



सत्यमेव जयते

Government of India  
Ministry of MSME

## ANNUAL REPORT

( for the year 2008-09 )

# GEM CUTTING & POLISHING CLUSTER, JAIPUR

Under Micro & Small Enterprises  
Cluster Development Programme (MSE-CDP)



सूक्ष्म, लघु एवं मध्यम उद्यम  
MICRO, SMALL & MEDIUM ENTERPRISES

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## 1. Summary of work done

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## 1. Summary of work done

under

### Cluster Development Programme of

### Gem Cutting Polishing Cluster, Jaipur

Soft intervention/activities of MSE-CDP during the year 2008-09

S. No.	Activity of soft intervention organized under MSE-CDP	Date	Head	Outcome of the activities
01	Specialized EDP on Jewellery designing with cluster approach	15th Dec.08 to 6-01-09 at Ramganj, Jaipur	Capacity Building	51 Gem Cluster member/ stake holders attended the programme and get the concept of designing Latest Gem & Jewellery Designs and how to organize a SSI industry.
2.	MDP on Export & E Marketing	29th Jan. 2009 to 30th Jan., 2009 at MSME-DI, Jaipur.	Market Development	51 Gem Cluster member/ stake holders got the knowledge of Export Procedure, MDA Scheme & documentation and E Marketing 1 woman Participants (Geeta Johri) avail the benefit of MDA Scheme and participated in the Egypt Trade fair



03.	Programme on "Market Opportunities in European Mkt. & How to Negotiate with Intl. Buyers	13-02-09 at MSME-DI, Jaipur.	Market Development	53 Cluster stake holders got aware about the Market Opportunities in European Market and improved the Negotiation skills & how to represent in front of Intl buyers.
04.	Technology Workshop on Gem Enhancement	04-03-09 at B.M.Birla Auditorium Jaipur	Technology Upgradation	350 Cluster stake holder got benefited by the programme and interact with Sh. K.S.S.Sarma, Scientific Officer (G) D.G.M, BRIT, BARC, Mumbai on latest technologies & its commercialization possibilities in the cluster.
05.	DIC Regn. Camp	18-03-09 at Ramganj, Jaipur	Capacity Building	To create an identity of micro units of the cluster and to make capable to avail the facilities provided by the govt. Total 165 Unit applied for the regn.
06.	Preparation of common Cluster Brochure		Market Development	A Common Cluster brochure for Cluster has been prepared
07.	Preparation of Directory of Cluster		Market Development	Directory of Cluster actors including Micro & Small scale units, Machinery manufacturers, Suppliers etc. prepared to create an identity of the cluster .
08.	Programme on "Consortia Approach and SPV formation	19, Dec.08	Capacity building	Cluster units/ Association's member attended the programme at get the knowledge



09.	Hiring of Networking Development Agent Services			Appointed Sh. Deepak Paliwal as NDA to assist SPV/ Association for implementing the MSE-CDP scheme.
10	Participation in Cluster Tech Mart-2009 organized on 3-4 March 2009 at B.M. Birla Auditorium, Jaipur			The Pink city Gem & Jewellery Association, Rajasthan Jaipur/ Stake holder participated and booked a stall for wide publicity to their activities and participated in NVDP.
11	Registration of Association			Association of Micro units of Gem Cluster stake holders formed named as Pinkcity Gems & Jewellery association, Ramganj, Jaipur ( Regn no.737/2009)
12	Trust Building Activities			Regular meetings organized at Institute & in the cluster area with cluster Actor



## INTRODUCTION

### **Gem Cutting Polishing Cluster Development Programme – year 2008-09**

The Gem cutting polishing Cluster, Jaipur is situated at Ramganj and near by area of Jaipur. A very old Cluster. Jaipur has been known as major centre for Gems cutting and polishing other than diamond. It includes Emerald, Ruby and now Tanzanite and other variety of stones. The contribution of Jaipur Cluster in the world wide Export was more than 90% but due to the development of other centre i.e. Thailand, China etc. It has been decreased to 70-80%. As the cluster is very old and complex in nature, the problems of the cluster also very complex and current recession, increased its complexity.

