

**Standard Operating  
Procedure (SOP)  
for Foreign / Domestic  
Laboratory Recognition by  
DGFT and Enlistment in the  
Foreign Trade Policy by  
The Gem & Jewellery Export  
Promotion Council.**



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## **1. INTRODUCTION**

- 1.1** The Gem & Jewellery Export Promotion Council (“**GJEPC**”) was set up by the Ministry of Commerce, Government of India (“**Gol**”) in 1966. Since 1998, the GJEPC has been granted autonomous status. The GJEPC is the apex body of the gems and jewellery industry with headquarters in Mumbai and regional offices in New Delhi, Kolkata, Chennai, Surat and Jaipur. The GJEPC was set up to promote the Indian gem and jewellery industry and its products. The GJEPC also makes representations to the Gol for policy intervention in connection with the gems and jewellery related export and import policy of the country. It plays an advisory role when the Gol calls upon it for information or advice on matters related to the gems and jewellery industry internationally.
- 1.2** The Foreign Trade Policy 2015-20 (“**FTP**”) was unveiled by the Gol on April 1, 2015. The FTP provides a framework for increasing export of goods and services as well as generation of employment. Pursuant to paragraph 4.42 of the FTP, only agencies which are listed in paragraph 4.42 are permitted to import diamonds without any import duty the purpose of certification/grading reports. This import is subject to conditions that the said diamonds should be re-exported for with the certification/grading reports as per the procedure laid down in the Hand Book of Procedures (“**Hand Book**”). Further, pursuant to paragraph 4.43 of the FTP only agencies which are listed in paragraph 4.74 of the Hand Book, are permitted to receive exported diamonds to their laboratories for the purpose of certification/grading reports and then re-import.
- 1.3** The Hand Book under paragraph 4.76 provides that applications for enlistment of laboratories should be submitted to the GJEPC for scrutiny of the application and fulfilment of the norms prescribed. The GJEPC has been entrusted by the Directorate General of Foreign Trade (“**DGFT**”) for verification of bona fides based on which GJEPC may recommend for an in principle approval of the DGFT. After such in principle approval of DGFT is granted, GJEPC shall conduct inspection of the facility to verify all specifications. Based on the inspection report and recommendations of the GJEPC, the concerned laboratory would be considered for inclusion in paragraph 4.42 and paragraph 4.43 of the FTP.
- 1.4** In furtherance of the powers vested in the GJEPC by virtue of the FTP and the Hand Book, the following guidelines are prescribed for certification of diamond grading laboratories.

## **2. OBJECTIVES OF LRSOP**

This Laboratory Recognition Standard Operating Procedure (“**LRSOP**”) has been formulated with the objective of having diamond certification / grading laboratories in India and overseas (“**Laboratories**”) recognised and enlisted by the DGFT (based on the recommendation of GJEPC) in paragraph 4.42 and paragraph 4.43 of the FTP (“**Recognition**”).

## **3. SCOPE OF THE LRSOP**

- 3.1** This LRSOP lays down the criteria, terms and conditions for grant and operation for Recognition of Laboratories.
- 3.2** The fulfilment of the criteria under this LRSOP does not guarantee inclusion of a Laboratory in the list of authorised laboratories in paragraph 4.42 and/or paragraph 4.43 of the FTP.
- 3.3** The processing fees for LRSOP is provided in Annexure [A] shall be payable in the form of a demand draft from a scheduled bank in favour of GJEPC and / or NEFT transfer. It may be

noted that the processing fee is non-refundable irrespective of whether the Recognition is successful. Further, the processing fee is subject to change at the sole discretion of GJEPC.

#### **4. GENERAL CONDITIONS FOR RECOGNITION**

Recognition is granted for inclusion in paragraph 4.42 and paragraph 4.43 of the FTP (as the case may be) to such Laboratories which meet the criteria for Recognition and which are able to demonstrate *inter alia* availability of infrastructure, impartiality, test facility and man power required for testing / grading of diamonds.

**4.1 Criteria for Recognition** The laboratory desirous of seeking Recognition shall meet the following indicative (but not exhaustive) criteria / parameters:

**4.1.1 Accreditation** The laboratory shall be accredited to Laboratory Quality Management System as per ISO/IEC 17025. The accreditation body, through which the laboratory is accredited, shall be a full member of International Laboratory Accreditation Co-operation (ILAC) and/or Asia Pacific Laboratory Accreditation Co-operation (APLAC) or any other regional cooperation body. All the test parameters shall be covered under the scope of accreditation as per IS/ISO/IEC 17025, except for the test parameters for which no test method has been prescribed in the IS/ISO/IEC 17025 (like visual examination, finish, etc) due to which / or due to any other reasons it is technically not possible to obtain accreditation for the said parameter. GJEPC (in consultation with the DGFT) will take decision regarding parameters from the scope of accreditation, if required.

**4.1.2 Standards for Recognition:** The standard ISO/IEC 17025 (as updated and amended from time to time) and/or specific requirements and expertise mentioned in Annexure B of this LRSOP or any other requirement as may be deemed fit by GJEPC / DGFT, shall be the standards to adhere to for Recognition under this LRSOP ("**Standard**"). The standard IS/ISO/IEC 17025 wherever appears in this LRSOP, would also mean ISO/IEC 17025. The specific requirements and expertise mentioned in Annexure B of this LRSOP are subject to change from time to time.

