

**ADDRESS BY THIRU BANWARILAL PUROHIT, HON'BLE GOVERNOR OF
TAMIL NADU AT THE INAUGURATION OF CHENNAI JEWELLERY AND GEM
FAIR ORGANISED BY UBM INDIA AND CHENNAI JEWELLERS ASSOCIATION
AT CONVENTION CENTRE, CHENNAI TRADE CENTRE,
CHENNAI ON 20.10.2018 AT 11:00 AM**

Anaivarukkum Kaalai Vanakkam

Thiru. Yogesh Mudras
MD, UBM India Pvt Ltd

Thiru. Yogesh Shah
President, Chennai Jewellers Association

Thiru. Uday Vummidi
Vice President, Chennai Jewellers Association

Thiru. Michael Duck
Executive Vice President, UBM Asia

Distinguished Invitees

Ladies & Gentlemen

It gives me great happiness to be here today at the Launch of the Chennai Jewellery and Gem Fair being organised by UBM India and Chennai Jewellers Association. The focus of today's Exhibition is on the Indian jewellery market, with a special focus on South India's repertoire

From ancient times, South India has been acknowledged to be a treasure house of gems. Its fame was known to the international traders of Europe and the Far East who used to travel to ports such as Kaveripoompattinam to trade in gems.

Madurai was known to be a leading trading centre for pearls. Similarly archeological excavations show that a place called 'Kodumanal' on the banks of the river 'Noyyal' 40 kms from Erode in Tamilnadu, was also a famous gems trading centre even in the second century B.C. Here skilled craftsmen known for gem beads made exquisite Jewellery that suited the needs of domestic and international consumers. The fact that merchants set sail to distant regions in pursuit of wealth is known from the Tamil proverb, "Thirai Kadal Odiyum Thiraviyam Thedu" (திரைகடல் ஓடியும் திரவியம் தேடு - तिरै कदल ोधियूम थिरवीएम तेदु)

There are ample references to gemstones in ancient Tamil literature the “*Silapadigaram*” which was written by Ilango adigal more than 2000 years ago tells us that when the Pandian king of Madurai was reluctant to trust Kovalan, and hence ordered that he be beheaded for stealing the queen's pearl anklet. Kannagi proves the innocence of her husband by storming into the court and breaking her other anklet from which rubies spill out.

Sangam literature contains a reference to the Chera King who has been praised as ‘*The Lord of the Country of Beautiful Gems*’. It also records the maritime trade in gems during that period.

There are numerous references made to precious gemstones in the Ramayana. Seethaji throws down her jewels as she is being carried away to Sri Lanka. These are picked up by Sugreeva who later shows them to Sri Rama who then decides to march to Sri Lanka to bring back Seethaji.

Again when Hanumanji locates Seethaji in the Ashoka Vana, he produces Sri Rama’s signet ring, to strengthen Seethaji’s confidence in him. Seethaji in return sends her ‘Choodamani’, the crown jewel through Hanuman confirming her presence in Sri Lanka.

“*Maanga Maalai*” (*Mango Necklace*), “*Adigai*”, *Odiyaanam*, “*Mangalasaram*” are some of the finest pieces of Jewellery, ancient Tamilnadu has offered to the world of Jewellery. These intricately crafted pieces studded with diamonds, rubies and emeralds, with fine natural pearls would find a valuable place in any museum in India or abroad.

Today India is the largest consumer of gold, ahead of China, consuming about 800 to 900 tonnes of gold per year. More than 45% of this gold is consumed in South India, with Tamil Nadu topping the list. Chennai in particular, accounts for the major share of the gold Jewellery sale. There are more than 3000 Jewellers in the city of Chennai alone, while the state of Tamilnadu has at least 10,000 Jewellers.

The Gems & Jewellery Industry contributes about 14% to the overall exports, second only to petrochemicals, with the main export destinations being USA, Europe, Middle East and Japan.

India exports 75 per cent of the world’s polished diamonds, as per statistics from the Gems and Jewellery Export promotion Council. The surat diamond market is the producer of more than 90% of world’s processed diamonds.

The Government of India has viewed the sector as a thrust area for export promotion. The Indian government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route.

The industry is a major provider of employment opportunities. The labour Intensive nature of the Industry provides employment to nearly 5 million people directly and indirectly.

The main manufacturing hubs are Mumbai, Ahmedabad, Jaipur, Kolkata and Hyderabad. In Tamil Nadu, Coimbatore is the largest Manufacturing centre of Tamil Nadu. However Chennai being the largest retail centre of South India is a major wholesale hub for South India.

The gems and jewellery market in India is home to more than 300,000 players, with the majority being small players. Its market size is about US\$ 75 billion as of 2017 and is expected to reach US\$ 100 billion by 2025. It contributes 29 per cent to the global jewellery consumption.

According to Euromonitor International, India will overtake the US as the second largest Market for fine Jewellery, by the end of 2018. The market has grown by over 74% in the past 5 years. This will have a huge impact on the way the Worlds manufacturers look at India, as a market for Jewellery.

Tamil Nadu, has always been a traditionally strong centre for hand crafted Jewellery. As a result of globalization traditional hubs like Chennai and Coimbatore have slowly moved towards automation and mechanization, with Chennai being the gateway for Jewellery export to Far East Asian countries. With a huge Indian diaspora living in the Far East and Middle Eastern countries, exports from the south, particularly Chennai have picked up in the recent past.

The Gems and Jewellery sector is witnessing changes in consumer preferences. Consumers are demanding new designs and varieties in jewellery, and branded jewellers are able to fulfil their changing demands better than the local unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery, as jewellery is a status symbol in India.

This Business to Business Gem & Jewellery show, a joint initiative of Chennai Jewellery Association and UBM, which is the world's largest Event organizer is to bring together all segments of this trade – Manufacturers, Wholesalers, retailers,

Exporters, Importers, and bullion dealers under /9one roof to interact and exchange information on latest developments in the industry.

Jewellery machinery manufacturers are also a part of this show displaying their latest technology to the artisans.

Manufacturers and wholesalers from across India – Mumbai, Kolkata, Hyderabad, Jaipur, Delhi, Rajkot, Ahmedabad, Surat, are showcasing their latest designs and unique products to the South Indian market, which enables even small medium and large Jewellers across Tamil Nadu and South India to source the best products at competitive rates, and also to innovate and improve business in par with other metropolitan cities.

With a view to support the vision of **MAKE IN INDIA** of our honourable Prime Minister Shri Narendra Modi, the entry of goldsmiths and artisans to this fair, has been made free and will give them an opportunity to visit, interact, learn and introduce the new developments in their products in design and crafting, which can help in promoting the sale of fine Jewellery in the domestic and foreign markets.

I congratulate the organizers for staging this mega event in Chennai on such a grand scale. Globalisation has brought the nations of the world closer. India which enjoys the benefit of having a long history of craftsmanship in Jewellery has the potential to capture a larger share of the world market. Fairs such as these help to understand the needs of the consumer better. Consumers also get to know about the latest innovations and designs resulting in a growing interest in the purchase of gems and Jewellery. In such a win - win situation I am sure that this fair will be a grand success. I extend my greetings and best wishes to the organizers and all those participating in the fair. May the visitors to the fair also benefit by the wide ranging display that is available at this Chennai trade centre fair.

Nandri Vanakkam

Jai Hind.