

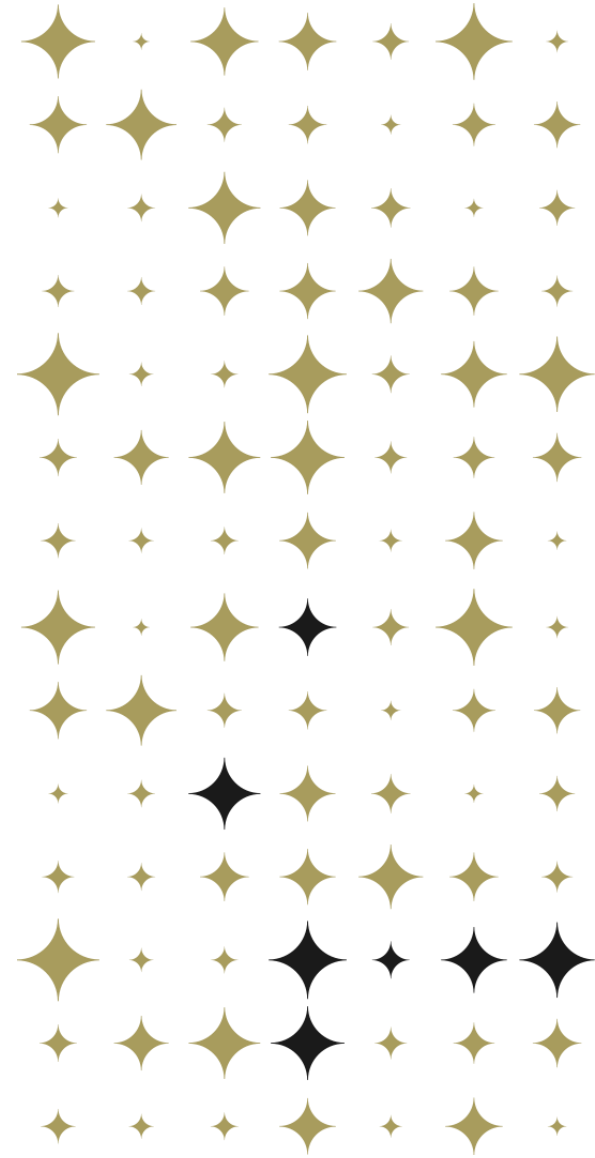


Second SEZ Sub-Committee Meeting

21st December 2022, 3.30 pm

Vasudhaiva Kutumbakam ...

The World is your Market , Serve It...



SEZs: Catalyst for Gem and Jewellery Sector & Economy (April - November 2022)

Statement of Facts

- ➔ Around 30% of G&J Gross Exports from the country are from SEZs vis-à-vis 70% from the DTA.
- ➔ SEZs comprise of 3.4% share in India's total merchandise exports which is equal to the contribution of any other sector viz. leather (1.53%), marine (2.15%), plastic and rubber articles (2.63%) and so on.
- ➔ Studded gold jewellery constitutes for the highest share of 45% of the net exports of US\$ 2.33 billion from the SEZs followed by Plain silver jewellery (30.16%), plain gold jewellery (10.11%), Studded silver jewellery (9.29%) and Cut & polished diamonds (2.82%) .
- ➔ SEZs gross exports are US\$ 5.21billion.
- ➔ Around 27 % of SEZ Units (approx. 113) are GJEPC Members , while 73% of SEZ Units (approx. 300) are not GJEPC Members (total approx. SEZ units are 412)

Statement of Facts contd...**Regions (SEZs) * Key Commodities for April to November 2022**

Regions (SEZs)	Key Export Commodities	Amount (Million USD)
Mumbai	Plain Gold Jewellery	262.13
	Studded Gold Jewellery	1902.57
Jaipur	Coloured Gemstones, worked	24.43
	Gold Jewellery	89.18
	Silver Jewellery	96.05
Visakhapatnam	Lab Grown Diamonds, worked	6.09
Surat	Studded Gold Jewellery	356.01
	Cut & Polished Diamonds	390.06
	Lab Grown Diamonds, worked	490.50
	Plain Silver Jewellery	1532.44
	Studded Silver Jewellery	287.56
Kolkata	Gold Jewellery	101.33
New Delhi	Gold Jewellery	149.54
	Silver Jewellery	13.22

