

CAVEAT EMPTOR

All that glitters is expensive

ISSUE It is important that there's transparency on exchange rate and 'wastage' charges on gold jewellery

With gold jewellery virtually woven into our tradition and culture, it is no wonder that India happens to be the largest gold jewellery consuming country in the world. Interestingly, 40 per cent of the usage is from the southern States! In such a scenario, the Government's recent initiative mandating hall-marking of gold jewellery is certainly laudable.

But, a few other issues need attention. For instance, transparency for recycling or exchanging of gold. With continued increase in gold prices, women prefer to exchange old gold to purchase jewellery in the latest design. Many jewellers too, from time to time offer schemes — such as the monthly investment option, guarantee to take back the jewel at current market value and so on — to promote sales. But, many a time, there is lack of transparency while executing these promises.

According to a recent complaint that came to us, Meena had purchased a pair of diamond earrings a few years ago, and the diamond guarantee card provided at the time of purchase stated "returning guarantee for cash or exchange with 10 per cent less on current diamond value".

Recently, Meena decided to exchange the earrings and went to the same jeweller. She went to the diamond jewellery sales counter first, found out the market rate for the same quality of diamond she had, and then approached the exchange counter. She was surprised when her earrings were evaluated

at a much lesser value. When she raised the issue, there was no proper response and she was advised to visit after a few days. This continued during her subsequent visits as well, and finally Meena sought our support. Upon our intervention, the jewellery shop resolved the issue in accordance with their earlier commitment. This instance stresses that it is crucial for consumers to be alert.

Another aspect that bothers us is 'wastage' that is calculated at the time of gold ornament purchase.

There are no specifications, and the wastage charges vary from six per cent to 25 — depending on what? If one were good at bargaining, there is a possibility of paying less. It is said that more intrinsic the design, more the wastage. Today, with sophisticated instruments and modern technology, I'm sure actual waste would be quite minimal. Nevertheless, the charges continue to be exorbitant and arbitrary. This is just a different form of exploitation consumers are subjected to.

This needs to be controlled by the Government by, may be, fixing an upper limit for these charges. This would put a check on the random charges demanded by jewellers these days, and protect the interests of the consumers.

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