#### **4.1.3 Laboratory Specific Recognition**

The grant of Recognition is location specific, so an entity with multiple Laboratories in various locations, shall be required to make separate applications for each of its Laboratories (provided such entity intends to obtain Recognition for multiple Laboratories under this LRSOP). Any change in the location of a recognised Laboratory under this LRSOP shall require a fresh application to be made forthright, failing which the said Recognition shall stand revoked and nullified with immediate effect from the date of change in location of the said Laboratory. Further, any change in name of the recognised Laboratory under this LRSOP shall be forthright intimated to the DGFT with all supporting documents (including but not limited to approval from the relevant Registrar of Companies).

Exemptions may be permitted for specialized tests like test for Fire performance of Fire extinguishers, short circuit test in case of transformers, Photometry test for LED Luminaries, EMI/ EMC test for safety of Electrical Appliances or any such other test that GJEPC may specifically allow and / or prescribe in writing, for which laboratory may have arranged separate premises at a different location as per the merit of the case by GJEPC and subject to the test at separate premises being covered under the scope of accreditation as per the Standard of the laboratory. In such case, the laboratory has to mention the same in application form itself for applying for Recognition under LRSOP. The application in such cases will be

recorded only after decision regarding allowing functioning from a separate premise at different location has been taken by GJEPC.

#### 4.1.4 Impartiality

For the purpose of upholding and maintaining impartiality, the Laboratory shall ensure the following:

- (i) Laboratory activities shall be undertaken impartially and structured and managed so as to safeguard impartiality.
- (ii) The laboratory management shall be committed to impartiality.
- (iii) The owners / shareholders / management / employees of the Laboratory or testing personnel should not be engaged in any type of trading activities or manufacturing of gemstones / jewellery.
- (iv) The laboratory shall be responsible for the impartiality of its laboratory activities and shall not allow commercial, financial or other pressures to compromise impartiality.
- (v) The laboratory shall identify risks to its impartiality on an on-going basis. This shall include those risks that arise from its activities, or from its relationships, or from the relationships of its owners / shareholders / management / employees / personnel.
- (vi) The depositor / customer may interact with the Laboratory management for any clarification(s) about the test results / services availed from the Laboratory, however, the depositor / customer should be prohibited from directly contacting the technical staff.
- (vii) At no point of time, during the testing procedure, depositor / customer information should be revealed to the technical staff of the Laboratory.
- (viii) At no point in time shall the Laboratory or the owner / shareholders / management / employees of the Laboratory deal with any right title or interest in any property (sale, lease, acquire, etc.) of entities engaged in any type of trading activities or manufacturing of gemstones / jewellery.
- (ix) At no point in time shall the Laboratory or the owner / shareholders / management / employees of the Laboratory obtain / grant any loans, advances, guarantees or borrowings of any nature, from entities engaged in any type of trading activities or manufacturing of gemstones / jewellery (except for in the normal course of business of the Laboratory).

**NOTE:** A relationship that threatens the impartiality of the laboratory can be based on ownership, governance, management, personnel, shared resources, finances, contracts, marketing (including branding), and payment of a sales commission or other inducement for the referral of new customers, etc.

- (x) If a risk to impartiality is identified, the laboratory shall be able to demonstrate how it eliminates or minimizes such risk.
- (xi) Any change in Control (whether direct or indirect) of a recognised Laboratory's holding entity shall require the prior approval of the DGFT.

- (xii) The Laboratory shall ensure the impartiality of testing on an on-going basis and shall submit an undertaking as part of the application in the format provided in Annexure [C].

**Note:** "Control" means, with respect to point (ix) above and this LRSOP shall mean: (i) the ownership of more than 10% (ten percent) or more of the equity shares, equity securities or other voting securities of such entity owning a Laboratory; or (ii) the possession of the power to direct the management and policies of such entity owning a Laboratory; or (iii) the power to appoint [more than 1 (one) director]<sup>1</sup> to the board of such entity owning a Laboratory, by virtue of ownership of voting securities or management or contract or in any other manner, whether: (a) formal or informal; (b) having legal or equitable force or not; (c) whether based on legal or equitable rights; or (d) directly or indirectly, including through one or more other entities.

**Note:** Certain indicative (but not exhaustive) criteria / parameters based on which DGFT / GJEPC shall determine impartiality is provided below:

- (i) **Eligible Owners:** The [owner / shareholders / management] of the Laboratory should not be engaged in any type of trading activities or manufacturing of gemstones / jewellery or hold position of influence in any such entity.
- (ii) **Experience in industry:** The owners / promoters shall have at least [10 years] of experience in the diamond certification / grading laboratories business
- (iii) **'Fit and Proper' criteria:** The Laboratory should have a past record of sound credentials and integrity, industry reputation in the diamond certification / grading laboratories business and shall be financially sound with a successful track record of [3 years]. For this purpose, GJEPC may seek feedback from other regulators and enforcement and investigative agencies.
- (iv) **Objects of the Laboratory:** The constitutional documents (AoA, MoA, etc.) of the Laboratory shall not refer to any type of trading activities or manufacturing of gemstones / jewellery.

#### 4.1.5 Qualification / requirement of personnel

- (v) The Laboratory shall ensure the competence of all who operate specific equipment, perform tests and/or internal calibrations, evaluate results, and authorising personnel.
- (vi) As a minimum requirement, the technical staff (grader / gemmologist) must possess qualification 10+2 level of school education, and Professional diamond grading qualification, such as DGA (Gem-A), GD (GIA), GG (GIA) GII/IGI/IDI/IIGJ/GTL or any equivalent course recognized by GJEPC. And, experience of minimum 2 years in same field.
- (vii) The Laboratory shall also ensure that authorised personnel with the requisite qualifications mentioned in clause [4.1.5] above is employed at all times.