SEZ-wise Gem and Jewellery Export Performance (Gross Exports, Apr – Nov 2022)

SEZ	April – November 2021	April – November 2022	% Growth / Decline
Seepz	2,491.09	2,449.96	-1.65
Surat SEZ	1,652.56	2,265.28	37.08
Jaipur SEZ	185.17	204.32	10.34
Delhi SEZ	143.47	163.84	14.2
Kolkata SEZ	72.93	101.33	38.95
Visakhapatnam SEZ	6.84	10.49	53.45
Chennai SEZ	0.91	1.16	27.04
Cochin SEZ	63.30	12.74	-79.87
Total	4,616.27	5,209.13	12.84

Source : GJEPC Statistics Dept. Analysis

Exports from Jaipur, Delhi, Chennai & Visakhapatnam SEZs have witnessed a rise in April – November 2022 as compared to April – November 2021 while exports from SEEPZ and Cochin have declined in the same period . Overall, there is a growth of (+) 12.84% in exports to US\$ 5209.13 million in April – November 2022 from US\$ 4616.27 million recorded in April – November 2021

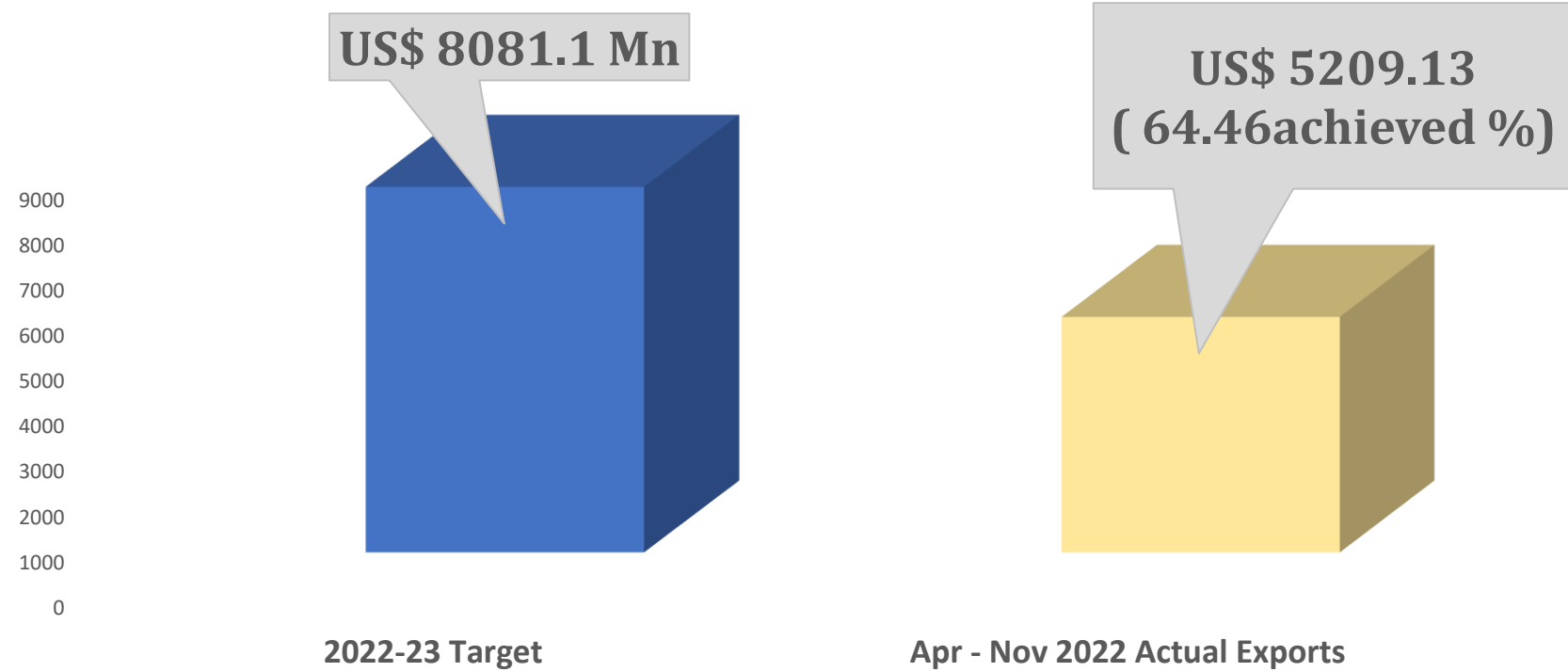
Gem and Jewellery Exports from SEZs: Major Markets (Gross Exports, Apr – Nov 2022)

