

# India

## gold jewellery exports to soar

Already constituting a large chunk of the domestic gemstone and jewellery market, Indian gold jewellery also enjoys growing acceptance in the international market – a trend that is expected to continue in the years ahead, a new study revealed.

“Despite the recession, exports of gold jewellery increased rapidly in fiscal year 2008-2009 over fiscal year 2007-2008, which is an indication of the growing acceptance of Indian gold jewellery in the global market. We expect this trend to continue in the coming years,” according to the report *Indian Gems and Jewellery Market – Future Prospects to 2011* conducted by global research company Rncos.

Currently, 85 to 90 percent of gold and gold jewellery demand in the country is domestically driven and the remaining 10 to 15 percent is export-led, the report added.

The annual export performance figures for the financial year 2009-2010 released by the Gem and Jewellery Export Promotion Council (GJEPC) also confirmed that gold jewellery exports have been on a rise. Exports of gold jewellery, which comprised 31.2 percent of the sector’s total export basket, rose 9.38 percent from US\$8,616.4 million in fiscal year 2008-2009 to US\$9,424.3 million in fiscal year 2009-2010.

### US in the spotlight

In terms of jewellery export destinations, the US still tops the list of India’s major export markets. According to the GJEPC, India is undeniably the US’ largest supplier of jewellery, with the US importing 25 percent of its jewellery from India.

Hemant Shah, director of global marketing at Inter Carat Jewellery Pvt Ltd, attaches a

lot of importance to the US market. “We currently export more jewellery to the US since Indian products have become much better in terms of quality and design,” Mr Shah said.

The US is also a significant market for Sunjewels International Ltd of Mumbai. “Our main markets are the US, Europe and Australasia, with the US accounting for half of our business,” said company director Neeraj Nevatia.

### Positive outlook

Looking ahead, industry players are confident that India’s gold jewellery exports will continue to grow. “We doubled our sales in the first quarter of this year. By the end of 2010, we expect to see a 30- to 40-percent increase in sales, primarily due to the niche products that we offer and the increase in consumer spending, especially in the US. If achieved, 2010 will be one of our best-performing years,” Mr Nevatia said.

The Rncos’ market research also revealed that gold demand in India will continue to build up in the next two to three years. “As discussed in the report, India’s share in world gold consumption stands at around 20 percent at present. Based on some concrete market fundamentals studied in the report, we anticipate this share to grow dynamically in the coming years, and the country will capture nearly one-fourth of global gold consumption by 2012,” the report said. **JNA**





Top, right and bottom: “Fun Diamond” jewellery and colourful pavé ball necklace from Sunjewels International Ltd

In a marketplace where buyers are not quite ready to loosen their purse strings given the global economic slowdown, there remain certain goods that enjoy robust sales in the international market. Indian jewellery companies observed that among such products were new, bold designs in the lower-price range or those with an environmental message, which are particularly “hot” among American and European buyers.

#### ‘Fun’ diamonds

One of the new collections that is making waves in the jewellery market is “Fun Diamond” by Mumbai-based Sunjewels International Ltd, which primarily exports its jewellery to Europe, North America and Asia. The jewellery line uses natural but industrial-quality diamonds in a wide spectrum of colours such as icy whites, yellows, greys, blacks and browns.



## India raises design bar

“Industrial-quality stones were not considered for jewellery-making in the earlier days, but now some big international brands also use such diamonds in their jewellery pieces. I believe industrial-quality diamonds will be the next wave in jewellery design,” Neeraj Nevatia, director of Sunjewels International Ltd, told JNA.



Pointing to a detailed pair of earrings at a display window, Mr Nevatia said: “You have to throw the four Cs out of the window for ‘Fun Diamond.’ What you are seeing here are fun pieces of jewellery, with colours that blend well to create a perfectly matched look.”

The wholesale price for the “Fun diamond” collection ranges from US\$200 for a small ring to US\$2,000 for a larger jewellery piece.