#### 4.1.6 Restrictions on Transfer of Registration

A Recognised Laboratory shall not, either directly or indirectly, assign or transfer this Recognition in any manner whatsoever to a third party or enter into any agreement for sub-contracting and/or partnership relating to any subject matter of the Recognition to any third party either in whole or in part i.e. no sub-leasing/partnership/third party interest shall be created.

4.1.7 The Laboratory shall furnish to the GJEPC / DGFT, on demand in the manner and as per the time frames such documents, accounts, estimates, returns, reports or other information as may be required / requisitioned from time to time.

#### 4.1.8 Right to Inspect / Audit

- (i) DGFT or GJEPC (if so directed by DGFT (or its authorized representative)) reserves the right to carry out audits periodically, post the Recognition. If DGFT or GJEPC is satisfied that there has been a violation of any of the conditions, it reserves the right to take punitive action including the cancellation of the Recognition.
- (ii) DGFT or GJEPC (if so directed by DGFT (or its authorized representative)) shall have right to inspect the sites used by the Laboratory and in particular but not limited to the infrastructure of the Laboratory and conduct the performance test as may be deemed fit. The Laboratory will provide the necessary facilities for continuous monitoring of the system, as required by the DGFT or GJEPC (if so directed by DGFT or its authorized representative(s)). The Inspection will ordinarily be carried out after reasonable notice, except in circumstances where giving such a notice will defeat the very purpose of the inspection.
- (iii) Wherever considered appropriate, DGFT or GJEPC (if so directed by DGFT (or its authorized representative)) may conduct any inquiry either *suo-moto* or on complaint to determine whether there has been any breach in compliance of terms and conditions of the LRSOP by the Laboratory and upon such inquiry the Laboratory shall extend all reasonable facilities without any hindrance.
- (iv) The Laboratory shall make available on demand to the person authorized by GJEPC / DGFT, full access to their equipment for technical scrutiny and for inspection, which can be visual inspection and/or an operational inspection.
- (v) The Laboratory will ensure that their equipment installations should not become a safety hazard and is not in contravention of any Applicable Laws.

**Note:** "Applicable Laws" in this LRSOP means all applicable provisions of all (a) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, ordinances, by-laws or orders of any Governmental Body, (b) approvals, consents, permits or licenses issued by any Governmental Body and (c) orders, decisions, injunctions, judgments, awards and decrees promulgated by any Governmental Body.

**Note:** "Governmental Body" in this LRSOP means any national, provincial or local government or political subdivision or department thereof in India or the country where the Laboratory is located, or any governmental, administrative or regulatory body, commission, board, or any court, arbitrator, or tribunal, in each case with applicable jurisdiction.

## Submission of Application

**4.1.9** Any laboratory fulfilling the criteria as laid down under clause 4.1 may apply for Recognition in the prescribed application form in Annexure [D] along with the requisite documents and fees.

**4.1.10** The following documents, duly authenticated, shall be submitted along with the application form:

- a) Legal Identity of the laboratory (as applicable):
  - i) Certificate of incorporation by relevant Registrar of Companies and Memorandum and Articles of Association, in case of Company; or government notification in case of government laboratory;
  - ii) Trust/Society registration certificate, in case of public / private trusts and co-operative societies.
  - iii) Partnership Deed in case of a Partnership entity;
  - iv) Certificate from Chartered Accountant establishing the proprietorship or Affidavit on Non-Judicial Stamp Paper by Proprietor that he is the sole Proprietor, duly attested by Notary Public in case of a proprietorship business entity;
  - v) Board resolution or Power of Attorney authorizing the authorised signatory with attested signatures (as the case may be);
  - vi) Certificate of registration under relevant Shops and Establishment Act of the State;
  - vii) Certificate of registration under Goods and Service tax legislations; Document authenticating compliance with relevant labour laws;
  - viii) List of present directors of the applying entity (in case of a company);
  - ix) Present shareholding pattern of the company;
  - x) A note on the nature of business / activities of the proposed applicant entity;
  - xi) A note on status of laboratory i.e. whether an individual laboratory at single location, or at multiple locations, or a part / subsidiary of larger organisation or in public private partnership mode;
  - xii) Documents authenticating legal identity of overseas laboratory: Any document from local authority/ government, establishing legal identity of the laboratory as per law of their respective country.
- b) Authenticating premises of the laboratory - any one or more of the following documents clearly indicating and covering all the areas where laboratory activities are carried out and which are proposed to be covered under Recognition:



- i) Certificates from Registrar of Firms or Directorate of Industries or Industries Centre
- ii) Municipal Corporation/Local Body/Central Insecticides Board or Drug Controller/ Pollution Control Board or any such other governmental authorisation / authentication for the premises of the applicant laboratory.
- iii) Rent agreements / lease agreement / title documents (as applicable), duly notarised.
- iv) Documents authenticating the premises of overseas laboratory: Any document from local authority/ Government, authenticating laboratory premises as per law of the country.

**Note:** In case the document(s) of address proof and legal identity is (are) in the local language, then their authenticated English Translation must be provided.

- c) Certificates of accreditation for the Standard and scope of accreditation covering all the test parameters.

**Note:** The above list shall not include the Standards or other international standards on methods of tests which may have been cross-referred in the product standards.