Sr. NO	Country	April - November 2021	April - November 2022	% Growth /Decline (Y-o-Y)
		US\$ Million	US\$ Million	
1	Hongkong	1,478.68	2,098.11	41.89
2	U.S.A	2,080.09	1,883.55	-9.45
3	U.A.E	344.25	394.78	14.68
4	United Kingdom	187.94	190.39	1.30
5	Australia	96.16	104.89	9.08
6	France	59.35	82.94	39.75
7	Canada	49.37	78.05	58.08
8	Belgium	53.60	44.39	-17.18
9	Italy	23.37	40.54	73.48
10	Israel	30.51	31.09	1.91
11	Germany	24.65	28.48	15.55
12	Botswana	20.69	23.55	13.84
13	Spain	21.20	23.19	9.37
14	Thailand	16.75	22.22	32.65
15	Saudi Arabia	21.20	19.41	-8.47
16	Singapore	5.62	17.18	205.76
17	Qatar	10.26	16.78	63.56
18	Sweden	9.47	12.22	29.03
19	South Africa	2.45	10.53	329.91
20	Japan	8.35	8.96	7.25
21	Others	72.31	4.14	-94.27
Total		4616.27	5209.13	12.84

Source : GJEPC Statistics Dept. Analysis

SEZ Export Targets & Actual Exports : April- November 2022

Commodity	2022-23 Target	Apr – November 2022 Actual Exports	Export Targets to achieve from December – March 2023	% Target to be Achieved (Dec 2022 to March 2023)
	(US\$ mn)	(US\$ mn)	(US\$ mn)	(US\$ mn)
SEZ Exports	8081.1	5209.13	2871.97	35.54%



Agenda for the Meeting

1. Updates on policy representations

2. Discussion on Mega CFC project

MOU signed between SEZ Authority, SEEPZ and GJEPC for execution and running of Mega CFC at SEEPZ on 7th December 2022

Awareness of machinery services in MCFC needs to be created so that industry members are aware and do not invest in machinery themselves and await these services by May 2023

