

**GOVERNMENT OF INDIA  
COMMERCE AND INDUSTRY  
LOK SABHA**

UNSTARRED QUESTION NO:5674  
ANSWERED ON:03.05.2005  
DIAMOND PROCESSING SECTOR  
Chavda Shri Harisinh Pratapsinh;Patel Shri Jivabhai Ambalal

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

- (a) the present status of the country's diamond processing sector;
- (b) whether USA has proposed to outsource their production of diamond studded jewellery to this sector;
- (c) if so, the details thereof; and
- (d) the measures initiated to get maximum benefit from this proposal?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY( SHRI E.V.K.S. ELANGO VAN)

(a): India is the largest diamond cutting and polishing centre in the world. India's share in the world's net imports of cut & polished diamond is approximately 60% in terms of value, 85% in terms of volume and 92% in terms of pieces. It employs a work force of over one million as per Gem & Jewellery Export Promotion Council (GJEPC), a representative autonomous body of the trade sponsored by Ministry of Commerce & Industry. The Indian diamond industry uses advanced technology. Around 23% of our total exports of cut & polished diamonds are exported directly to USA. Approximately, 11 out of 12 diamonds set in Jewellery worldwide are cut & polished in India.

(b) & (c) : There is no US Government policy/proposal for outsourcing their production of diamond-studded jewellery from India. However, trade bodies of USA like Diamond Manufacturers' Association, Diamond Dealers' Club, Jewellers' Association of America have indicated to GJEPC their preference for sourcing and manufacturing Gems & Jewellery from India. Representatives from TIFFANY (an International Diamond Jewellery Company) visited GJEPC and expressed interest in exploring the possibility for setting up a processing unit for manufacturing of diamonds in India.

(d): GJEPC is organizing an international diamond conference 'Mines to Market' on 24-25 May, 2005. The purpose is to showcase the potential of India in this sector. Indian International Jewellery Show (IJS) is being organized by GJEPC from 14-18 July, 2005 at Mumbai.