- d) Organization chart of the laboratory, clearly indicating the names and designations of various functionaries engaged in laboratory activities.
- e) List of Managerial & Technical personnel (authorising personnel) of the laboratory with their name, designation, qualification, experience, training details, etc. in the prescribed format in Annexure [E].
- f) Layout Plan of the Laboratory clearly indicating key facilities, including floorplans covering all areas under the address.
- g) Details of grading standards being used by the applicant laboratory viz. GIA, CIBJO or otherwise. Details of reference materials required and used for testing and calibration with details of traceability to national/international standards and validity.
- h) List of instruments being used for carrying out identification and grading of diamonds, with their numbers (units being used), year of purchase, their operational status, and their [shortfall] (in any). **[KCO Comment:** GJEPC to consider defining “shortfall”]
- i) Details mentioned on diamond identification / grading reports. A copy of sample report to be attached along with the application form.
- j) Undertaking with regard to maintenance of impartiality as per clause 4.1.4 of this LRSOP.
- k) Documents as referred in the application form but not covered above.
- l) Any other document considered relevant by the Laboratory.

**Note:** All the documents must be certified with seal by either Company Secretary or one of the Directors of the Company or Statutory Auditors or Public Notary.

**Note:** For avoidance of doubt, the criteria mentioned in this clause 4.1 is an inclusive list and GJEPC reserves that right to alter / update the same from time to time, at it's sole discretion.

**4.2** The application form along with the required documents and the covering check-list Annexure [F] shall be submitted to the following address:

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_

Contact Person: \_\_\_\_\_

**4.3 Receipt of Application:** Applications submitted by the laboratory shall be verified by GJEPC for its completeness. The verification will be done with the available documents. Depending upon the outcome of verification, the following actions could be taken:

- a) Application found complete - the requisite fees and required documents would be accepted for further processing.
- b) Application found in-complete – the required documents mentioned shall be returned to the laboratory with the advice for re-submission of the application complete in all respect.

**4.4 Recording of Application:** Application found complete with documents and submission of fees and accepted for further processing shall be processed further as per details given below:

- a) Application would be recorded and assigned unique serial number, called the 'Application Number'. All future correspondence between the applicant laboratory and GJEPC shall be made referring this application number.
- b) Evaluation of Documents – Details given in the application form and the attached documents would be assessed against the criteria for Recognition and other provisions of this LRSOP as per clause 4.1.10.
- c) Deficiencies observed during evaluation of documents would be conveyed to the laboratory for providing clarification/corrective action/re-submission of the document as required within [10] working days.
- d) On receipt of the required clarification/corrective action/re-submitted document and found satisfactory on further evaluation, the application would be processed further.
- e) In case the laboratory does not provide the required clarification/corrective action/re-submitted document within the prescribed time limit, or if the details/documents provided are not found satisfactory to meet the criteria and other provisions of this LRSOP, then actions would be taken as per Clause 4.5.
- f) Once application is recorded, the application fee shall not be refunded or adjusted against any future application.

**4.5 Rejection of Application: Application** for Recognition shall be liable for rejection for any or more of the following reasons:

- a) if the laboratory does not pay any of the prescribed fees or charges.

- b) does not take corrective action(s) on deficiencies observed during evaluation of documents within [30] days.
- c) does not confirm readiness for initial audit within [30] days from the receipt of communication of the audit team from GJEPC.
- d) does not submit clarification/corrective actions for non-conformities observed during the Initial and verification audit within time frame as agreed between the laboratory and the audit team (time period for submission of corrective action will not exceed [45] days in any case).
- e) is found to have made any false declaration in the application form and/or attached documents with respect to infrastructure, testing facilities, calibration /CRM/SRM, competence of testing personnel, etc.
- f) risk to impartiality is found to have been compromised as prescribed in clause 4.1.4, or otherwise.
- g) is not able to maintain its accreditation as the Standard during the processing of application.

#### **4.5.1 Procedure for Rejection of Application**

- a) A notice for rejection of application stating the reason(s) thereof, will be served to the applicant, giving [14] days' time to respond and providing justification for the delay as well as for submitting the required clarification/corrective action/re-submission of the documents.
- b) While issuing notice for rejection, an opportunity for hearing would be provided, if so requested by laboratory.
- c) In case no reply is received within the stipulated time, to the notice of rejection or no request is received for personal hearing, then the application shall be rejected and the decision conveyed to the Laboratory.
- d) If reply given by the laboratory to the notice and/or the justifications submitted during the personal hearing are found unsatisfactory and/or unacceptable, the application shall be rejected.

**4.6 Initial audit:** On satisfactory evaluation of documents after recording of the application as at clause 4.4 above, an initial audit of the laboratory shall be carried out for on-site assessment of the laboratory's compliance to the procedures and the activities described in the documented management system and relevant management system standard. The audit shall, inter alia, cover assessment of the applicant laboratory's competence to do testing as per the relevant Standard or test protocol, availability of adequate infra-structure, competence of testing personnel, etc. The various stages and actions for the initial audit areas given below:

- a) Audit team - GJEPC shall constitute or appoint an audit team comprising adequate number of auditors / assessors (with experts as required).
- b) The names, relevant qualification and experience of the audit team members may be communicated to the laboratory for confirmation within [7] days. GJEPC shall co-

ordinate with the laboratory for enabling the audit team to carry out the audit at a mutually convenient date which shall normally be within [30] days of receipt of confirmation.

