

Exporters Explore Ways to Absorb Rupee Shock

Jewellers make light-weight ornaments; engg goods cos look for cheaper Indian coal, coke; carpet

Kirtika.Suneja
@timesgroup.com

New Delhi: The depreciating rupee amid high global inflation has prompted Indian exporters to take steps to maintain sales and shield their profits.

Jewellery exporters are opting to manufacture light weight ornaments while engineering goods manufacturers are scouting for cheaper Indian coal and coke. Carpet exporters are exploring ways to mix imported and local dyes to cushion the impact of expensive imports.

The rupee breached the 80 per dollar mark for the first time on July 19 and hit a lifetime low of 80.06. Deprecia-

tion of the rupee is good news for India's exports but it's a catch for high import dependent sectors such as gems and jewellery, pharmaceuticals, engineering goods and automobiles as they are faced with higher input costs.

"Many exporters have turned to light-weight jewellery as customers feel the pinch of high global inflation and costlier raw materials," said Colin Shah, chairman, Gem and Jewellery Export Promotion Council (GJEPC).

Shah said overall rupee depreciation was good for gems and jewellery exporters and even if gold imports become expensive, exporters earned through value addition, which increases in dollar terms.