

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:1618  
ANSWERED ON:06.03.2006  
CHEATING BY JEWELLERS  
Nikhil Kumar Shri

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

- (a) whether the Bureau of Indian Standards has recently revealed that jewellers in the country are cheating the general public to the tune of Rs. 6000/- crores per year by selling impure ornaments;
- (b) if so, the facts and details thereof;
- (c) whether the Government proposes to bring some stringent regulations to check such cheating; and
- (d) if so, the details thereof and by when it is likely to be implemented?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE  
MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS,  
FOOD AND PUBLIC DISTRIBUTION

(SHRI TASLIMUDDIN)

(a) & (b): During the year 2001-2002, Bureau of Indian Standards (BIS) had conducted surveys in Delhi, Mumbai, Chennai, Hyderabad, Jaipur, Bangalore, Ahmedabad and Kolkata associating a consumer activist of repute in respective cities to find out the actual purity of gold jewellery available in the market as against the claims made by jewellers. About 11% of the samples tested were found conforming to the purity claimed. The survey revealed the average shortage of purity of 11%. India consumes around 880 tonnes of gold every year, of which 80% goes into jewellery manufacturing. Based on average 11% shortage in purity, as revealed in the survey, actual loss to consumers could be estimated at around Rs. 6000 crores annually.

(c) & (d): In order to protect the interests of the common consumers in the purchase of gold jewellery, BIS have launched the Hallmarking Scheme for Gold Jewellery.