- c) Audit fees – The laboratory shall be required to pay the prescribed audit fees in advance, the details of which shall be communicated to the laboratory along with the intimation regarding the audit team.
- d) Travel and stay arrangements – The laboratory shall arrange for travel and stay arrangement for audit team members as per the entitlements of the auditors.
- e) Obligations of the laboratory – The laboratory shall ensure availability of all concerned personnel whose competence is to be assessed during the audit. The laboratory shall provide all necessary assistance to the audit team for smooth conduct of the audit and shall provide all necessary document/information as required by the audit team. The laboratory shall also arrange for availability of samples of the product as per the Standards.

**4.7 Decisions for Recognition:** On the basis of the audit findings, closure of all non-conformities observed if any, and confirmation on record that criteria for Recognition is met and the laboratory has submitted to abide by the terms of this LRSOP, the application shall be processed for grant of Recognition by the DGFT.

**4.8** Decision of grant of Recognition shall be reflected with a notification by the DGFT for including the Laboratory in paragraph of 4.42 or paragraph 4.43 of the FTP (as the case may be).

## **5. Recognition of Foreign Laboratories**

Criteria for Recognition of foreign Laboratories shall be same as that for domestic Laboratories described in this LRSOP with the additional requirement as given below:

- a) Travelling and stay expenses of the auditors shall be borne by the auditee laboratory as per entitlement of the auditors. The per diem allowances to the auditors as applicable shall be paid by the auditee laboratory to GJEPC.
- b) The test reports issued by the laboratory shall have reference to its accreditation as per ISO/IEC 17025 status/logo of Accreditation Body and also reference to its ILAC/APLAC membership.
- c) The Recognition of foreign laboratories will be subject to acceptance of all other terms and conditions of this LRSOP and as per the decision of DGFT in this regard.

### **5.1 Schedule of Fees and charges for Foreign Laboratories**

Schedule of fees and charges for foreign laboratories shall be same as for domestic laboratories and is given in Annexure [A].

## **6. COMPLAINT/FEEDBACK AGAINST THE LABORATORY**

Any complaint/feedback received against a laboratory from any source will be examined/ investigated by GJEPC and action as deemed fit by GJEPC (in consultation with the DGFT) will be taken.

## **7. MODIFICATIONS IN THE TERMS AND CONDITIONS OF LRSOP**

GJEPC / DGFT reserves the right to modify at any time the terms and conditions of the LRSOP, if in the opinion of GJEPC / DGFT it is necessary or expedient to do so in public interest or in the interest of the security of India and for the proper conduct of the diamond industry and trade in India. The decision of DGFT shall be final and binding in this regard.

## **8. MISCELLANEOUS**

- (i) Any situation not covered under this LRSOP, will be considered by the GJEPC/DGFT and decision of DGFT shall be final.
- (ii) The Laboratory shall abide by all the conditions that may be imposed by the DGFT / GJEPC from time to time.
- (iii) The Laboratory shall be responsible for any violation of the said rules by anyone including but not limited to its employees. The Laboratory shall also be responsible for the correctness of the information furnished.
- (iv) DGFT / GJEPC reserves the right to take appropriate action for any violation including cancellation of registration.
- (v) GJEPC shall not be liable to the Laboratory or any third party, whether in tort (including for negligence or breach of statutory duty), contract, misrepresentation or otherwise for any losses arising under and/or in connection with this LRSOP (including but not limited to indirect, special or consequential losses or damage whatsoever, or breach of statutory duty, strict liability or any other liability).

## **9. GOVERNING LAW AND DISPUTE RESOLUTION**

- (i) This LRSOP and any disputes or claims arising out of or in connection with this LRSOP or its subject matter or formation shall be governed by and construed in accordance with the laws of India.
- (ii) In the event of any question, dispute or difference arising under this LRSOP, or in connection thereof, except as to the matter, the decision of which is specifically provided elsewhere under this LRSOP, the same shall be referred to the sole arbitrator appointed and nominated by GJEPC / DGFT and may be called, hereinafter the "ARBITRAL TRIBUNAL" who shall pronounce a reasoned award to settle the said dispute.
- (iii) The venue of arbitration shall be Mumbai.
- (iv) The arbitration proceedings shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 and rules framed there under or any modifications or re-enactment thereof made from time to time.

**Annexure A**  
**Schedule of Fees for LRSOP**

SI. NO.	Item	Fees/Charges* (Rs)
1.	Application Fees (non-refundable, to be paid along with the application) per location	
2.	Administrative Fees	
3.	Technical Assessment Fees	
4.	Legal Due Diligence Fees	

- Plus Assessment Charges of audit team (travel, boarding and lodging expenditure for GJEPC personnel (or personnel authorised by GJEPC)) to be charged in actuals, if required.
- Plus taxes, as applicable.
- Schedule of fees and charges are subject to revision from time to time.

In case of foreign laboratories:

1. All payments are to be made in equivalent USD by Laboratories situated in Non-SAARC Countries.
2. All payments can be made either in Indian Rupees with GST (as applicable) or in equivalent USD by Laboratories situated in SAARC Countries.
3. The cost of travel, ticket, visa, insurance and stay of the auditors etc. shall be payable as determined by GJEPC.
4. The amount indicated above are excluding bank commissions and transfer charges. Ensure that bank commission and/or transfer charges, if any, are deposited in addition to the above-mentioned amount and fluctuation in the foreign exchange rate is also taken care of so that the above mentioned net fee/charges (in INR) are credited to the relevant GJEPC account.
5. The payment for foreign laboratories may only be deposited with GJEPC through RTGS/NEFT/SWIFT transfer. Our Bank account details are as follows:

Name of the Bank:

Address of the Bank:

Account No.:

Swift Code: (For transfer in US Dollars)

IFSC Code: (For transfer in INR)

- \* Schedule of fees and charges are subject to revision from time to time.