3. Status of DESH Bill

4. Reverse Job Work Policy

5. Training and Outreach Programmes to be conducted

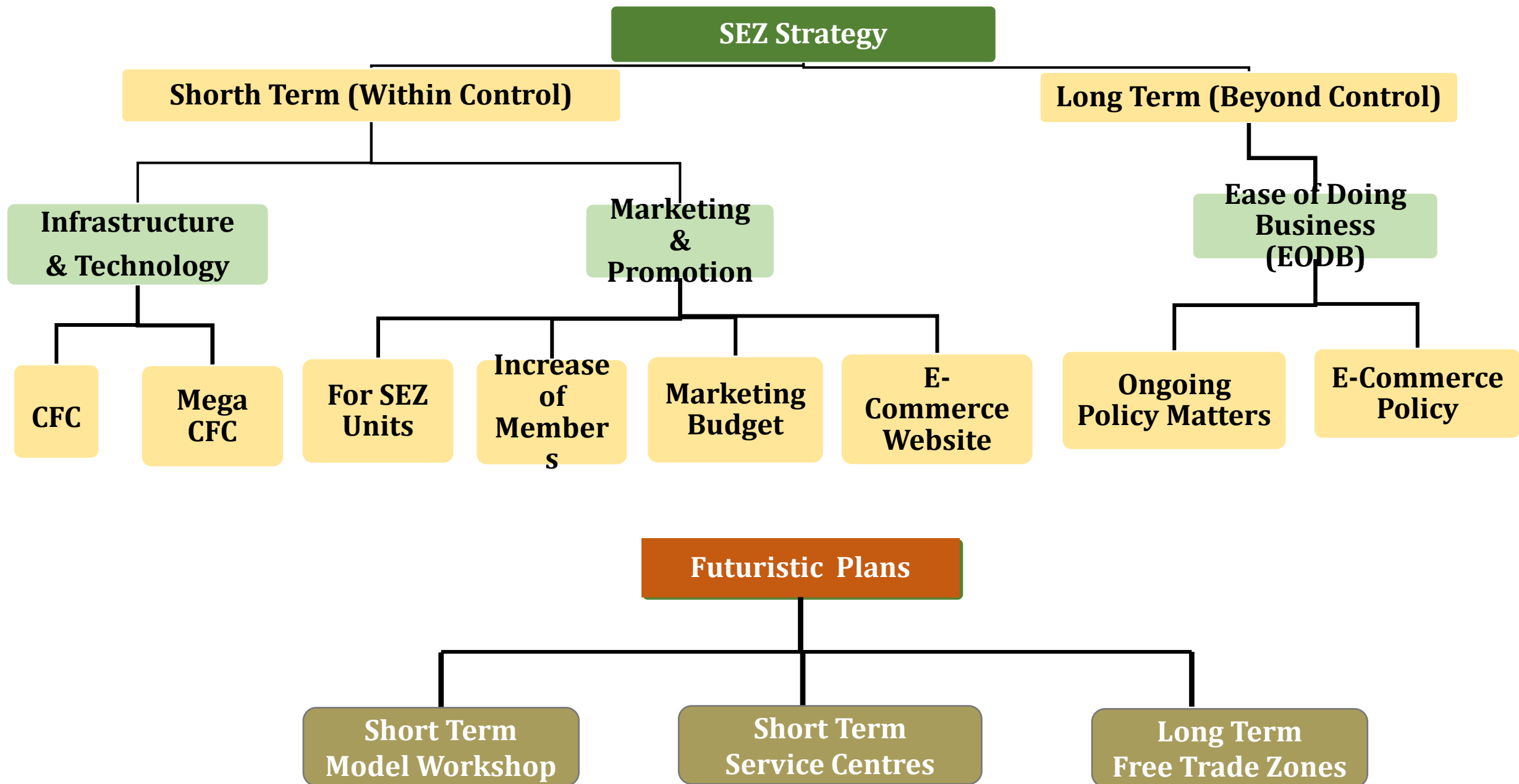
6. Pending Action Points as per the Minutes of the last meeting

7. Any other issues, with the permission of the Chair

SEZ Policy Issues and Resolution Status

Policy Issues	Resolution Status
Unavailability of raw materials, i.e., silver and gold, in SEZs	The matter has been taken with DoC and DoF. Following up with them
Clarification on the Transfer of Property & Assets by SEZ Units after the cancellation of their LoA	Resolved
Clarification on the SOP for procurement of gold, silver and other raw materials from abroad /foreign buyer	Resolved
Permitting advance payment for importing gold and silver from foreign buyers by RBI	Written to RBI, need to follow up with them
RoDTEP benefits for SEZs	Under consideration of Department of Revenue
Provision of sending rough lab-grown diamonds in Surat SEZs to DTA for polishing	In the last meeting it was decided that it will taken up by surat office directly with them
Establish banks or nominated agencies inside Surat SEZs to address issues of the unavailability of raw materials.	In the last meeting it was decided that it will taken up by surat office directly with them
Need for ensuring all policy concerns of the gems and jewellery sector are included in the SEZ DESH Act.	We have forwarded our concerns to SEZ division in MoC to be included in DESH Act
The existing logistics issues that exist both domestically and outside the country between the different SEZs and between port to port	More details are required on the exact nature of issues
Setting up of an all-Industry Rate (AIR) for SEZ Units to avail Duty Drawback against precious metal supplies received from DTA needs to be taken up	Drawback in only available on jewellery and not on metal
Creation of separate SEZ panel or specially designated officer in RBI for taking up SEZ related banking & financial issues	
E-commerce policy facilitation and ease	Meeting was convened to discuss the same on 20th December 2022. It was requested to ease the documentation required for e-commerce and the department is looking into it

