

भारतीय मानक ब्यूरो
हॉलमार्किंग विभाग, बीआईएस

11 अप्रैल 2017

विषय:- टिप्पणियों के लिए बीआईएस हॉलमार्किंग विनियम का मसौदा

भारतीय मानक ब्यूरो (बीआईएस) अधिनियम 2016 के प्रावधानों के तहत तैयार किए गए बीआईएस हॉलमार्किंग विनियम का मसौदा, हितधारकों की जानकारी और टिप्पणियों के लिए वेबसाइट पर होस्ट हो रहा है।

टिप्पणियाँ, यदि कोई हो ईमेल के जरिए hallmarking@bis.gov.in 28/04/2017 तक भेजा जा सकता है।

प्रमुख (हॉलमार्किंग)

011-23234223

संलग्न:- ऊपरोक्त अनुसार

BUREAU OF INDIAN STANDARDS
Hallmarking Department, BIS

11 APRIL 2017

Subject: Draft BIS Hallmarking Regulations for comments

Draft BIS Hallmarking Regulations framed under the provisions of the new Bureau of Indian Standards (BIS) Act 2016 are being hosted on website for information and comments from stakeholders.

Comments, if any may be sent to hallmarking@bis.gov.in through Email by 28/04/2017.

Head (Hallmarking)
011-23234223

Enclosed: As above



THE BUREAU OF INDIAN STANDARDS (HALLMARKING) REGULATIONS, 2016

G.S.R. ----- In exercise of the powers conferred by section 39 , read together with Section 12,13,14 and 15 of the Bureau of Indian Standards Act, 2016 (11 of 2016), the Executive Committee of the Bureau of Indian Standards, with the previous approval of the Central Government, hereby makes the following regulations, namely:

SHORT TITLE AND COMMENCEMENT

1. (1) These regulations may be called the Bureau of Indian Standards (Hallmarking) Regulations, 2016.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. DEFINITIONS :

In these regulations, unless the context otherwise requires –

- (1) “Act” means the Bureau of Indian Standards Act, 2016;
- (2) “Assaying” means the method of accurate determination of the precious metal content of the sample expressed in parts per thousand;
- (3) “Assaying and Hallmarking Centre” means a testing and marking centre recognized by Bureau to determine the purity of the precious metal articles and to apply hallmark on the precious metal articles;
- (4) “Bullion” means refined precious metal bars of various shapes and sizes manufactured by mints or refineries as per relevant Indian Standard;
- (5) “Carat” means the ratio between the mass of gold content and the total mass expressed in parts per twenty-four;
- (6) “Certified Jeweller” means a jeweller who has been granted a certificate by the Bureau to get manufactured for sale or to sell any precious metal article after getting the same hallmarked;
- (7) “Coin” means precious metal coin manufactured from Bullion by mints or refineries as per relevant standard;
- (8) “Fineness” means the ratio between the mass of precious metal content and the total mass expressed in parts per thousand;

- (9) “Hallmark” means in relation to precious metal article, the Standard Mark, which indicates the proportionate content of precious metal in that article as per the relevant Indian Standard;
- (10) “Jeweller” means a person engaged in the business to get manufactured precious metal article for sale or to sell precious metal articles;
- (11) “Jeweller Certificate” means a certificate granted as per sub section (4) of section 14 and held by a certified jeweller for sale of hallmarked precious metal articles;
- (12) “Licence” means a licence granted under subsection (2) (b) of section 13 to apply hallmark on bullion and coin of precious metals in accordance with the relevant Indian Standard;
- (13) “Precious metal” means gold, silver, platinum and palladium;
- (14) “Precious metal article” means any article made entirely or in part from precious metals or their alloys;
- (15) “Recognition” means recognition granted under sub section (5) of Section 14 to Testing & Marking Centre for determining the purity of precious metal articles and applying hallmark;

All other words and expressions that have been used in the regulations but not defined shall have the same meanings as assigned to them in the Act and the Rules.

Chapter I

GRANT, RENEWAL AND CANCELLATION OF JEWELLER CERTIFICATE

3. For such precious metal articles as may be notified by the Central Government, Jeweller shall obtain Jeweller Certificate from the Bureau. The manner, terms, conditions and fees for grant of such certificate are as specified in these Regulations.