**Annexure B**  
**Specifications and Guidelines**

**General Guidelines for applicant laboratories not already accredited to ISO/IEC: 17025.**

As a minimum requirement, the following guidelines will help ensuring proper quality control and accountability within a gemmological laboratory.

**B.1. Management**

**B.1.1.** A gemmological laboratory should ensure that it is impartial and all its personnel employed are free from any conflict of interest through undue commercial, financial and other internal or external pressures which might influence their quality of work or technical judgment. The gemmological laboratory should not engage in any activity that may compromise the trust in its independence of judgment and integrity in relation to its testing and reporting. The owner of the laboratory or testing personnel or gemmologist(s) should not be engaged in any type of trading activities or manufacturing of gemstones / jewellery.

**B.1.2.** 'KYC' is to be captured for all customers / depositors of samples. To capture this, registration details such as PAN card of company or GST No. for companies / firms, while for individuals a valid photo ID proof (PAN / Aadhar card) and Mobile number may be captured as minimum requirement.

**B.1.3.** The samples collected must be recorded under a reference or identification number. The information about depositor or owner of the stone should remain anonymous to the technical staff, till the sample(s) are tested and returned to the customer / depositor, along with the report. At no point of time during the testing procedure, customer's information should be revealed to the technical staff.

**B.1.4.** The depositor may interact with the laboratory management for any clarification(s) about the test results, and should be prohibited from directly contacting the technical staff.

**B.1.5.** Testing and internal calibrations shall be properly performed and/or supervised by technically qualified staff, designated by the management or the laboratory in-charge.

**B.1.6.** A member of the technical staff shall be appointed to manage the quality of the work carried out in the gemmological laboratory. This person heading the laboratory shall ensure that all test protocols are adhered to, that quality and due diligence systems are followed at all stages of certification and that the staff is aware of their quality related responsibilities and due diligence protocols at all times.

**B.1.7.** A due diligence system of protocol that ensures the quality of the work carried out by the gemmological laboratory shall be available to the staff and the contents of the same should be effectively tutored and communicated to the staff. These protocols shall cover all aspects of the gemmological laboratory functions, including receipt of goods, weights and measures, inventory control, work distribution, instrument maintenance and operation, results analysis and report nomenclature. A standard operating procedure/manual explaining the same may also be prepared for transparency and future upgradation whenever necessary.

**B.1.8.** The gemmological laboratory shall establish and maintain procedures for identification, collection, indexing, access, filing, storage, maintenance and disposal of quality and technical records.

**B.1.9.** Technical staff carrying out testing procedure and test results should sign the worksheets, provided they are authorized by the management/Head of the Laboratory.

**B.1.10.** Signatures on reports is optional, and is to be decided by the management of the laboratory.

## B.2. Technical requirements

Many factors determine the correctness and reliability of the tests, grading and/or internal calibrations performed by a gemmological laboratory. These factors include contributions from:

- human factors
- environmental conditions
- equipment
- calibration / reference standards
- traceability of the results

### B.2.1. Personnel

**B.2.1.1.** The gemmological laboratory management shall ensure the competence of all who operate specific equipment, perform tests and/or internal calibrations, evaluate results, and authorising personnel.

**B.2.1.2.** As a minimum requirement, the technical staff (grader / gemmologist) must possess a gemmological qualification / experiences as per the following criteria:

**For Diamond Grading (authorising personnel):** 10+2 level of school education, and Professional diamond grading qualification, such as DGA (Gem-A), GD (GIA), GG (GIA) GII/IGI/IDI/IIGJ/GTL or any equivalent course recognized by GJEPC. And, experience of minimum 2 years in same field.

**For entry level (diamonds):** 10+2 level of school education in any Discipline DGA (Gem-A), GG / GCS / GPP (GIA), SSEF / GIT / AIGS / Gubelin / GII / IGI / IDI / IIGJ / GTL or any equivalent qualification recognized by GJEPC with minimum duration 03 months, or one year of post qualification experience or half year laboratory Diamond Grading experience.

### B.2.2. Environmental conditions

The laboratory should include environmental condition, such as

- Proper lighting condition (6000 - 6500 k)
- Safety and security (e.g. CCTV Camera, Security Personnel, etc)
- Cushion flooring (to avoid breakage of Stones)
- Colour (neutral) on the walls and comfortable workstations for staff

### B.2.3. Equipment

The gemmological laboratory shall have all equipments required to carry out all specific tests to meet out specific requests / services made by the depositor.

**B.2.3.1.** Following instruments (given in table B.1) are recommended for a gemmological laboratory, some of which are mandatory, while some are optional.

**Table B.1:** List of instruments recommended for a gemmological laboratory offering diamond identification and grading services.