Last one year was very hard for Gem & Jewellery Sector. Due to current economic recession, the Prices of the Gems have been reduced. Demand from the USA Market (Main market of the cluster) has also been reduced drastically. This forces some of the Units to decrease the Production. The cluster current focus is on search of new market i.e. Eu Mkt. and Gem Enhancement to regain the market share gone to Thailand and China.

The approach of the programme conducted under MSE-CDP in the financial year 2008-09 has been based on the focus as discussed above. During the year stress was given on capacity building of units in unorganized sector by organising ESDP on Jewellery designing, DIC Registration Camp etc. Programme were organized on Export & E marketing and Market possibilities in European Market, Develop Negotiation skills. A technology workshop was organized on Gem Enhancement Technologies and participate in Cluster Techmart 2009.

To create awareness of the cluster, Brochure and Directory of the cluster has been prepared.



### 3.

#### CLUSTER SCENARIO

**Location :-** This cluster is located at Ramganj, Ghat Gate Bazar & Shastri Nagar in Jaipur city. Around city some of the villages are also engaged in manufacturing Gemstone. Jaipur's gem industry essentially retains its cottage character. (unorganized sector). It is labour intensive, based on indigenous craftsmanship with even three generations working together.

Beside the full time workers, there is sizeable number of part-time, who can earn full wages else where and have taken up lapidary work only as a side line Jaipur is the India's second important gem and jewellery exporting centre and the first one for sales to foreign tourists.

**Cluster Product :-** The country has also been a leading source of spectrum of coloured gemstones, moving from its traditional concentration on emeralds, and later tanzanite and other semi precious stones. Today Jaipur offers the World a dazzling array of choice in forms of colour and quality. In fact Jaipur undertakes the cutting, polishing and carving of the largest variety of Gemstones.

#### CLUSTER STATUS:-

No. of units	: 25,000 Approx.( Organized & unorganized )
Turnover	: 1100 Crore (Approx.)
Export	: 1000 Crore (Approx.)
Employment	: 1,30,000 Nos. (Approx.) (Direct & Indirect)



## 4.

### CLUSTER VISION

Cluster of gemstone cutting unit has to be addressed for technological upgradation, Human resource Development and strategy to raise Export Market with local market. With this, status of living standard & life style of entrepreneurs of cluster definitely will be improved & some more gemstone cutting unit may come in near future.

### OBJECTIVE OF CDP

- Trust Building amongst cluster units and other stake holders.
- Networking & Capacity Building among cluster firms
- Adopt Frontline & Competitive manufacturing Technologies.
- Adopt Benchmarking practices
- Enhance consistency & maintain products quality
- Enhance marketability of products collectively.
- Create awareness for modern management practices etc.



## **5.**

### **ESDP on Jewellery Designing**

**15-12-2008 to 06-01-2009**

**Venue- Ramganj, Jaipur**

The artisans of the Cluster are known for precious works but due to Rapid changing fashion trends they are lagging behind. Further the knowledge of these design are not circulating to them. To overcome such situation as per the demand of Cluster units, an entrepreneurial & skill development programme on Jewellery designing was organized at Ramganj Cluster area, Jaipur from 15-12-08 to 6-01-09. It was a 21 days programme which ran on all days continuously except 25-12-08 & 1-1-09. In this programme faculty of Jewellery designing trained the cluster unit owners/artisans about latest designs in Gems & Jewellery and how to develop new designs. The knowledge of different Gem designs in ring, necklace, Ear ring, Pendant, Bracelets and bangles.. etc were also provided. The demonstration of Jewellery casting and manufacturing were also given.

Apart from the skill, the knowledge of basic management of a SSI unit, how to get registered you units with DIC, PMEGP & other Govt. helping schemes were also briefed. The knowledge of preparing project report etc. were also provided.

