Jewellers eye openings after UK-India trade deal

Brands from both countries see potential in each other's market. By *Kate Youde*

A trade deal signed by UK Prime Minister Sir Keir Starmer and his Indian counterpart Narendra Modi in July signals the removal of tariffs on gemstones and jewellery imported into the UK from India. The category, which includes natural or cultured pearls, precious or semi-precious stones, precious metals and imitation jewellery, currently attracts duties of up to 4 per cent.

Kirit Bhansali, chair of the Gem and Jewellery Export Promotion Council (GJEPC), a trade body sponsored by India's ministry of commerce and industry, says the agreement will be a "game changer" for both countries. He predicts the value of India's gem and jewellery exports to the UK will grow, "without fail", from $941mn to at least $2.5bn over the next three years. However, there are "mixed feelings" about the deal in the UK industry, according to Ben Massey, chief executive at the National Association of Jewellers (NAJ). So what opportunities are there for jewellers on the back of the agreement?

The signing came just over a month before the US introduced tariffs of 50 per cent on goods from India, including a 25 per cent penalty for trade with Russia. These taxes have left India's gem and jewellery industry "in trauma", says Bhansali. The US is India's top market for gems and jewellery, holding a 30 per cent share of total exports in the financial year 2023-24. Exporters took precautions by sending sufficient stock for September, October and November before the increased tariffs kicked in but "are worried [for] after November", says Bhansali. There is a need to "explore new markets" — and sights are set on the UK. He says members of his team will travel regularly from India.

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The UK represented a 1.86 per cent share of India's gem and jewellery exports in 2023-24, according to a GJEPC report, with the top commodities being gold jewellery, polished diamonds and silver jewellery.

"Now, in today's India, with [the] latest equipment, we are competing with China and Italy," says Bhansali. "Our craftsmen are making world-class jewellery. There is [a] good market in [the] UK for world-class jewellery." He suggests the removal of duties will mean potential buyers among the 1.9mn people of Indian ethnicity living in England and Wales will no longer fly to India to shop for jewellery, but will purchase in the UK.

Last month, Indian actor Kareena Kapoor Khan launched Malabar Gold & Diamonds' new showroom in Birmingham, one of the large Indian jeweller's four UK stores. Kalyan Jewellers will open in Leicester this year, the first of three planned UK stores; Birmingham and Green Street, east London, will follow. Bhansali says more Indian retailers are interested in exploring the UK

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Andrew Taylor for the FT

Nordic watchmakers start their own movement

When the Covid pandemic exposed Nordic watchmakers' reliance on foreign components, Martin Kalland decided to do something about it. By making the first mass-produced watch movements in the Nordics in more than a century, the co-founder of Finnish manufacturer Jurmo Watch Company aimed to help local brands achieve supply-chain independence. **Page 4**