4. Application

(1) Any jeweller established as a proprietorship firm, partnership firm, private limited company, public limited company or any other established firm or company or organization under relevant laws engaged in manufacturing of precious metal articles for sale or selling of precious metal articles or both may apply for grant of Jeweller Certificate.

- (2) The application shall be made in the format as specified by the Bureau either online or otherwise to the Branch Office of the Bureau having jurisdiction over the area where the jeweller is located.
- (3) The application form shall be signed or e-validated by the proprietor, partner or the Managing Director of the applicant firm or by any other person authorized in this regard.
- (4) Application shall be accompanied with necessary documents and application fee as specified by the Bureau from time to time. The application may be returned if requisite application fee is not submitted.
- (5) The application shall be acknowledged and recorded after scrutiny, if found in order. Thereafter, the application shall be processed for grant of jeweller certificate.
- (6) In case the documents submitted are not in order, Bureau may call for required documents and (or) any supplementary information for the purpose of clarification. If the documents and (or) clarification furnished by the applicant is found in order, the application shall be further processed for grant of jeweller certificate.

5. Fee

- (1) The application fee, certification fee, and renewal application fee for the Jeweller Certificate shall be as determined by the Bureau from time to time.
- (2) The certification fee for grant and renewal of certificate shall be paid in advance by the jeweller at the time of grant or renewal of jeweller certificate. In case of cancellation, certification fee shall not be refunded.

6. Grant of Certificate

- (1) Grant of jeweller certificate shall be made
 - a) if the application is found in order
 - b) on payment of certification fee as specified by Bureau from time to time.
 - c) on expiry of cooling period in case of cancellation or non-renewal of certificate as specified in regulation 9(5) or conviction under provisions of BIS Act as specified in regulation 9(9).
- (2) The certificate shall be granted in the format as specified by the Bureau and shall be valid for a period as specified.
- (3) Particulars of all certificates issued will be suitably maintained by the Bureau and the list will be hosted on the website of the Bureau.

(4) Grant of Certificate shall be subject to terms and conditions as given in regulation 7.

(5) **Rejection of Application:** The application may be rejected if the documents and (or) clarification sought by the Bureau is not satisfactorily furnished. The grounds of rejection shall be communicated through email or speed post giving a period of 14 days to the applicant to make any submission. The grant of certificate or otherwise shall be determined based on such submission. The application fee shall not be refunded in case of rejection.

7. Terms & Conditions

(1) The certified jeweller shall remain responsible for purity and fineness of the hallmarked precious metal articles sold by him.

(2) The jeweller certificate shall be valid for the premises mentioned in the certificate.

(3) The certified jeweller shall inform the Bureau of any change in management of the firm.

(4) The certified jeweller shall get the precious metal articles hallmarked as per the relevant Indian Standard from an Assaying and Hallmarking Centre recognized by the Bureau. Upon amendment or revision of the standard, before implementing, a notice of at least one month in this regard shall be given to the jeweller by the Bureau.

(5) The certified jeweler may also sell such hallmarked precious metal articles, which are marked with the identification mark of any other certified jeweller, provided evidence of purchase or authorization in any other form is available with him. In such cases, the jeweller getting the article hallmarked and whose identification mark is on the article shall be responsible for purity and fineness.

(6) The bill or invoice of sale of hallmarked precious metal articles, shall indicate separately description of each article, net weight of precious metal, purity in carat and fineness and hallmarking charges, as specified by the Bureau from time to time.

(7) The certified jeweller shall maintain records as specified by the Bureau from time to time.

(8) The certified jeweller shall co-operate with the authorized representative of Bureau in inspections of its outlet, in production of relevant records and drawl of sample during surveillance or for investigation of a complaint.

(9) The certified jeweller shall fulfill the display requirements as stipulated by the Bureau from time to time.

(10) The certified jeweler, who makes the sale to the consumer shall pay compensation to consumer for any shortage in purity or fineness as specified by Bureau irrespective of whether the article bears his identification mark or he is selling articles under provisions of regulation 7(5) above.

(11) The Bureau may alter, during the validity of the certificate, any term and condition of the certificate by giving one month's notice to a certified jeweller.

(12) Any violation of above terms & conditions, may lead to the cancellation of the jeweller certificate.

8. Renewal of Certificate

(1) The certified jeweller shall submit renewal application with specified details along with renewal application fee and certification fee at least 30 days before the expiry of validity date.