The valedictory function of the programme were organized at MSME-DI Jaipur office in which the certificate was distributed by Shri Rajeev Jain, Vice president Gem & Jewellery, Export Promotion Council. The function was presided over by Shri G.M. Ambhore, Director, MSME-DI, Jaipur.



Total 51 cluster member get benefited for the programme. The details are as follows:-

Women-8

M.N.- 10

ST- 1

OBC-1

Other-31

### **Head-Capacity Building**

**Deliverable-** 51 cluster members applied for E.M. registration with DIC and got knowledge of latest design and running unit in an organized manner.



## 6.

### **Awareness Programme on Cluster Development under MSE- CDP at Jaipur on 03.01.09**

The Awareness programme on Cluster Development for promotion of MSMEs has been organized for benefit of Cluster units situated in VKI Area and other Industrial Areas of the city, BDS providers stake holders of this Cluster on 03.01.09 at Vishwakarma Industrial Association Hall, Jaipur. The objective of this programme is to create awareness on Cluster Development Programme and to develop trust building amongst the Cluster members, BDS providers and Stake holders pertaining to the Cluster of Cast Iron Foundry Cluster.

**Shri H.S. Meena, IAS, Joint Development Commissioner, O/o DC (MSME), New Delhi** was the chief guest of programme.

The programme was started with inaugural address of Shri H.S. Meena, IAS, JDC, O/o DC (MSME), New Delhi, Shri H.S. Meena, IAS, JDC stressed the following topics in inaugural address:-

- Detail of MSE-CDP scheme,
- Result oriented Soft & Hard intervention proposals for Cluster Development
- Formation of Special Purpose Vehicle (SPV)
- Need base proposals for Soft & Hard interventions under MSE-CDP scheme.



Shri G.M. Ambhore, Director, MSME-Development Institute, Jaipur briefed the progress of Cluster Development Programme & Cluster Profile, Govt. Schemes like as MSE-CDP, CLCSS, MDA, NMCP, National awards, ISO-9000 etc.

Shri Ghanshyam Kanoongo, General Secretary, Vishwakarma Industrial Association, Jaipur gave the welcome address along with briefed industrial scenario of Jaipur.

Shri Ashok Agarwal President, members of Pinkcity Gem & Jewellery Association and other stake holder participated in the programme. Shri Ashok Agarwal President of association briefed action plan of soft intervention to be organized under MSE-CDP scheme for the year .

More than 75 participants belonging to the Cluster units, BDS providers, Financial Institutions, stake holders and official relating to the Cluster participated in this event.

#### **Head- Capacity Building**

**Deliverable-** Members of cluster micro units got the knowledge of CDP & Decided to form an Association named as Pink City Gem & Jewelers association.



7.

### **MDP on Export & e-marketing**

**29-01-2009 & 30-01-2009 -Venue- MSME-DI, Jaipur**

As it is an export oriented cluster but lot of small unit does not have proper knowledge of exporting procedure which force them to export indirectly. To provide basic Knowledge about the export and e-marketing, 2 days(full days) management Development Programme was organized for Gem Cutting & polishing cluster at MSME-DI Jaipur on 29-01-2009 & 30-01-2009.

The programme was inaugurated by Shri Darshan Singh, Joint Director, DGFT and Shri Sanjay Singh, Regional Director, GJEPC. Shri G.M. Ambhore director, MSME-DI, jaipur distributed the certificate to the participants. The faculty was Urvashi Parma, B.P.Mathur, R.R. Saxena. The topics delivered was in this programme is as follows:-

Total candidate: 51

Women-12 ,Minority-7

ST-1, OBC-4, Gen.-27

#### **Head- Market Development**

##### **Deliverable –**

1. One of the participants Sh. Alok Saxena applied the Import - Export Code
2. One of the woman participants Ms. Gita Johri avail the benefit of MDA Scheme and participated in the Cairo (Egypt.)



8.