Category A: Elementary Laboratory (defined on the basis of following equipment)



Instrument name	Mandatory or Optional <sup>1</sup>	Condition
Polariscope	Mandatory	Basic identification and grading <sup>2</sup>
Dichroscope	Mandatory	Basic identification and grading <sup>2</sup>
Refractometer	Mandatory	Basic identification and grading <sup>2</sup>
Long-wave and short-wave ultraviolet lamps	Mandatory	Basic identification and grading <sup>2</sup>
Weighing balance (up to three decimal points)	Mandatory	Basic identification and grading <sup>2</sup>
Density measurement apparatus	Mandatory	Basic identification and grading <sup>2</sup>
Chelsea filter	Mandatory	Basic identification and grading <sup>2</sup>
<b>9.1.1.2</b> Gemmological microscope (with magnifications of up to at least 45x)	Mandatory	Basic identification and grading <sup>2</sup>
<b>9.1.1.3</b> Measurement gauge (mm)	Mandatory	Basic identification and grading <sup>2</sup>
<b>9.1.1.4</b> Grading lamp (white light - colour temperature of 6500K)	Mandatory	Basic identification and grading <sup>2</sup>
<b>9.1.1.5</b> Photography equipment	Mandatory	Basic identification and grading <sup>2</sup>

Category B: Advanced Laboratory (defined on the basis of following equipment in addition to those listed in category A)

Infra-red spectrometer (FTIR)	Optional	Basic identification and grading <sup>2</sup>
	Mandatory	If a laboratory issues reports on identification of treated and/or synthetic diamonds
Laser Raman Spectrometer (LRS) with Photoluminescence measurement kit	Optional	Basic identification and grading <sup>2</sup>
	Mandatory	If a laboratory reports on synthetic and/or treated (HPHT) diamonds
EDXRF	Optional	Basic identification and grading <sup>2</sup>
	Mandatory	<ul style="list-style-type: none"> <li>If a laboratory reports on type of glass filling in diamonds.</li> </ul>
UV-Vis-NIR spectrometer	Optional	Basic identification and grading <sup>2</sup>
	Mandatory	<ul style="list-style-type: none"> <li>If a laboratory is not equipped with Photoluminescence spectroscopy, and reports on synthetic and/or treated diamonds.</li> </ul>
Ultraviolet Imaging Machine	Optional	Basic identification and grading <sup>2</sup>

	Mandatory	If a laboratory reports on synthetic diamonds
Diamond Screening Machine	Optional	If a laboratory reports on synthetic and/or treated diamonds
Screening machines for diamonds (melee -sized)	Optional	If a laboratory wants to separate small-sized diamonds for possible synthetics from large packets
Diamond cut proportion scanner	Mandatory	If a laboratory mentions actual values on cut parameters or cut proportions on reports

**Notes to the Table B.1**

1. Although the listed scientific instruments / spectrometers are optional, but the laboratories are recommended to install at least two of the mentioned techniques for authenticity and scientific backup of the identification results.

2. Basic identification and grading includes:

- Identification of a sample as diamond (natural or synthetic origin may not be detected), and basic grading.
- Determination of treatments such as coating, fracture-filling (not the identification of filler substance), laser-drilling in diamonds, low pressure heating in diamonds, etc.

3. Elementary laboratories may preferably have a tie-up with advanced laboratories to offer services in addition to basic identification

**B.2.4. Reference Master (Working) Colour Comparison Set and Calibration standards**

**B.2.4.1.** The colour of diamond within the D to Z grade range is determined by visual comparison with a series of master stones/comparison stones which are a derivation of those originally used to establish the D to Z grades. A diamond grading laboratory must use calibrated diamonds sets while issuing reports on colour grades. Minimum size of such reference diamond set shall be 0.30 carats.

**B.2.4.2.** For loose diamond colour grading, graded and marked reference diamond samples of colours in the range D to M (graded by GIA), are required, if GIA grading system is being followed. A colour grading reference diamond set is required for whichever internationally accepted system of grading is being offered.

**B.2.4.3.** Calibration standards to check validity and consistency of the instruments, such as Diamond Cut Scanner or weighing balance, should be identified and marked.

**B.2.4.4.** All diamonds must be properly cleaned before measurement and grading processes.

**B.2.5. Traceability of the results**

**B.2.5.1.** The gemmological laboratory shall have quality control procedures for monitoring the validity and results reproducibility of grading and internal calibrations undertaken. The resulting data shall be recorded in such a way that they are detectable and can be reviewed, when required.

**B.2.5.2.** All the tests performed and observational features used to reach to the conclusion should be recorded in detail, either manually or digitally.

**B.2.5.3.** Copies of reports, working notes, etc. shall be retained in a secure manner for at least 10 years, or longer if required.

## B.2.6. Reporting the results

**B.2.6.1.** Each test report shall include at least the following information, unless the gemmological laboratory has valid reasons for not doing so:

- A title (e.g. “Diamond Report”)
- The name and address of the gemmological laboratory, and the location where the tests were carried out, if different from the address of the gemmological laboratory (optional)
- Unique identification of the test report (such as the serial number), and on each page an identification in order to ensure that the page is recognized as a part of the test report
- A description of, the condition of, and unambiguous identification of the item(s) tested
- the date
- a diamond graded, must be identified on the basis of its origin "natural or synthetic" or "treatments"(if any)
- to avoid the confusion, treatments and their types must be mentioned in clear and direct wordings, rather than using only alpha-numeric codes. The alpha-numeric codes may be used as optional, in addition to the detailed statement.
- if a laboratory is incompetent or unable to detect the presence of enhancement or is unable to determine diamond’s natural or synthetic origin, it should prominently mention on the report, stating "examination / test to find the presence of treatment / enhancement or determination of natural or synthetic origin has not been conducted on the material tested" or similar wording conveying the message clearly
- grading results (considering the clauses listed below from B.2.7 to B.2.14)
- additional information which may be required
- the format of the report shall represent correct identity of the laboratory and will not lead to misunderstanding or misuse.
- the report should have suitable security measures, such as a hologram or embossed seal, to minimise potential for fraud.
- 'on-line' version of the report should be made available on laboratory's website for verification and prevention of potential fraud.
- any information listed above that is not reported to the customer shall be readily available

**B.2.6.2.** Diamond identified should be clearly disclosed as ‘natural’ or ‘synthetic’ or ‘laboratory grown’ or ‘laboratory created’, as the case may be. However, in case of natural diamond, the term ‘diamond’ is considered as natural diamond and is not required to be prefixed with the term ‘natural’.