(2) In case renewal application is received before the expiry of validity:

(a) Certificate may be renewed for a period specified by Bureau, or

(b) Renewal of the certificate may be kept under deferment upto three months, if certificate is being considered for cancellation or non-renewal. The decision of deferment shall be informed to the Certified Jeweller with instructions to stop the sale of hallmarked precious metal articles and stop getting precious metal articles hallmarked.

(3) In case the renewal application along with the fee is not received before the expiry of validity, the certificate shall stand expired at the end of its validity.

9. Cancellation or non-renewal of Certificate

(1) The Bureau may cancel or not renew a jeweller certificate, *if*:

(a) any declaration made by the certified jeweller is found to be false or incorrect

(b) certified jeweller has violated any of the terms and condition of the certificate.

(c) certified jeweller has sold or offered for sale hallmarked precious metal article of purity or fineness less than that claimed or marked on the article.

(d) certified jeweller has failed to co-operate with the authorized representative of the Bureau to enable him to discharge his duties during the visit for surveillance or for investigation of a complaint.

- (e) certified jeweller is found indulging in any unethical practices such as hallmarking from non-recognized Assaying and Hallmarking Centre; colorable imitation of hallmark on precious metal articles; precious metal articles with incomplete hallmark; unauthorized sale or offer for sale of hallmarked precious metal articles with the identification mark of other certified jeweller or any other malpractices.
- (2) Before cancelling or not renewing any certificate, the Bureau shall give the certified jeweller not less than 14 days' notice through email or speed post of its intention to cancel or not renew the certificate with a provision of personal hearing. In case the notice is issued for cancellation due to reasons given at regulation 9 (1) (e), the certified jeweller shall be instructed to stop the sale of hallmarked precious metal articles and stop getting precious metal articles hallmarked forthwith.
- (3) On the receipt of such notice, the certified jeweller may submit an explanation to the Bureau within 14 days from the receipt of the notice. In case—
- (a) an explanation is submitted, the Bureau may consider the explanation and give a personal hearing to the certified jeweller or his authorized representative, if sought.
 - (b) no explanation is submitted, Bureau may cancel the jeweller certificate on the expiry of period of the notice.
- (4) Where a certificate has been cancelled or not renewed, the certified jeweller shall stop the sale of hallmarked precious metal articles and stop getting precious metal articles hallmarked from any Assaying & Hallmarking Centre notwithstanding the pendency of any appeal under section 34 of the Bureau of Indian Standards Act 2016.
- (5) In cases of cancellation or non-renewal due to reasons given at regulation 9 (1) (e), the Bureau shall not accept application for grant of certificate before a cooling period of one year from the date of passing of such order.
- (6) The Bureau will host the particulars of such certificates which have been cancelled or not renewed, on its website.
- (7) Certified jeweller shall return the original certificate document to the Bureau in the event of its surrender, expiry, cancellation or non-renewal and shall also ensure defacing of the hallmark from the precious metal articles available in stock.
- (8) In the event of cancellation, non-renewal or the certified jeweller opting to surrender the certificate the jeweller shall forthwith destroy all publicity material such as

handbills, pamphlets, and letterheads etc. through which the jeweller claims to be the certified jeweller for selling hallmarked precious metal articles.

(9) A jeweller, who has been convicted under the provisions of BIS Act, shall not be eligible to apply for jeweller certificate for a cooling period of minimum six months from the date of such conviction. The period of disqualification shall be determined by the Bureau having regard to the facts and circumstances of each case and the total cooling period shall not exceed a period of one year.

Chapter II

GRANT, OPERATION, RENEWAL AND CANCELLATION OF RECOGNITION OF ASSAYING & HALLMARKING CENTRES

10. A Testing and Marking Centre set up in accordance with requirements specified in the relevant Indian Standard for carrying out assaying and hallmarking of precious metal articles may be granted recognition as an Assaying and Hallmarking Centre by the Bureau provided it fulfills the requirements specified in these Regulations. The manner, terms, conditions and fee for grant of such recognition are as specified in these Regulations.

11. Application for Recognition

(1) Any Testing and Marking Centre set up in accordance with requirements specified in the relevant Indian Standard may apply for grant of Recognition.

(2) The application shall be made in the format as specified by Bureau either online or otherwise, to the Regional Office of the Bureau having jurisdiction over the area where the Centre is located.

