

Women in gems & jewellery business up against procurement, unskilled manpower, manufacturing, marketing & retailing hurdles: FLO Survey

Mumbai, July 21, 2012: Women entrepreneurs in India's gems & jewellery industry are plagued by several bottlenecks. They have to face several operational hindrances from procurement of raw materials to skilled manpower, from manufacturing to marketing and retailing. This is revealed by survey on '**Women Entrepreneurs in Gems & Jewellery Sector**' conducted by **FICCI Ladies Organisation (FLO)**. The 40-odd respondents to the survey comprise seasoned women entrepreneurs who have been in the business for over 10 years as well as those who have recently entered the industry.

Majority of the respondents from the small and medium enterprises are of the opinion that it is difficult for them to obtain quality products such as gemstones in the markets, particularly in Delhi. This is because of the traditional mindset of people in the industry.

The industry is neither interested in paying good wages nor open to train their existing manpower as they feel threatened by them. They also fear poaching and sharing of their internal practices. The respondents also face various constraints in manufacturing, marketing and retailing of their products.

The gems & jewellery industry is well supported by the banking sector but the FLO survey observed that financing options are not adequate in India. The respondents feel that the existing schemes are not enough and more needs to be done in terms of pragmatic policies to sustain global competition.

Also, the survey findings show that there is a growing need to modernise the sector in tune with international standards. The rising spending capability in Indian consumer has made gems & jewellery a lucrative business opportunity for the women entrepreneurs. Majority of the women entrepreneurs consider this industry as a very profitable sector and their businesses are thriving considerably.

Based on the survey findings, the FLO survey recommends that the Government should formulate policies to encourage gems & jewellery as a career opportunity and give boost to training initiatives so that skilled manpower is easily available in India. The respondents also suggested that skill enhancement centers should be setup with an aim to develop skills amongst the crafts persons.

The state governments should follow the model of Gujarat government to promote this sector. Gujarat boasts of good infrastructure, a well-developed market and a good business environment. It is the leading state in India in gems & jewellery sector and contributes about 72 per cent of the total exports of India.

It is also recommended that the government introduce specific measures for women entrepreneurs to encourage them to tap the growing potential of this sector. Branded jewellery has a bright scope in Indian market such as diamond studded gold jewellery. There should be policies which could promote branded jewellery.

Finally, women entrepreneurs across the nation should be provided with a platform to develop linkages with national and international markets, develop partnerships with value chain operators and network with persons in related industries.

Note to Editors:

Gems and jewellery sector is an integral part of the nation's economy with its huge potential. A report released by the Gem & Jewellery Export Promotion Council and KPMG states that the global Jewellery industry has the potential to grow to USD 280 billion by 2015.

In India, the gems and jewellery industry has been growing at a good pace and it accounted for 14% of India's total merchandise exports in 2011-2012. India is also world's largest diamond processing (cutting and polishing) country with an 80 per cent share in world market. The most significant aspect contributing towards the growth of this sector is India's favorable trade policies.

The purchasing power and disposable incomes of the Indian consumer have considerably increased and it has created a niche for leading branded jewellery in the last decade, resulting in phenomenal growth in this sector.

This industry was a primarily male dominated one but the scene has considerably changed in the proverbial 21st century times. This change is synonymous with the shifting role of women in the society and economy around the globe. Though it has not been a very easy journey for women to enter the threshold of a man's arena, they are successfully combating long-standing prejudices and are working their way to the top of companies or starting their own businesses in increasing numbers. The more overwhelming fact is that a lot of middle and lower middle class women are entering the industry and breaking the boundaries.

Detailed Survey: <http://ficci.com/SEDocument/20200/FICCI-press-jul23-flo-gems.pdf>

Media Division