

FREQUENTLY ASKED QUESTIONS ON HALLMARKING OF GOLD & SILVER

Q. 1 What is Hallmarking?

A. Hallmarking is the accurate determination and official recording of the proportionate content of precious metal in precious metal (gold or silver) articles. Hallmarks are thus official marks used in many countries as a guarantee of purity or fineness of precious metal (gold or silver) articles.

Q. 2 What are the objectives behind instituting Hallmarking Scheme?

A. To protect consumer against victimization due to irregular gold or silver quality, develop India as a leading gold market centre in the World and to develop export competitiveness

Q. 3 What are the benefits to Customer?

A Provide third party assurance and satisfaction that customer gets right purity of gold (or silver) for the given price (value for money).

Q. 4 How will the jewelers benefit?

A. It will provide clear indication of his capability, strong evidence of commitment to quality and assurance of consistency in purity and quality of gold (or silver) jewellery.

Q. 5 Who operates the Hallmarking Scheme?

A. It is a voluntary scheme being operated by BIS under the BIS Act 1986. BIS is operating the scheme through its network of Regional/ Branch Offices all over the country. As per this scheme the licence is granted to a jeweler for certification of purity of gold (or silver) jewellery in accordance with IS 1417 (IS 2112 for Silver). A licensee jeweler has to get the jewellery hallmarked through any of the BIS recognized Assaying and hallmarking centres (see list of assaying centres at www.bis.org.in under Hallmarking of gold & silver).

Q. 6 What is the procedure for Grant of Licence to Jewelers?

A. To get BIS certification, jeweler needs to apply to the concerned Branch office of BIS in the prescribed application form along with necessary documents and fees for obtaining a licence. Application Form with details of documents to be submitted and fees applicable are available on BIS website. After grant of licence, jeweler is to get the Jewellery hallmarked from a BIS recognized Assaying & Hallmarking Centre. It is the prime responsibility of the licence holder to ensure declared fineness and homogeneity of jewellery offered for hallmarking. List of BIS licensed Jewelers is also available on BIS website. Link for locating hallmarked jeweler in your city has also been provided on BIS website.

Q. 7 What is the procedure for Grant of Recognition to Hallmarking Centres?

A. The recognition of the Hallmarking Centre is done by BIS after ensuring that the Hallmarking Centre has requisite infrastructure and quality management system as per BIS Criteria for Recognition of Assaying & hallmarking Centres, IS 1417 for Gold and IS 2112 for Silver and assaying test facilities as per IS 1418 for Gold and IS 2113 for Silver, trained and competent manpower. The procedure for recognition and de-recognition and Criteria for Recognition of Centres is available on BIS website. The list of BIS recognized assaying and hallmarking centres is also hosted on BIS website.

Q. 8 What control BIS has on Licensee Jewelers and Assaying and Hallmarking Centres?

A. Regular surveillance audit of Assaying and hallmarking centres and testing of random market samples drawn from licensee jewelers is carried out. Renewal of recognition of hallmarking centres and jewelers is based on performance every three years. If any jeweler or assaying and hallmarking centre is not found conforming to the requirements, action is taken as per laid down procedure so that credibility of scheme is maintained.

Q. 9 What one should look for in an Hallmarked gold article ?

A. Gold Hallmark consists of following



- i) BIS Mark
- ii) Purity grade/fineness (it can be any one of the following)

Corresponds to 23 Carat

Corresponds to 22 Carat

Corresponds to 21 Carat

Corresponds to 18 Carat

Corresponds to 17 Carat

Corresponds to 14 Carat

Corresponds to 9 Carat

iii) Assaying/Hallmarking Centre's Identification Mark (one of the logos as displayed on BIS website)

iv) Year of Marking – denoted by a code letter e.g.