(3) The application shall be signed or e-validated by the proprietor, partner or the Managing Director of the applicant firm or by any other person authorized in this regard.

(4) Application shall be accompanied with documents and applicable fee as specified by the Bureau from time to time. The application may be returned if application fee is not submitted or it is incomplete. Application shall be acknowledged after its receipt and recorded after *its* scrutiny, if found in order.

(5) Bureau may call for any supplementary information or documentary evidence from the applicant in support of or to substantiate any statement made by him in his application, within such time as may be decided by the Bureau.

- (6) Bureau may reject an application, if
- a) the application is found to be incomplete or without relevant documents or does not fulfill the specified requirements.
 - b) at any time during processing of application it is found that the centre is indulging in any malpractice for which it is liable for prosecution under the BIS Act.
 - c) the centre does not have the necessary infrastructure and competence as per the relevant Indian Standard for carrying out assaying and hallmarking of the precious metal articles.
 - d) the application is submitted before expiry of cooling period in case of cancellation or non-renewal of recognition as specified in regulation 17(5) or conviction under provisions of BIS Act as specified in regulation 11(9).
- (7) Before rejecting any application, the Bureau shall give a rejection notice and reasonable opportunity to the applicant of being heard within 14 days from the receipt of the notice, either in person or through a representative authorized by him on his behalf, and may take into consideration any fact or explanation submitted on behalf of the applicant.
- (8) The decision of the Bureau together with the grounds shall be communicated in writing to the applicant firm by e-mail or speed post. The application fee for grant of recognition shall not be refunded in case of rejection.
- (9) A Testing and Marking Centre or a person convicted under the BIS Act shall not be eligible to apply for a cooling period of minimum six months from the date of such conviction. The period of disqualification shall be determined by the Bureau having regard to the facts and circumstances of each case and the total cooling period shall not exceed a period of one year.

12. Fee

- (1) The application fee, assessment fee, recognition fee and renewal application fee for recognition shall be as determined by the Bureau from time to time.
- (2) The recognition fee shall be paid in advance by the applicant at the time of grant or renewal of recognition. In case of cancellation of recognition, the recognition fee shall not be refunded.

(3) Any visit, made at the request of an applicant or a recognized Assaying and Hallmarking Centre shall be chargeable. Charges for such special visits shall be as decided by the Bureau from time to time.

13. Grant of Recognition

- (1) Grant of recognition shall be made by the Bureau:
 - a) on satisfaction of the Bureau that the Centre has the necessary infrastructure and competence as per the relevant Standard for carrying out assaying and hallmarking of the precious metal articles.
 - b) on payment of recognition fee as specified by Bureau.
- (2) The certificate of recognition shall be granted in the format as specified by the Bureau and shall be valid for a period as specified.
- (3) Particulars of all recognitions to Assaying and Hallmarking Centres issued by the Bureau will be suitably maintained and the list will be hosted on the website of the Bureau.
- (4) Grant of recognition shall be subject to terms and conditions as given in regulation 14.

14. Terms & Conditions

- (1) Assaying and Hallmarking Centre shall remain responsible for determination of purity and fineness of the precious metal articles hallmarked by them.
- (2) Assaying and Hallmarking Centre shall inform Bureau whenever there is any change in the management, premises or name and address of the firm.
- (3) Assaying and Hallmarking Centre shall inform Bureau of any changes in machinery, equipment, assaying personnel, non-availability of certified reference materials or breakdown of any major equipment affecting sampling, assaying and hallmarking activities.
- (4) Assaying and Hallmarking Centre shall accept the jewellery for hallmarking as per the relevant standard only from a certified jeweller. Upon amendment or revision of the standard, before implementing, a notice of at least one month in this regard shall be given to the Assaying and Hallmarking Centre by the Bureau.
- (5) The testing and marking shall be carried out as per relevant Indian Standard using calibrated equipment and certified reference material.

- (6) Assaying and Hallmarking Centre shall maintain records as specified by the Bureau from time to time.
- (7) Assaying and Hallmarking Centre shall collect hallmarking charges from certified jewellers and deposit revenue share of Bureau as per applicable rates specified by Bureau from time to time.
- (8) Assaying and Hallmarking Centre shall furnish Bureau with information required by Bureau with regard to precious metal articles hallmarked as well as rejected, both in number and weight on monthly and annual basis.
- (9) Assaying and Hallmarking Centre shall co-operate with the authorized representative of the Bureau for the purpose of conducting assessment, in production of relevant records and for inspection and testing of the precious metal articles available with the centre with or without hallmarking.
- (10) Bureau may alter any term and condition of the recognition during the period of the validity of the recognition by giving one month's notice to the recognized Assaying and Hallmarking Centre.
- (11) Any violation of above terms and conditions may lead to the cancellation of the recognition.

