

2. Mandatory Gold Hallmarking Norms in India

Prelims Level: Governance - Policies

Mains Level: GS-II Government Policies and Interventions for Development in Various Sectors and Issues Arising out of their Design and Implementation.

Why in News?

- The Department of Consumer Affairs has released the notification regarding mandatory hallmarking of Gold jewellery & artefacts in India.
- Gold Hallmarking is a purity certification which started in 2000. Earlier, it was optional for the jewellers and thus only 40% of gold jewellery was getting Hallmarked.

Key Points of the Notification:

- The notification will make hallmarking of gold jewellery mandatory from January, 2021.
- The jewellers have been given one year time to register with the **Bureau of Indian Standards (BIS)** and clear their stocks if not hallmarked yet.
- Hallmarked gold jewellery will be only in three grades – 14-carat, 18-carat and 22-carat instead of current availability of ten grades. It will contain four marks: BIS mark, purity in carat, assay centre's name and jewellers' identification mark.
- The rule is applicable only on sales by retailers and not to consumers. However, it is available for consumers who want to get their old jewellery hallmarked.
- Anybody found violating the provision, will have to pay a minimum fine of Rs 1 lakh or 5 times the price of the article.
- The government had informed about these hallmarking norms to the World Trade Organisation (WTO), which will help exporters get to know the changes in advance in importing country like India.

Reasons for Gold Hallmarking:

- India is the world's largest importer of gold, with annual imports of 700-800 tonne.
- The mandatory hallmarking will protect the public against lower caratage and ensure consumers do not get cheated while buying gold ornaments.
- It will also help to get the purity as marked on the ornaments. It will bring in transparency and assure the consumers of Quality.
- The new system will weed out anomalies and corruption in the system of manufacturing of Jewellery.

About Bureau of Indian Standards (BIS):

- BIS is the National Standard Body of India for the harmonious development of the activities of standardization, marking and quality certification of goods.
- The Bureau of Indian standards (BIS) Act, 2016 establishes BIS as the National Standards Body of India.
- BIS (Hallmarking) Regulations, 2018 under the BIS act calls for Hallmarking of:
 - ✓ Gold jewellery and gold artefacts
 - ✓ Silver jewellery and silver artefacts
- Penal provisions for better and effective compliance have been made stringent under BIS (Hallmarking) Regulations, 2018

