

Jewellers to End Strike Today after Pranab Assures Duty Review

Protests off till May 11 when House meets; agitation to resume if excise duty continues

OUR BUREAU

NEW DELHI

Jewellers will up their shutters on Saturday after a 21-day strike, following the government's assurance that it will consider their demand for withdrawal of excise duty on unbranded jewellery imposed in the budget.

"We have notified all our members to call off the agitation with immediate effect," said Dinesh Jain, director of the All-India Gems and Jewellery Trade Federation's governing body, after meeting UPA president Sonia Gandhi and Finance Minister Pranab Mukherjee on Friday. Finance ministry officials said a fresh directive will be issued next week clarifying that small jewellers and goldsmiths will not be required to pay excise duty or register with the central excise authorities even if they manufacture for a large jeweller. Traders and jewellers with annual turnover of ₹5 crore will not need to register with tax authorities.

"The finance minister has assured the traders that he would address their concerns at the time of consideration of the finance bill in Parliament," SK Goel, chairman of the Central Board of Excise and Customs, said after representatives of 30 bullion and jewellery associations met Mukherjee.

A section of jewellers, however, said they would decide on calling off their strike on Saturday. "Some of the bullion shops may open tomorrow. But all shops will reopen after Bombay Bullion Association meets," Mukesh Kothari, director of Mumbai-based Riddisiddhi Bullions, said on Friday. Bullion traders and jewellers have been on strike since March 17, a day after the budget proposed

Gold & Jewellery Under The Glare

Excise duty on refined gold increased to 3% from 1.5%

Excise duty on gold produced from copper raised to 3% from 2%

Increase in basic customs duty on standard gold bars to 4% from 2%

Customs duty on non-standard gold raised to 10% from 5%

1% excise duty on unbranded jewellery; applicable on **30%** of value



a 1% excise duty on unbranded jewellery, a levy that most political parties, including the Congress party and its partners in the ruling coalition, opposed.

Congress General Secretary Janardan Dwivedi had demanded that the government consider the jewellers' demand sympathetically.

Uttar Pradesh Chief Minister Akhilesh Yadav and Gujarat Chief Minister Narendra Modi also wrote to Mukherjee asking him to roll back the levy.

Jewellers said the three-week strike has cost them ₹20,000 crore in lost business.

Despite the government's assurance, traders have threatened to resume their agitation if their demand is not met.

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The FM has asked Cotton Corp to purchase 2.5 m bales after farmers in top grower Gujarat resorted to arson. ►► 6

