliances. The major features of the Model Karigar workshop are given below:-

- **Good Working Conditions**

The working conditions include sufficient working space and light, ventilation, temperature, sanitation facilities, first aid and other welfare activities and provisions for the safety of workers

- **Health & Safety Standards**

The health and safety standards must include fire safety, machine maintenance and safety measures, hygiene and cleanliness, Building/factory maintenance, use of precautionary tools like gloves, goggles, helmets, etc. and various precautions in place for usage of portable electric lights, dangerous fumes, gases among others

- **Improved processes of Production**

The model workshop should have the latest technology, tools, support infrastructure, better inventory management, purity of the material, quality control and proper packaging and marketing of products

- **Improved Compliances –**

The model workshop should comply with the Mandatory provisions under taxation, labour and welfare, Factory Act /Shop Act, engage in responsible sourcing and other documentation and compliances under other national and international laws. The Model Karigar centres of reputed firm namely Tanishq is being referenced so that workshop based on the same standards can be set up in Kolkata.

**Status Update :** A concept paper of the Model Karigar Workshop has been submitted and is under review .



## II. Marketing and Promotional Activities

A wide variety of marketing and promotional activities were held in the last financial year to create an environment of awareness in the public domain with respect to Special Economic Zones (SEZs)

### ✦ Global Partners Meet

▪ A Global Partners meet was organised to fulfil the following objectives :-

A) Widening India's global markets reach pertaining to gems and jewellery products

B) Showcasing India's advantage with respect to a wide range of gems and jewellery commodities

C) Sharing the expectations of the council /trade from the global partners



▪ Among the 19 participants were the Council's coordinators for key global markets including USA, Europe, Russia, CIS Middle East, Oceania, Japan, and the UK.

• The 3 major ways which were shared with the coordinators to enhance gems and jewellery trade are as follows :-

- Increasing Presence in the existing export markets - USA, UAE, Hong Kong
- Penetrating in potential export markets like United Kingdom, Switzerland, France, Italy, Japan etc.
- Attracting the overseas investors to India's SEZ/FTZ

# SEZ

SPECIAL ECONOMIC ZONE

## THE PULSE OF INDIA'S GEM & JEWELLERY EXPORTS



# SEZ

## Pulse of India's Gem and Jewellery Exports'

### The document was prepared to meet the following objectives :-

- Emphasising on India's SEZ capacities and benefits
- Enhancing trade relations between countries
- Highlighting the importance of SEZs in stimulating the growth of the gems and jewellery exports from the country
- Highlighting India's manufacturing prowess
- Highlighting SEZ's key facts and objectives

### Status Update :

- The document was shared with around 50 embassies .
- The document was also shared with jewellery manufacturers , traders and associations .







## Special Economic Zones: Catalyst for Gem and Jewellery Sector & Indian Economy REPORT

# SEZ

## Catalyst Report

### Rationale :

- Strengthen the current state of information and data pertaining to the SEZs with special reference to the gems and jewellery sector.
- Filling the information gaps that arise out of limited availability of data of trade data of the Gems and Jewellery manufacturing units in Special Economic Zones

### Status Update :

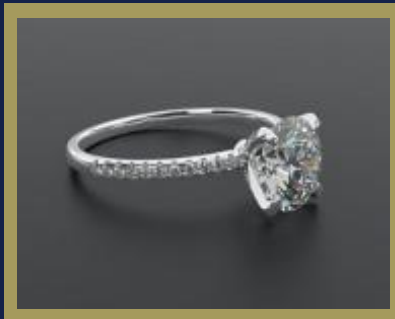
The report is yet to be released .





# ✦ III. Skill Development Programmes

Various skill development programmes, activities, webinars, and meeting were organised to enhance the current state of skill of the members of the council.



## ✦ Online CAD rendering course

- The course was organised using Key Shot and Vray for SEZ members and other council members.
- 33 trainees were skilled in the course .

## ✦ Areas of Concentration

- Accurate and realistic metal shades using diffuse and specular properties
- Advanced diamond reflection and sparkle using advanced editing properties, ray bounces and Abbe number.
- Adjusting suitable environment, camera and lighting source for jewellery rendering.
- Realistic animations line 360-degree rotation, zoom in zoom out, inclination, camera path and switch camera animation for creating drop-bounce animation and to develop photo-realistic images of the 3D CAD model.
- Provision of 3 HDRI maps, gold, diamond materials for plugins and environments for key shot.