**One day Programme on  
Market possibilities in European Market and  
how to negotiate with International buyers  
13-02-2009 at MSME-DI, Jaipur**

The major buyer of Jaipur Cluster is USA Mkt. but due to current recursion the demand from USA market has been reduced very much. This is the time for the cluster to search & develop new market. To address it, a one day seminar on **Market possibilities in European Market and how to negotiate with International buyers** was organized. In this programme Shri Gorav Joshi, Office of GJPIC discussed the requirement of European Market and possibilities to get order for marketing.

In second session, the negotiation Shri Sarvesh Mathur decided how to present before an International buyer & about the negotiation skills. The programme was followed by dinner.

Total participant: 53

Women-12, Minority-11, ST-1, OBC-4, Other-25

Expenditure- 22565

Head- Market Development

**Deliverable-**

Create awareness among cluster units to design and supply to the European Markets. Samples send to Italy etc. by some of the participants.



9.

**Workshop on Frontline Technology**  
**in Gem & Jewellery Sector:**

04-03-2009 at B. M. Birla Auditorium, Jaipur

The cost & demand of Gem depends on its Cut, clarity & color. As the high quality gems are rare and very improved process of Gem. Enhancements are used to improve the quality of Gems. there are few technologies available which varies from Gem to Gem. It includes heat treatment, radiation, chemical process etc. The development of gem technology Centre at Thailand, Hongcong mainly contributed to the facilities available of Gem Enhancement there. To make aware about the Gem enhancement technology and explore the possibilities of developing such facilities at Jaipur a Workshop on Gem enhancement Named as **“Technology workshop on frontline technologies for Gem & Jewellery sector”** was organized at B.M. Birla Auditorium, Jaipur. In this programme Shri K.S.S. Sharma Head, Scientific Officer (G) D.G.M, BRIT , BARC, Mumbai gave detail knowledge about the Radiation technology. Sh. Indrajeet Das gives detailed presentation on Latest trend in Stone based jewellery. Sh. Rajeev Jain, Vice President, Gem & Jewellery Export Promotion council preside over the programme.

Total Participant-350

Head- Technology Development

**Deliverable-**

Create awareness among cluster units to on gem enhancement. It was decide to send a delegation to BARC Mumbai and start R&D activity on Gem Radiation in association with BARC.





A glimpse of view of participants in the Workshop on latest technology  
in Gem enhancement on 04-03 -09

#### **10.**

### **Participation of Gem Cluster, Jaipur in Cluster Techmart-2009**

**3-4 March 2009**

A Programme on National Vendor Development Programme cum Exhibition & Cluster Techmart-2009 was organized at B.M. Birla Auditorium, Jaipur on 3-4 March 2009, in association with Commissioner of Industries, SIDBI, NSIC, KVIC, RIICO and VKIA & other Associations.



## 10.

### **Participation of Gem Cluster, Jaipur in**

#### **Cluster Techmart-2009**

**3-4 March 2009**

A Programme on National Vendor Development Programme cum Exhibition & Cluster Techmart-2009 was organized at B.M. Birla Auditorium, Jaipur on 3-4 March 2009, in association with Commissioner of Industries, SIDBI, NSIC, KVIC, RIICO and VKIA & other Associations.

An Exhibition comprising 100-120 stalls for Micro Small & Medium enterprises to show their capabilities by displaying their products on one hand and large PSUs like North- Western Railway, telecom industries JVVNL, BSNL, and Central & State Govt. Departments such as PHED, NSIC etc. gave Technical information on requirement and Procurement policy of their organization and Large Private Corporate Bodies to select their vendors by displaying their requirement on the other hand. **Ms. Rukmini Haldiya, IAS, Add. Principal Secretary, Small Industries, Govt. of Rajasthan** inaugurated the function.

During the technical session talks were delivered on the following topics:-

- Rate contract policy- by DGS&D, Jaipur
- Trade possibilities in Reliance Industry- by Reliance



- SME Banking – by HSBC, Jaipur
- Role of Insulation in Energy conservation- Loyid insulation
- Energy saving possibilities in Induction Furnace- Electotherm, Jaipur
- Services provided by CIPET- CIPET, Jaipur

Final session was oriented on Interaction meet of Cluster Stake Holders. In this session Cluster members discussed about problems and their solutions in developing of Cluster Development Programme. The valedictory function was organized in the evening 4<sup>th</sup> march 09. Shri Damodar Sharma, CEO, Jaipur Nagar Nigam distributed certificate to the participated units.