15. Renewal of Recognition

- (1) Assaying and Hallmarking Centre shall submit renewal application form with details specified by Bureau along with renewal application fee and recognition fee at least 90 days before the expiry of validity date.
- (2) Bureau may, on receipt of application from an Assaying and Hallmarking Centre with specified details and fee, renew the recognition for a period as decided by the Bureau from time to time. Recognition shall be renewed only after satisfaction of the Bureau that the Centre continues to have the necessary infrastructure and competence as per the relevant Standard for carrying out assaying and hallmarking of the precious metal articles and also considering the past records.
- (3) In case Assaying and Hallmarking Centre does not apply for renewal before the expiry of validity, deposit requisite fee or provide required details, the renewal of recognition may be kept under deferment. However, if renewal application is not received within 30 days from the date of expiry of validity, the recognition shall stand expired.

(4) Renewal of the recognition may be kept under deferment upto six months, if recognition is under suspension, or being considered for suspension, cancellation or non-renewal. The decision of deferment shall be informed to the Centre through e-mail or speed post with instructions to stop hallmarking of precious metal articles.

16. Suspension of Recognition

(1) If, at any time, there is difficulty in assaying and hallmarking of the precious metal articles or in the event of test equipment getting out of order or due to natural calamities such as flood, fire, earthquake etc.; a lock out declared by the management; or, closure of operations directed by a competent court or statutory authority, the Assaying and Hallmarking Centre shall suspend its operation under intimation through email or speed post to the Bureau. The operation may be resumed as soon as the defects are removed and information of such revocation of the suspension of operations be sent to the Bureau through email or speed post immediately but not later than 7 days of such resumption of operations.

(2) If, at any time, the Bureau has sufficient evidence that the assaying and hallmarking may not be conforming to the Indian Standard, the Assaying and Hallmarking Centre shall be directed to suspend its operation. Such evidence is not limited to, but may include one or more of the following:

- (a) Non-conformity of hallmarked precious metal articles established after in-house or independent testing
- (b) Non-implementation of the provision(s) of the relevant Standard
- (c) Non-availability of testing personnel and absence of alternate arrangements
- (d) Relocation of Assaying and Hallmarking Centre
- (e) Prolonged closure of Assaying and Hallmarking Centre for more than 3 months
- (f) Assaying and Hallmarking on precious metal articles not included in the scope of the recognition.
- (g) Non-compliance of any instruction issued by Bureau from time to time
- (h) Non-submission of monthly or yearly statement regarding hallmarking charges collected from certified jewellers
- (i) Non-payment of revenue share of Bureau in hallmarking charges within reasonable period as specified by the Bureau.

(3) The Assaying and Hallmarking Centre whose recognition has been placed under suspension shall confirm to the Bureau about stop marking of precious metal articles with the hallmark. On receipt of corrective actions, a special assessment, if required, may be carried out to verify the effectiveness of the corrective actions. The Bureau shall revoke the suspension after satisfying itself that the A&H Centre

- a) has taken necessary actions,
- b) deposited assessment fee and
- c) has provided sufficient evidence to establish competence of the Centre as per the relevant standard for assaying and hallmarking of precious metal articles.

17. Cancellation or non-renewal of recognition

(1) Bureau may cancel or not renew the recognition of an Assaying and Hallmarking Centre for any of the following reasons:

- (a) any declaration made by the Assaying and Hallmarking Centre is found to be false or incorrect
- (b) Assaying and Hallmarking Centre has violated any of the terms and conditions of the grant of recognition.
- (c) Articles marked with hallmark do not comply with the relevant Indian Standard.
- (d) Assaying and Hallmarking Centre has failed to co-operate with the authorized representative of the Bureau during his visit for assessment or for investigating a complaint.
- (e) Assaying and Hallmarking Centre is found indulging in any unethical practice such as hallmarking precious metal articles for non-certified jewellers, marking of articles with incomplete hallmark, hallmarking articles without carrying out testing or any other malpractices.
- (f) Assaying and Hallmarking Centre is found to be marking precious metal articles with hallmark during period of suspension.
- (g) Assaying and Hallmarking Centre is under suspension for a period of one year.
- (h) Assaying and Hallmarking Centre has not taken required corrective actions within stipulated time or in spite of taking corrective actions there is recurrence of similar discrepancies.