### Feedback

Very good teaching, speaking, and explain. Proper planning and originating tasks. Managing relationship. Communication skills very good .And finally very cool mind.

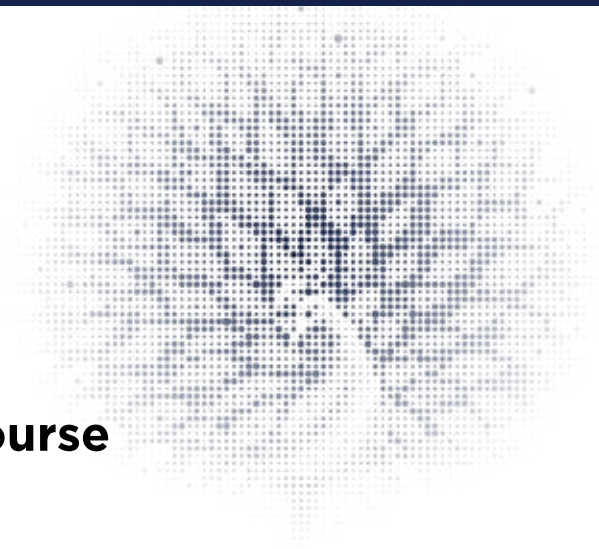
- Vitthal Gawali

Thanks to you for your lovely support and your great efforts for fulfilling our needs really nice to meet you. I hope we keep in touch and share your desired knowledge to fulfill our requirement. Once again thanks from bottom of my heart and best of luck for lovely future

- Miland Nirbhavne

I am new to this software. I have seen rendering videos before but now I am learning KEYSHOT. I feel very happy.

- Ranjeet

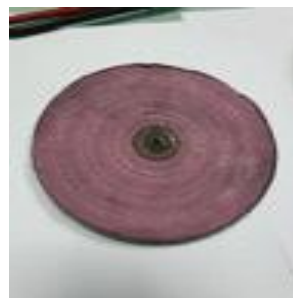
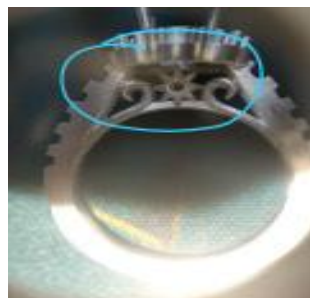
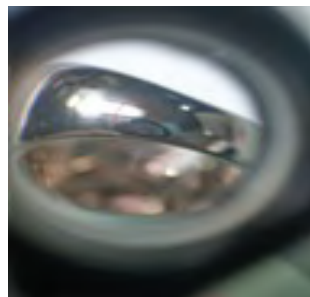


## ✦ The Light Jewellery making course by Dr. Parag Vyas

- A highly specialized course on lightweight jewellery making aimed at enabling exporters to be more competitive in the international market
- The course had 12 participating companies with 2 participants from each company
- The key features of the workshop were: -
  - ✦ Reduction of irretrievable losses in a low-grade scrape (especially polish dust)
  - ✦ Surface quality improvement (Target surface finish)
  - ✦ The empiricism of methods and repeated accuracy.
  - ✦ Presentation series 1-5 one every day (objects, Tools, implements & devices, at times key slides on power point)
  - ✦ Discussion of theoretical aspects and explanation of Practice method
  - ✦ Recommended reading/ Book Titles
  - ✦ Questions presented by participants & answers for the same.
  - ✦ Support over mail during workshop duration (limited to a specific or individual point that needs addressing in discretion)

### Benefit to participants:-

- ✦ Better Weight control, with expected reduction (15 to 35 percent case to case)
- ✦ Better surface control and form aesthetics
- ✦ Improved Working (bench and Polish lathe)



## ✦ IV. Meets and Webinars

The committee organised a number of meetings, events and webinars with its members and non-members to increase the level of engagement of the council with them. A status update regarding the number of events, policy initiatives, representations and other activities that the council has undertaken were also provided in these meetings.