#### **Participation of Gem Cutting Polishing Cluster units/Association**

The Pinkcity Gems & Jewellery association, Ramganj, Jaipur / Cluster Stake holder participated and booked a stall for wide publicity to their activities in the Cluster Tech mart-09

#### **Head- Technology Development**

##### **Deliverable-**

Create awareness and publicity of the Cluster in the local market. The unit members develop understanding the concept of cluster and enhance the Trust building in the cluster.



### **Participation of Gem Cutting Polishing Cluster units/Association**

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### **Head- Technology Development**

#### **Deliverable-**

Create awareness and publicity of the Cluster in the local market. The unit members develop understanding the concept of cluster and enhance the Trust building in the cluster.



Smt. Rukmani Haldia, , IAS, Add. Principal Secretary, Small Industries, Govt. of Rajasthan and Sh. G.M.Ambhore Director, MSME-DI, Jaipur visiting the stall of Gem cutting Polishing cluster in cluster tech mart 2009



11.

**DIC Registration Camp  
Cum Intensive Motivational Camp  
18-03-09 at Ramganj, Jaipur**

As the Gem cutting polishing cluster is very old & unorganized lot of units are running in the owners house. They are not registered with DIC. Due to which they are unable to avail the benefits and facilities provided by the State & Central govt. through various schemes. Further it will create an identity of such micro units. As most of the unit owners are not much literate & hesitate to initiate, A camp for Registration of Cluster units with DIC under MSME D Act was organised in the cluster area. The Camp was inaugurated by Sh. G.M.Ambhore, Director, MSME-DI, Jaipur.

Sh. V.K.sharma, Dy. Dir.(Mech.), Sh. Girish Sharma, Cluster CDE alongwith Three officers from DIC, Jaipur and member of Association help the cluster stake holders to fill the E.M. Forms. During the programme the Information of different Govt. schemes i.e. PMEGP, RGUMY CLCSS etc. were also briefed. Total 114 Unit filled the E.M. forms

After the programme , Sh. G.M.Ambhore, Director, MSME-DI, Jaipur visited the cluster area and discussed the progress of the cluster development programme.

Total Participant-165  
Head- Capacity Building

**Deliverable-**

Total 114 Unit filled the E.M. forms.



## **12. Preparation of Common Cluster Brochure:-**

A Cluster brochure has been prepared containing the brief information about the Cluster. The main contents of the brochure are: Scope, Vision, Objectives, Cluster profile, SWOT analysis, Issues of concern, prominent institutions/ organizations & BDS providers, suggested interventions for the Cluster Development.

## **13. Preparation of Cluster Directory:-**

As the cluster is very old and complex, lot of mediators / Traders has developed due to which the link between actual buyer and manufacturer could not been established. Due to this the Small manufacturers are not able to get right value of their work. The Buyers also some time cheated by the middlemen. To overcome this it has been decided to prepare and print a Cluster Directory in association with Cluster associations, containing detail information about the Cluster units, Exporters, Machinery suppliers etc.

A one page Information sheet has been distributed to all cluster members. Specialized camps for filling of information sheet for the benefit of Micro units have also been arrange the cluster area.



#### **14. Hiring of Networking Development Agent services:**

Sh. Deepak Paliwal Expert in Jewel CAD / Jewellery Designing has been designated as NDA for Gem Cutting Polishing Cluster, Jaipur under MSE - Cluster Development Programme.

#### **15. Registration of Association-**

The Gem Cutting & Polishing sector in Jaipur is mostly unorganized . To organize and strengthen them, an association named as pink city Gems & jewellery association (Regn. No. 737/2009 ) has been formed by the Gem cutting & polishing micro units. The association is actively participating in the Cluster Development Programme on Gem cutting polishing cluster Jaipur