(2) Before cancelling or non-renewal of the recognition, Bureau shall give the Assaying and Hallmarking Centre not less than 14 days' notice of its intention through email or

speed post to cancel or not renew the recognition. In case the notice is issued for cancellation due to reasons given at regulation 17 (1) (d) to (f), the centre shall be instructed to stop hallmarking of precious metal articles.

- (3) On the receipt of such notice, the Assaying and Hallmarking Centre may submit an explanation to the Bureau within 14 days from the receipt of the notice. In case :
 - (a) Explanation is submitted, the Bureau may consider the explanation and give a personal hearing to the Assaying and Hallmarking Centre or its authorized representative, if sought.
 - (b) No explanation is submitted, Bureau may cancel the recognition on the expiry of period of the notice.
- (4) Where a recognition has been cancelled or not renewed on the expiry of the period of its validity, the Assaying and Hallmarking Centre shall stop marking of precious metal articles with hallmark forthwith.
- (5) In case of cancellation or non-renewal due to reasons given at regulation 17 (1) (d) to (f), Bureau shall not accept application for grant of recognition before a cooling period of one year from the date of passing of such order.
- (6) When recognition has been suspended, cancelled, not renewed or expired, the Bureau will host the particulars of the recognition so suspended, cancelled, not renewed or expired on the website of the Bureau.
- (7) Assaying and Hallmarking Centre shall return the original recognition document to the Bureau in the event of its surrender, non-renewal or cancellation.
- (8) In the event of cancellation, non-renewal or Assaying and Hallmarking Centre opting to surrender the recognition, Centre shall forthwith destroy all publicity material such as handbills, pamphlets, and letterheads etc. through which the Assaying and Hallmarking Centre claims recognition from the Bureau.

Chapter III

GRANT, OPERATION, RENEWAL AND CANCELLATION OF LICENCE TO REFINERY AND MINT

18. Refinery and mint fulfilling such criteria as specified by the Bureau may be granted licence to use Hallmark on the bullion or coin or both conforming to the relevant

Indian Standard provided it fulfills requirements specified in these Regulations. The manner, terms, conditions and fee for grant of such licence are as specified in these Regulations.

19. Application

- (1) Any refinery or mint engaged in manufacturing of refined bullion or coin or both fulfilling such criteria as specified by Bureau may apply for grant of licence.
- (2) Application for the grant of licence shall be made *in* the format as specified by Bureau either online or otherwise to the regional office having jurisdiction over the area where the refinery or mint is located.
- (3) The application form shall be signed or e-validated by the proprietor, partner or the Managing Director of the applicant firm or by any other person authorized in this regard.
- (4) Application shall be accompanied with documents and application fee as specified by the Bureau from time to time. The application may be returned if requisite application fee is not submitted or it is incomplete. Application shall be acknowledged after its receipt and recorded after scrutiny, if found in order.
- (5) Bureau may call for any supplementary information or documentary evidence from the applicant in support of or to substantiate any statement made by him in his application, within such time as may be decided by the Bureau.
- (6) Bureau may reject an application, if
 - a) the application is found to be incomplete or without specified documents or does not fulfill the specified requirements.
 - b) at any time during processing of application it is found that the refinery or mint is indulging in any malpractice for which it is liable for prosecution under the BIS Act.
 - c) the refinery or mint does not have the necessary infrastructure and competence as per the relevant Standard and for compliance to the provisions of scheme of Testing and Inspection
 - d) the bullion or coin does not conform to relevant Standard

- e) the application is submitted before expiry of cooling period in case of cancellation or non-renewal of licence as specified in regulation 25(5) or conviction under provisions of BIS Act as specified in regulation 19(9).
- (7) Before rejecting any application, the Bureau shall give a rejection notice and reasonable opportunity to the applicant of being heard within 14 days from the receipt of the notice, either in person or through a representative authorized by him on his behalf, and may take into consideration any fact or explanation placed on behalf of the applicant.
- (8) The decision of the Bureau together with the grounds for arriving at such decision shall be communicated to the applicant firm by e-mail or speed post. The application fee shall not be refunded in case of rejection.
- (9) Refinery or mint or a person convicted under the BIS Act shall not be eligible to apply for a cooling period of minimum six months from the date of such conviction. The period of disqualification shall be determined by the Bureau having regard to the facts and circumstances of each case and the total cooling period shall not exceed a period of one year.