### ✦ SEZ members Interactive meet (Pan India)



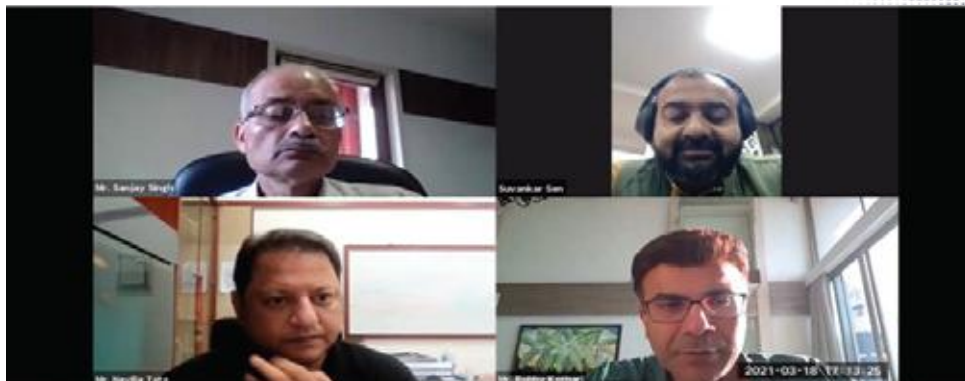
The council had organised three Interactive meets during the financial year 2020-21 with SEZ members with the following objectives:-

- To discuss the policy updates as per the GJEPC representations to the Government.
- To share the GJEPC's services with its members.
- To understand the SEZ member's further concerns.
- To understand the top 5 priority service areas of the SEZ members.
- To understand the members' expectations from the GJEPC.





## ✦ Non-Members meet



- ✦ Highlight the services and benefits offered by the council for the gems and jewellery holders/exporters
- ✦ Emphasize on the list of accomplishments, training programs, and other activities undertaken by the council for its members.
- ✦ The fee structure, basic procedure for entry, and other value-added benefits were also provided .
- ✦ The session was attended by around 72 participants
- ✦ Participants queries were also addressed by the Mr. Sanjay Singh, Regional Director, Jaipur, and Mr. Suvankar Sen, Convener, SEZ sub-Committee .

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## ✦ Webinar on ‘Highlights of new labour codes and implications on the business by Mr. Nirav Jogani



- The webinar aims to understand the impact of these four labour bills passed by the Government of India between 2019 and 2020
- The key points of the discussion
  1. Status of Labour codes
  2. Codes on Wages 2019
  3. The Industrial Relations Code 2020
  4. The Occupational Safety, Health, and working conditions code,2020.
  5. Social Security code,2019.
- The session was attended by over 75 participants and
- The queries of the participants were addressed Mr. Nirav Jogani during the webinar

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# Ease of Doing Business

The key issues resolved and represented by the council as on 27th January 2021 are provided below

## Key Issues Resolved by the council

- Export of Goods and Services Realization and Repatriation of Export Proceeds
- Extension of timeline for re-import
- Re-import of consignment goods, one time extension of timeline.
- Supply of precious metal to SEZ units procured from FTWZs by Nominated Agencies  
Clarification on export of Gems and Jewellery through courier mode
- Pending Import shipments of rough diamonds due to amendment in KP Certificate by
- e-mail

## Key SEZ issues represented & under consideration

- Transfer of Property & Assets by SEZ Units after the cancellation of their LoA.
- Reverse Job Work Policy
- Extension of time limit for return of jewellery after international job work in DTA from 28 days to 45 days for plain gold jewellery & from 45 days to 60 days for studded gold jewellery
- Levy of duty on goods re-imported by SEZ units after lapse of 365 days which were earlier exported for display/ consignment
- Conduct a survey for comparing and analysing the gaps pertaining to the facilities available in different SEZs across the country. Ensuring common SOPs for all the SEZs
- Supply of precious metals from foreign buyer to SEZ units, non-availability of precious and other metals like Gold, Silver, Platinum, Palladium, GPC, etc. units to take supply from foreign buyers
- Procuring supplies of precious metal (gold/ silver) is difficult within SEZ -I, Jaipur, and Procuring precious metal from DTA is costly
- Sending Gemstones for Job Work in DTA is not allowed
- Logistics options like FedEx and DHL are not available within the said SEZ which is resulting high cost for sharing the samples with the customers

## E-Commerce

- Meetings with all concerned authorities – Department of Commerce, RBI, Banks, DPIIT, Couriers, Market places, exporters, Customs, etc pertaining to e-commerce activities.
- The Indian Post has assured that adequate infrastructural facilities will be in place in Jaipur and Mumbai to make sure that in 5\$ it is possible to ship anywhere in the world.



