

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3782

ANSWERED ON:27.04.2012

STRIKE BY GEMS AND JEWELLERY DEALERS

Antony Shri Anto;Bavalia Shri Kuvarjibhai Mohanbhai;Bhagora Shri Tarachand;Dhruvanarayana Shri R. ;Meghwal Shri Arjun Ram ;Owaisi Shri Asaduddin;Shekhar Shri Neeraj;Singh Shri Radha Mohan;Singh Shri Rakesh;Singh Shri Yashvir;Sudhakaran Shri K.

Will the Minister of FINANCE be pleased to state:

- (a) whether gems and jewellery dealers went on a nationwide strike recently;
- (b) if so, the details of and major demands of the dealers/association alongwith the revenue lost as a result of strike;
- (c) the reaction of the Government thereto; and
- (d) the corrective steps taken or proposed to be taken in the matter?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

- (a): Yes, Madam.
- (b): The strike was observed in protest against certain tax proposals relating to precious metals and jewellery announced in the Budget 2012-13. The major demands of the dealers are:
 - (1) Roll back 1% excise duty on unbranded precious metal jewellery.
 - (2) Reduction of import duty on gold.
 - (3) Removal of the provision of Tax Collection at Source(TCS) on cash sale of bullion or jewellery exceeding rupees two lakh or increase in threshold from 2 lakh to Rs. 10 lakh. The revenue lost as a result of the strike has not been quantified.
- (c): The Central Government has held several meetings with the trade representatives / associations and assured them that the issues would be looked into at the appropriate time.
- (d): The representations received in this regard are under examination.