20. Fee

- (1) The application fee, licence fee, marking fee, renewal application fee shall be as determined by the Bureau from time to time.
- (2) The marking fee shall be paid in advance by the applicant at the time of grant or renewal of licence. In case of cancellation of licence, marking fee shall not be refunded.
- (3) Any visit, specially made at the request of an applicant or a licensee shall be chargeable. Charges for such special visits shall be as decided by the Bureau from time to time.

21. Grant of Licence

- (1) Grant of licence shall be made by the Bureau:
 - a) on satisfaction of the Bureau that the applicant has the necessary infrastructure and competence for manufacturing and testing of bullion or coin or both as per the relevant Indian Standard
 - b) if the bullion or coin or both conform to the relevant Indian standard
 - c) on acceptance of the Scheme of Testing and Inspection and Marking fee by the applicant
 - d) on payment of licence fee and marking fee as specified by the Bureau

- (2)(a) The applicant shall co-operate with the authorized representative of the Bureau to inspect the premises relating to office, manufacturing, testing, storage etc. and to draw and test sample(s) for the purpose of verification under regulation 21 (1) (a) & (b);
- (b) The expenses for testing in the laboratory shall be borne by the applicant;
- (3) The licence shall be granted in the format as specified by the Bureau and shall be valid for a period as specified.
- (4) Particulars of all licensees issued by the Bureau will be suitably maintained and the list will be hosted on the website of the Bureau.
- (5) Grant of licence shall be subject to terms and conditions as given in regulation 22.

22. Terms & Conditions

- (1) The licensee shall be responsible for fineness of the hallmarked bullion and coin manufactured by it.
- (2) The licensee shall inform Bureau whenever there is any change in the management, premises or name and address of the firm.
- (3) Licensee shall inform Bureau of any changes in machinery, equipment, assaying personnel, non-availability of certified reference materials or breakdown of any major equipment affecting sampling, assaying and hallmarking activities.
- (4) The licensee shall test the bullion and coin as per the Scheme of Testing and Inspection specified by the Bureau and accepted by the licensee. The licensee shall hallmark bullion or coin that conforms to the relevant Standard. Upon amendment or revision of standard or the Scheme of Testing and Inspection, before implementing, a notice of at least one month in this regard shall be given to the licensee by the Bureau.
- (5) The licensee shall maintain records as specified by the Bureau from time to time.
- (6) The licensee shall periodically furnish information required by the Bureau regarding quantity manufactured, marked, sold, available in stock along with details of the consignees.
- (7) The licensee shall co-operate with the authorized representative of the Bureau for inspection, in production of relevant records and drawl of samples from its refinery or mint.
- (8) The licensee shall compensate consumer for any shortage in fineness as specified by Bureau.

(9) Bureau may alter any term and condition of the licence during the period of the validity of the licence by giving one month's notice to a licensee.

(10) Any violation of the above terms and conditions may lead to the cancellation of the licence.

23. Renewal of Licence

(1) The licensee shall submit renewal application form with details specified by Bureau along with renewal application fee, licence fee and marking fee at least 60 days before the expiry of validity date.

(2) Bureau may, on receipt of application from a refinery or mint with specified details and fee, renew the licence for a period as decided by the Bureau from time to time. Licence shall be renewed only after satisfaction of the Bureau that the licensee continues to have the necessary infrastructure and competence for manufacturing and testing of bullion or coin or both as per the relevant Standard and the Scheme of Testing and Inspection and also considering the past records.

(3) In case licensee does not apply for renewal before the expiry of validity, deposit requisite fee or provide required details, the renewal of licence may be kept under deferment. However, if renewal application is not received within 30 days from the date of expiry of validity, the licence shall stand expired.

(4) Renewal of the licence may be kept under deferment upto six months, if licence is under stop marking, or being considered for stop marking, cancellation or non-renewal. The decision of deferment shall be informed to the licensee through e-mail or speed post with instructions to stop marking and sale of bullion or coin or both with hallmark.

