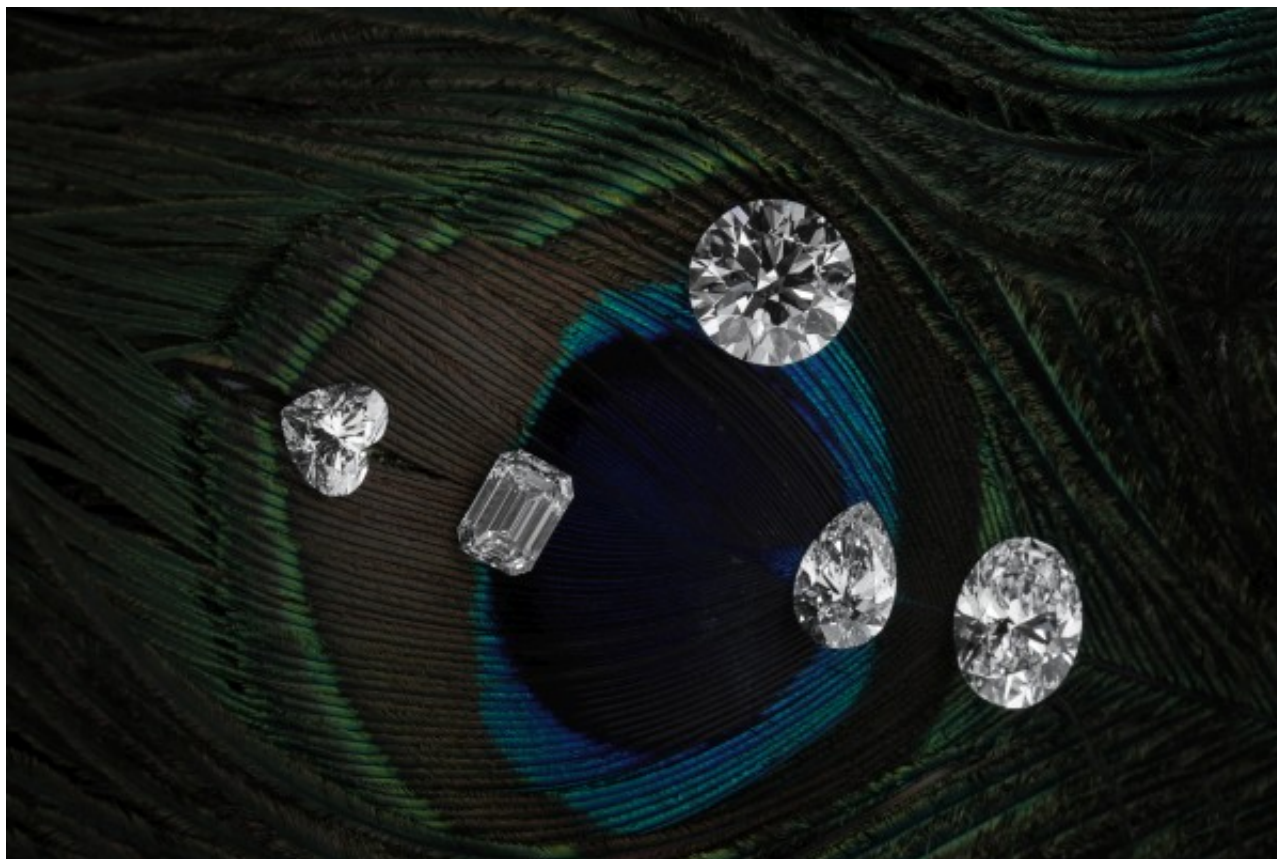


India in Push to Capture Lab-Grown Market



RAPAPORT... The Indian jewelry trade is calling on the government to invest in the lab-grown diamond industry, noting the sector could contribute up to 150 million carats of polished a year.

“Lab-grown diamonds have the potential to build and sustain a stronger and more self-reliant domestic cutting and polishing industry,” said Gem & Jewellery Export Promotion Council (GJEPC) chairman Colin Shah in a Tuesday meeting with Commerce Minister Piyush Goyal.

The GJEPC’s proposed new business model would fall under India’s production-linked incentives (PLI) plan, which encourages manufacturing by offering benefits to businesses. The sector has the potential to employ approximately one million workers and achieve annual revenue of INR 400 billion (\$5.1 billion), the council estimated. To maintain a distinction between cut-and-polished lab-grown and natural diamonds, the GJEPC would employ a tracking system for synthetic stones so it could monitor the supply chain, it stated.

The trade body also asked the government to consider permitting the industry to import lab-grown diamond machinery at a lower, concessional rate for a one-year period. The long-term goal is for the Indian sector to manufacture the machines, the GJEPC explained.

Additionally, the organization discussed creating an institute for research and development of lab-grown diamonds, a “Mega Common Facility Centre” in Gujarat, and introducing a skill-development plan through on-the-job training.

“Currently, India contributes around 15% in global production of lab-grown diamonds for which it is presently self-sufficient,” the GJEPC said. “However, keeping in mind the future potential, there is a need to maintain technological self-reliance in the production of machinery and a leadership position in the production of lab-grown diamonds. Given India’s expertise in diamond polishing, it is imperative that India positions itself firmly in the lab-grown diamond sector, too, since the process of polishing [is] similar.”

Correction, May 24, 2022: An earlier version of this story contained some inaccuracies about a lab-grown diamond park.

Image: Lab-grown diamonds. (Keystar Gems)