# I. SEZ

## Overall Performance

### April 2020 - MARCH 2021

## A. Month-Wise Gross exports of SEZs ( April – March 2021 )



The gross exports of SEZs have declined by 100 % in April 2020 from US\$ 778.09 million after the outbreak of Covid-19 due to the complete halt in manufacturing and production activities ( Table -1 ). However , it is apparent from the data that negative exports growth of gem and jewellery from the SEZs have witnessed a decline in the following months and have recorded growth rates of (-)84 %, (-)61 %, (-) 42 %, and (-) 32 % in the month of May, June, September, and October 2020, respectively .

Overall, the gross exports of SEZs declined by (-) 52.8 % during April – March 2021 to US\$ 5 billion from 10.6 billion in the last financial year

**Table 1 – Month-wise Gross exports of SEZs (April 2020- March 2021 )**

| Month         | April 2019 – March 2020<br>( US\$ million ) | April 2020 – March 2021<br>( US\$ million ) | % Growth |
|---------------|---|---|----------|
| April         | 778.09                                      | 0.00  | -100     |
| May           | 865.78                                      | 137.26                                      | -84.15   |
| June          | 808.42                                      | 309.16                                      | -61.76   |
| July          | 923.41                                      | 306.22                                      | -66.84   |
| August        | 878.25                                      | 288.91                                      | -67.1    |
| September     | 869.55                                      | 498.92                                      | -42.62   |
| October       | 1081.53                                     | 729.29                                      | -32.57   |
| November      | 1003.15                                     | 506.10                                      | -49.55   |
| December      | 714.12                                      | 422.46                                      | -40.84   |
| January       | 832.32                                      | 489.79                                      | -41.15   |
| February      | 1155.83                                     | 545.97                                      | -52.76   |
| March         | 710.59                                      | 770.53                                      | 8.44     |
| April – March | 10621.03                                    | 5004.61                                     | -52.88   |

Source: GJEPC



## B. Country - Wise gross exports of SEZs – 2020-21

The Table below reflects the top 25 export destinations for SEZs in the year 2020-21. Hong Kong (43 %), the USA (31.7%) and United Arab Emirates (11.6%) are the top 3 export destinations of the SEZs in 2020-21 and these three countries together constitute around 85 % of exports of gems and jewellery by the SEZs. The other prominent export destinations of gems and jewellery commodities by the SEZs are United Kingdom (3.3%), Australia (2.2%), Belgium (1.3%), and France (1.3%) in 2020-21. (Table 2)



**Table 2 Country-wise SEZ gross Exports (2020-2021)**

| Sr. No. | Country                  | 2020-21      | % Share |
|---------|--------------------------|--------------|---------|
|         |                          | US\$ Million |         |
| 1       | Hongkong                 | 2,150.86     | 43.0    |
| 2       | United States of America | 1,587.33     | 31.7    |
| 3       | United Arab Emirates     | 580.28       | 11.6    |
| 4       | United Kingdom           | 167.28       | 3.3     |
| 5       | Australia                | 109.42       | 2.2     |
| 6       | Belgium                  | 65.81        | 1.3     |
| 7       | France                   | 64.54        | 1.3     |
| 8       | Canada                   | 37.10        | 0.7     |
| 9       | Germany                  | 31.37        | 0.6     |
| 10      | Saudi Arabia             | 21.70        | 0.4     |
| 11      | Italy                    | 19.72        | 0.4     |
| 12      | Thailand                 | 18.70        | 0.4     |
| 13      | Israel                   | 17.13        | 0.3     |
| 14      | Spain                    | 16.54        | 0.3     |
| 15      | Sweden                   | 13.84        | 0.3     |
| 16      | Qatar                    | 12.40        | 0.2     |
| 17      | Singapore                | 10.71        | 0.2     |
| 18      | Kuwait                   | 9.35         | 0.2     |
| 19      | Malaysia                 | 7.75         | 0.2     |
| 20      | Poland                   | 7.28         | 0.1     |
| 21      | Japan                    | 7.01         | 0.1     |
| 22      | Norway                   | 6.30         | 0.1     |
| 23      | Botswana                 | 5.13         | 0.1     |
| 24      | Denmark                  | 4.33         | 0.1     |
| 25      | Austria                  | 3.53         | 0.1     |
| 26      | Others                   | 29.21        | 0.6     |
| Total   |                          | 5,004.61     | 100     |