24. Stop Marking

(1) If, at any time, there is difficulty in maintaining the conformity of the bullion or coin or both to the Standard or the testing equipment goes out of order or due to natural calamities such as flood, fire, earthquake etc.; a lock out declared by the management; or, closure of operations directed by a competent court or statutory authority, the marking of the bullion or coin or both shall be stopped by the licensee under intimation by email or speed post to Bureau. The marking may be resumed as soon as the defects are removed and information of such resumption of the marking be sent to the Bureau through email or speed post immediately but not later than 7 days of such resumption.

(2) If, at any time, the Bureau has sufficient evidence that the bullion or coin carrying the hallmark may not be conforming to the relevant Standard, the licensee shall be directed to stop marking bullion and coin with hallmark and stop sale of hallmarked bullion and coin. Such evidence is not limited to, but may include one or more of the following:

- (a) Non-conformity of the bullion or coin established after in-house or independent testing;
- (b) Non-implementation of the provision(s) of the Scheme of Testing and Inspection;
- (c) Non-availability of testing personnel and absence of alternate arrangements;
- (d) Significant modification(s) in the refining or minting process without prior evaluation and approval of the Bureau;
- (e) Relocation of refinery or mint;
- (f) Prolonged closure of refinery or mint for more than 3 months
- (g) Marking non-conforming bullion or coin;
- (h) Marking on bullion or coin of variety not included in the licence;
- (i) Non-compliance of any instruction issued by Bureau from time to time.

(3) The licensee whose licence has been placed under stop marking shall confirm to the Bureau about stop marking and sale of bullion and coin with hallmark. On receipt of corrective actions, a special inspection, if required, may be carried out to verify the corrective actions. The Bureau shall allow resumption of marking after satisfying itself that the licensee

- a) has taken necessary actions,
- b) deposited special inspection fee
- c) has provided sufficient evidence to establish competence for manufacturing and testing of bullion or coin or both as per relevant standard
- d) has provided sufficient evidence to establish conformity of the bullion or coin or both to the relevant standard

25. Cancellation or non-renewal of Licence

- (1) Bureau may cancel or not renew a licence for any of the following reasons:
- (a) any declaration made by the licensee is found to be false or incorrect
 - (b) Licensee has violated any of the terms and conditions of the licence.
 - (c) Bullion or coin marked with hallmark do not comply with the standard.

- (d) Licensee has failed to cooperate with the authorized representative of the Bureau during his visit for inspection or for investigating a complaint.
 - (e) Licensee is found to be using hallmark during period of stop marking
 - (f) Marking on bullion or coins of variety not included in the licence
 - (g) Licence is under stop marking for a period of one year
 - (h) Licensee has not taken required corrective actions within stipulated time or in spite of taking corrective actions there is recurrence of similar discrepancies.
- (2) Before cancelling or not renewing a licence, the Bureau shall give the licensee not less than 14 days' notice of its intention to cancel or not renew the licence. In case the notice is issued for cancellation due to reasons given at regulation 25 (1) (e) to (f), the licensee shall be instructed to stop marking bullion and coin with the hallmark and stop sale of hallmarked bullion and coin.
- (3) On the receipt of such notice, the licensee may submit an explanation to the Bureau within 14 days from the receipt of the notice. In case–
- (a) an explanation is submitted, the Bureau may consider the explanation and give a personal hearing to the licensee or its authorized representative, if sought.
 - (b) no explanation is submitted, Bureau may cancel the licence on the expiry of period of the notice.
- (4) Where a licence is cancelled or not renewed, the licensee shall stop the marking and sale of bullion and coin with hallmark not withstanding the pendency of any appeal under section 34 of the Act.
- (5) In case of cancellation or non-renewal due to reasons given at 25 (1) (e) & (f), Bureau shall not accept application for grant of licence before a cooling period of one year from the date of passing of such order.
- (6) When a licence is kept under stop marking or cancelled or not renewed or expired, the Bureau will host the particulars of such licence on the website of the Bureau.
- (7) Licensee shall return the original licence document to the Bureau in the event of its surrender, non-renewal or cancellation.

(8) In the event of cancellation, non-renewal or the licensee opting to surrender the licence, the licensee shall forthwith destroy all publicity material such as handbills, pamphlets, and letterheads etc. through which he claims to be a licensee of the Bureau.