SEZ Strategy: Short Term and Long Term



Programmes to be Undertaken as per 1st SEZ Sub-Committee Meet

- Mega CFC Project in Surat
- Model Karigar Workshop

Proposed Location: Kolkata and Zaveri Bazaar, Mumbai

- DC & JDC Delegation trip

Proposed Trip: DC and JDC SEEPZ to be taken to Istanbul and Vicenza gems and jewellery show

- Common SOP project for 2022-2023
- DC Conclave to address issues of the SEZs in different regions
- Advanced Skill Development programmes

Status of Actionables Discussed during 1st SEZ Trade Meet

Programmes	Actionable	Status	Responsibility
Mega CFC Project -SEEPZ	MOU between SEZ Authority, SEEPZ and GJEPC for execution and running of Mega CFC at SEEPZ	MOU has been signed on 7th December 2022.	Committee, GJEPC Sec., Mumbai HO
		A Working Group, headed by Mr. Colin Shah, with Mr. Bobby Kothari, Mr. Adil Kotwal and Mr. Neville Tata as members, has been formed and notified to take decisions regarding commissioning and running of the Mega CFC project.	
Mega CFC Project – Surat	Drafting of the DPR in line with the Mega CFC project in SEEPZ	A joint meeting with SJMA, GJEPC Regional Authority and SEZ members will be held.	Committee, GJEPC Sec., Regional Office - Surat
Model Karigar workshop	To be taken up in Kolkata and Zaveri Bazaar, Mumbai		Committee, GJEPC Sec., Regional Office – Kolkata
Monthly SEZ Trade Meet		Completed 2 Meets	Committee, GJEPC Statistics and Trade Research Dept.
DC Conclave	To be taken up with Development Commissioners of different regions	Dates need to be finalised	GJEPC Events Team, Statistics and Trade Research Dept.

Status of Actionables Discussed during 1st SEZ Trade Meet (contd.)

Programmes	Actionable	Status	Responsibility
Common SOP for SEZs		An RFP is being prepared for interpreting and applying rules in a similar manner for all SEZs in the gem and jewellery sector.	GJEPC Policy Division, Statistics and Trade Research Dept.
		Subsequently, a tender will be floated for hiring an agency to conduct the study.	
Virtual Technology Show		A Concept Paper is being prepared	GJEPC IT Dept., Events Team, Statistics and Trade Research Dept.
DC & JDC Delegation trip		Invitation Letters have been sent to Shri Senthil Nathan S., Director	GJEPC HO - Events Team, Statistics and Trade Research Dept.
		Dept. of Commerce, Shri Vipul Bansal	
		Joint Secretary, Department of Commerce and Shri Shyam Jagannathan, IAS,	
		Zonal Development Commissioner, SEEPZ for	
		Delegation level visit to Istanbul, Turkey for mega CFC during the Istanbul Jewellery show from 16th to 19th March 2023	
Symposium			Convenor, Mr. Suvankar Sen may comment
Advanced Skill Development Programmes	There is a need to organise skill development programmes for the SEZ members.	Work is in Progress	Committee, GJEPC Statistics and Trade Research Dept, Regional Office – Jaipur

To Increase Membership and Exports: Proposed Activities

1. Membership Drive with Local Associations
2. Enhancing Membership value through Interactive Meets
3. Webinars/VBSMs
4. Skill Development Program
5. Health Related Activities

Few activities can be common with SEZ/DTA

Thank You