Source :GJEPC

## C. Commodity - Wise gross exports ( 2020-21)



The principal gems and jewellery commodities that SEZ units' exports in 2020-21 include Plain gold jewellery (13.2 %), Studded gold jewellery (38.6%), plain silver jewellery (8.7%) and studded silver jewellery (34.9%). Studded gold jewellery with gross exports of US\$ 1934.1 million in 2020-21 contributed about 38.6 % of total exports by the SEZ units followed by studded silver jewellery, plain gold jewellery and plain silver jewellery. The other gems and jewellery commodities that are exported by the SEZs units are Cut and polished diamonds, polished lab-grown diamonds, worked coloured gemstones, platinum jewellery and imitation jewellery. (Table 3)

**Table 3 - Commodity wise gross exports from SEZs - 2020-21**

| S.no. | Commodity Category                    | Gross Exports (US\$ million) 2020-21 | % Share in Gross exports |
|-------|---------------------------------------|--------------------------------------|--------------------------|
| 1     | Cut & Polished Diamonds               | 63.32                                | 1.3                      |
| 2     | Polished Lab-Grown Diamonds           | 79.94                                | 1.6                      |
| 3     | Worked Coloured Gemstone              | 35.78                                | 0.7                      |
| 4     | Plain Gold Jewellery                  | 662.42                               | 13.2                     |
| 5     | Studded Gold Jewellery                | 1934.10                              | 38.6                     |
| 6     | Plain Silver Jewellery                | 436.07                               | 8.7                      |
| 7     | Studded Silver Jewellery              | 1745.06                              | 34.9                     |
| 8     | Platinum Jewellery Unstudded (Plain ) | 7.66                                 | 0.2                      |
| 9     | Imitation Jewellery                   | 14.70                                | 0.3                      |
| 10    | Others (Pearls synthetic Stones etc.  | 25.56                                | 0.5                      |
|       | Total                                 | 5004.61                              | 100.0                    |

Source : GJEPC

## D. Port-Wise Gross Exports of SEZs (2020-21)

All SEZs have witnessed a declining export growth during April -March 2021 due to an overall decline in manufacturing and production activities as a result of lockdowns and restrictions. The Surat, Kolkata & Visakhapatnam SEZ has registered positive export growths of 35.2 %, 37.4 % and 37.1 % during April -March 2021 with export values of US\$ 2183.8 million, 72.2 million and 19.9 million. The gross exports from SEZs declined by around (-) 52.8 % to US\$5004.6 million during April-March 2021 from US\$ 10,621.03 million recorded in the same period last year. (Table 4)



**Table 4 - Gems and Jewellery Port wise exports ( April 2020- March 2021 )**

| SEZ Ports         | April 2019 to<br>March 2020 | April 2020 to<br>March 2021 | % Growth /<br>Decline |
|-------------------|-----------------------------|-----------------------------|-----------------------|
|                   | US\$ Million                | US\$ Million                |                       |
| Seepz             | 2154.81                     | 2087.01                     | -3.15                 |
| Surat SEZ         | 1614.87                     | 2183.80                     | 35.23                 |
| Jaipur SEZ        | 202.37                      | 188.02                      | -7.09                 |
| Delhi SEZ         | 356.56                      | 185.38                      | -48.01                |
| Kolkata SEZ       | 52.54                       | 72.21                       | 37.45                 |
| Visakhapatnam SEZ | 14.58                       | 19.99                       | 37.14                 |
| Hyderabad SEZ     | 3.47                        | 0.00                        | -100.00               |
| Chennai SEZ       | 1.99                        | 1.07                        | -46.11                |
| Cochin SEZ        | 6219.84                     | 267.13                      | -95.71                |
| Total             | 10621.03                    | 5004.61                     | -52.88                |

Source : GJEPC





## **Future Activities/Events/Meets planned by SEZ sub-Committee**

### **a) Course on Stamping and Casting**

The committee had planned to hold a course on stamping and casting for the current financial year 2021-22 in a virtual platform.

### **b) CSR Activity for specially-abled people**

The committee had planned to start a course for, specially-abled people for 15 people where they are trained for the basics of bench working in the current financial year 2021-22

### **c) Webinar on Rhodium Prices**

The committee had planned to conduct a two-panel zoom seminar/webinar by professionals for an awareness program on the rising rhodium prices. The seminar will include mitigating the price impact of rhodium by suggesting alternative methods of plating and other economic measures to cut costs for silver jewellery and other lower-end jewellery.





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## Head Office and Registered Office

Office No. AW 1010, Tower A, Bharat Diamond Bourse, Next  
to ICICI Bank,  
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Mumbai 400 051, India