

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

UNSTARRED QUESTION NO:6316

ANSWERED ON:06.05.2013

DIAMOND EXCHANGES

Ganpatrao Shri Jadhav Prataprao;Gawali Patil Smt. Bhavana Pundlikrao ;Vasava Shri Mansukhbhai D.

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

- (a) whether there is a provision for setting up of diamond market in the Foreign Trade Policy 2009-2014 and if so, the details thereof along with the action taken by the Government in this regard;
- (b) whether the Government proposes to set up International Diamond Trade Centres, a Diamond Exchange and diamond markets to provide impetus to the diamond trade;
- (c) if so, the details thereof and if not, the reasons therefor along with the places where they are operating and is proposed to be set up and the time likely to be taken in this regard;
- (d) whether the Government has conducted any study regarding the estimated benefits from the opening of the centres and exchange; and
- (e) if so, the details thereof and the reaction of the Gems and Jewellery Export Promotion Council thereto along with the steps taken by the Government to promote the gems and jewellery sector in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. D. PURANDESWARI)

(a) No, Madam.

(b) to (d) A token budget of Rs.1 crore has been provided in the budget of Department of Commerce during 2013-14 for the following projects of Gem & Jewellery Export Promotion Council:

- (i) Convention Centre at Mumbai,
- (ii) Gem & Jewellery Park at Mumbai,
- (iii) Setting up of Common Facility Centers in Gujarat,
- (iv) Setting up of Gem Bourse at Jaipur,
- (v) Technology Upgradation Fund for Gem & Jewellery Sector.

(e) Government of India has taken following measures to promote the gem and jewellery sector:-

- (i) Liberal financial assistance under Market Assess Initiative (MAI), Market Development Assistance (MDA) scheme of the Department of Commerce.
- (ii) All Industry for Duty Drawback on Gold (Rs 100.70/gm) and Silver Jewellery (Rs 2590.80/kg).
- (iii) Abolition of licensing regime for rough diamonds.
- (iv) Abolition of import duty on rough diamonds, rough corals and rough coloured gemstones.
- (v) Import of precious metals (gold/silver/platinum) through nominated agencies .
- (vi) Increase in the value limit of personal carriage from US\$ 2 million to US\$ 5 million in case of participation in overseas exhibitions and increase in the limit in case of personal carriage, as samples, for export promotion tours, from US\$ 0.1 million to US\$ 1 million.
- (vii) Reduction in Customs duty on Rhodium from 10% to 2%.
- (viii) Withdrawal of levy of 1% Central Excise on both branded & unbranded jewellery with effect from March 17, 2012.

(ix) Formation of Gem & Jewellery Sector Skill Council for skill development in the sector.

The Gem and Jewellery Export Promotion Council had welcomed the decision and steps taken by the Government of India in this regard.