The same design can also be studded with high-quality diamonds. “While the qualities of fun diamonds and traditional white diamonds are very different, all our jewellery pieces are in full compliance with our company’s strict design, manufacturing and quality standards,” he stressed.

Sunjewels International also recently unveiled a line of colourful pavé ball jewellery pieces. “Some of

the pavé ball jewellery pieces are accented with fun diamonds in 18-karat gold, while there are also those embellished with precious gemstones and diamonds, including rubies, sapphires, white diamonds and champagne-coloured diamonds,” he added.

#### Green agenda

Jewellery that promotes environmental awareness – such as the “Go Green” and “Globe Ablaze” collections launched by Inter Carat Jewelry Pvt Ltd of Mumbai – has also caught the attention of the trade, especially European and US buyers.

Explaining the concept behind their best-selling “Go Green” collection, Hemant Shah, director of global marketing at Inter Carat Jewelry, said: “This is one of the actions that we are taking to help reduce global warming. We have used recycled gold to help reduce the damage to our planet and added a leaf motif in the jewellery line, which symbolises our ‘Go Green’ message. When



“Go Green” collection from Inter Carat Jewelry Pvt Ltd



From top: "Go Green" and "Globe Ablaze" collections from Inter Carat Jewellery

you wear our collection, you are not only wearing beautiful jewellery; you are also saying that you have joined the fight against global warming."

Another environmentally-friendly collection, "Global Ablaze," uses designs inspired by fire to convey its green message.

Mr Shah noted further that recycled gold jewellery has a considerably lower environmental impact than similar products made of mined gold. "We pay a premium for recycled gold, a bulk of which comes from people selling unwanted, broken or old gold jewellery. We buy those from other retailers since we do not want to destroy the earth anymore. That is the whole idea," he said.

Aside from eliminating as many carbon-producing activities as possible by using recycled gold, the company also offsets carbon emissions by funding carbon-reduction projects. "We calculate our carbon footprint and from there, we are able to determine the number of carbon credits that we need to buy to offset the carbon generated by our manufacturing activities. We plant trees and donate 10 percent of our sales to a foundation dedicated to preserving our natural resources," he added.

#### Creative settings

Specialising in gold jewellery with diamonds mounted in a special setting, H. K. Design (India) recently launched its patented Stella collection, which caters to European buyers.

The Stella collection, which was launched at BaselWorld 2010, features multiple rows of round diamonds mounted in a "star setting." The innovative setting creates the illusion of invisible-set princess-cut diamonds in multiple rows. "The special setting makes the diamonds appear larger than they actually are, and the price is lower. The collection has a wholesale price starting from US\$150 a piece," said Kunal Dhingreja, business development manager of the company.

"Fusion," another patented collection, features a combination of four princess-cut diamonds in the centre surrounded by eight round diamonds to create a solitaire look. "Fusion can refer to the combination of two or more distinct things such as the combination of princess-cut and round diamonds. We also

have a two-tone combination for this collection – a mixture of yellow and white gold," Mr Dhingreja said.

Both jewellery lines sold well in the European market including Denmark, Germany and the UK, he added.

#### Extensive selection

D. N. Jewels, an international jewellery division of Indian diamond manufacturer D. Nitin & Co, unveiled in April a diamond jewellery collection comprising 44 designs including melee diamonds in micro pavé settings. The pieces are available in 9-karat, 14-karat and 18-karat gold or platinum.

Targeting the European market, these designs reinforce the company's reputation as an innovative manufacturer of quality diamond jewellery at affordable prices, said Alain Biesterveld, marketing director of D. N. Jewels Antwerp.

The collection is available in white, yellow and rose gold. Wholesale prices range from US\$80 to US\$3,000 a piece depending on the type and number of diamonds used.

To keep its customers interested in its products, the company launches new jewellery designs every six months, Mr Biesterveld added. **JNA**



Diamond ring from D. N. Jewels