'A' for year 2000

'B' for year 2001

'C' for year 2002

'D' for year 2003

'E' for year 2004

'F' for year 2005

'G' for year 2006

'H' for year 2007

'J' for year 2008

v) Jeweler's Identification Mark

Q. 10 Does BIS Scheme Cover hallmarking of Gold Medallions?

A. Gold medallions (of the shape of coins) of 995 fineness and below are being permitted to be hallmarked.

Q. 11 What is the progress of the gold hallmarking scheme during the last 7 years

A. Gold Hallmarking Scheme was launched in April 2000. Following is the progress of the scheme since launch:

	31 Mar. 2001	31 Mar. 2002	31 Mar. 2003	31 Mar. 2004	31 Mar. 2005	31 Mar. 2006	31 Mar. 2007	31 Mar. 2008
Growth								
No. of Licences	186	286	560	795	935	1410	3466	5388
No. of Centres	8	12	13	15	24	36	45	91
Articles Hallmarked (in lakhs)	0.936	4.766	14.93	31.4	62.4	115	210.3	381.99

Information on current no. of licences and no. of Centres is available on the BIS website.

Q. 12 How much does it cost to get an gold article hallmarked?

A. BIS recognized Assaying and hallmarking Centres have been advised to follow the following hallmarking charges for Gold:

- Rs. 18/- per article
 - Minimum charges for a consignment shall be Rs. 100/- .
- (Services Tax and other levies as applicable shall be extra).**

Q. 13 What is the progress of the silver hallmarking scheme ?

A. BIS has launched hallmarking of Silver Jewellery/Artefacts in October 2005. 405 no. licences have been granted for silver till 31 March 2008.

Q. 14 How much does it cost to get an gold article hallmarked?

A. BIS recognized Assaying and hallmarking Centres have been advised to follow the following hallmarking charges for Silver:

- Rs. 10.00 per article upto 100 g
- Rs 50.00 per article from 100 -500g
- Rs 100.00 per article more than 500g

- Minimum charges per consignment is Rs 150.00
(Services Tax and other levies as applicable shall be extra).

Q. 15 What one should look for in an Hallmarked silver article?

A. Silver Hallmark consists of following

i) BIS Mark



Silver

ii) Purity grade/fineness (it can be any one of the following)

999.9
999.5
999

Fine Silver

970
925
900
835
800

Silver alloys
For jewellery,
artefacts

- iii) Assaying/Hallmarking Centre's Identification Mark (one of the logos as displayed on BIS website)
- iv) Year of Marking – denoted by a code letter e.g. 'J' for year 2008
- v) Jeweler's Identification Mark

Q. 16 What is the Role of Government of India?

A.

- Govt. of India took cognizance of the need for protecting the public in its purchase of gold jewellery and the prevention of adulteration, be it deliberate or accidental. BIS was identified as the sole body to operate Hallmarking Scheme in India. BIS started Hallmarking Scheme for gold jewellery in April 2000.
- Government of India constituted a Committee in August 2003 to examine the ways and means of securing consumer interest in the marketing of gold products with Secretary (Consumer Affairs) as Chairman. The Committee comprises of representatives from BIS, Ministry of Finance, Ministry of Commerce, RBI, India Govt. Mint, Gem and Jewellery Export Promotion Council, All India Sarafa Association, New Delhi, World Gold Council (WGC), MMTTC, representative of a reputed Jeweller and Consumer Activists.
- The broad terms of reference of the committee are:
 - i) To examine current practices in the purchase and sale of gold products and the desirability of standardization through Hallmarking; and
 - ii) Whether such hallmarking can be made mandatory?
- The Committee has met several times in the past and based on the recommendations of the committee various initiatives have been taken as follows:
 - Scheme for creating infrastructure for Assaying and Hallmarking of Gold with Central Assistance is being implemented by BIS for providing financial incentive for setting up of 50 Assaying and Hallmarking Centres during 11th five year plan. Selected entrepreneurs to be given one time financial incentive of 15% of the cost of machinery and equipment subject to maximum of Rs.15 lakhs per Centre. In States of North-East & Special category states, selected entrepreneurs to be given one time financial incentive of 30% of the cost of machinery and equipment subject to maximum of Rs.30 lakhs per Centre. 19 Assaying and Hallmarking Centres have been set up under the scheme as on 30 Sept. 2008.
 - Effective Publicity Campaign has also been launched simultaneously through print and electronic media for consumer awareness.
 - Govt. of India has decided to make bring Gold Hallmarking under mandatory certification in phases starting with first phase in four metros.
 - RBI Circular to Banks for Preferential treatment to Hallmarked Jewellery while granting Advances against Jewellery – November 2005 (hosted on BIS website)