**B.2.6.3.** All treatments are required to be identified and disclosed on the reports in clear report wording. Following table B.2 gives suggestive report wording for disclosure of various treatments on diamonds.

**Table B.2: Recommended report wordings for disclosure of treatments / enhancement on diamonds**

S.No	Treatment Condition	Nomenclature	Report Wording (Specific Comments)	Additional (Optional) Alpha-Numeric Code
1.	<b>Fracture Filling</b>	Natural Diamond (Glass-Filled)	Indications of clarity enhancement - Minor / Moderate /	Minor = F1 Moderate = F2 Significant = F3

	When a diamond is fracture filled with a glass		Significant amount of glassy material in fractures	
2.	<b>Laser Drilling</b> When laser drill holes are seen but no glass is filled	Natural Diamond	Indications of clarity enhancement using laser drilling	L
3.	<b>Laser Drilling (Filled)</b> When laser drill holes are filled with a glass	Natural Diamond	Indications of clarity enhancement using laser drilling and glassy material in drill holes	L + GF
4.	<b>HPHT</b> When a diamond display signs of High Pressure High Temperature treatment	Natural Diamond	Indications of colour modification using High Pressure High Temperature (HPHT) process	HPHT
5.	<b>Irradiation</b> When a diamond display signs of irradiation	Natural Diamond	Indications of colour modification using irradiation / heating processes	R
6.	<b>Coating</b> If a diamond under test is identified as coated	Natural Diamond (Coated)	This specimen has been coated with a thin film / layer which can be removed	C
7.	<b>Low Pressure High Temperature (Black Diamond)</b> When a black diamond displays signs of heating at low pressures	Natural Diamond	Indications of colour modification using heating processes	LPHT

### B.2.7. Weight

Weight of loose diamonds to be mentioned in carats (ct) upto two decimal points.

### B.2.8. Shape and Cut of the diamond

In case of loose diamond, the outline shape and style of cut is to be mentioned in its complete form i.e. no abbreviation. For example, a "Round Brilliant Cut" should be written as whole and not just "RBC".

### B.2.9. Colour grade

**B.2.9.1.** It is the relative absence (colourlessness) or presence of yellow or brown hues in a given diamond, along with a tone of grey. The colour grade shall be described by the letter or letter range between D and Z (in capital letters), with or without the colour corresponding

terms. The grade moves from D to Z, with the increasing saturation of yellow or brown hues, and grey tone.

**B.2.9.2.** Any diamond with colour saturation higher than "Z" colour, shall be described as "Fancy Colour", for which different grading systems (including scales and terms) are used by individual laboratories, and are not universally acknowledged. Such diamonds are excluded from purview of these guidelines.

**B.2.9.3.** Following Table B.3 lists the grades used by different international bodies.

**Table B.3. Colour grades used by different international bodies**

CORRESPONDING TERMS FOR COLOUR GRADES			
GIA	CIBJO/IDC	SCAN.D.C.	
D	EXCEPTIONAL WHITE +	RIVER	D
E	EXCEPTIONAL WHITE	RIVER	E
F	RARE WHITE +	TOP WESSELTON	F
G	RARE WHITE	TOP WESSELTON	G
H	WHITE	WESSELTON	H
I	SLIGHTLY TINTED WHITE	TOP CRYSTAL	I
J	SLIGHTLY TINTED WHITE	CRYSTAL	J
K	TINTED WHITE	TOP CAPE	K
L	TINTED WHITE	CAPE	L
M	TINTED	CAPE	M
N		CAPE	N
O		CAPE	O
P		CAPE	P
Q		CAPE	Q
R		CAPE	R
S		CAPE	S
T		CAPE	T
U		CAPE	U
V		CAPE	V
W		CAPE	W
X		CAPE	X
Y		CAPE	Y
Z		CAPE	Z

**Notes:**

1. Although, different systems for colour grading of diamonds are used as listed above, GIA system is the most prevalent and widely followed, therefore it is recommended to adopt the GIA grading system to get the uniformity. However, individual laboratories are free to use any of the internationally accepted Grading systems.
2. Any diamond having colour saturation higher than grade "Z" shall be considered under fancy colour, for which a separate proprietary scale is used by individual laboratories and are not universally accepted. For hues other than yellow, brown and gray, irrespective of their level of saturation shall be classified under fancy colour diamonds.

**B.2.9.4.** In case of loose diamonds, only one colour grade is to be assigned. For example, E, F, G, and so on.

**B.2.10. Fluorescence in diamonds**

**B.2.10.1.** The colour grade of diamonds is also affected by the presence of fluorescence in a diamond, hence, this should be noted and mentioned on the grading reports. The fluorescence is ideally judged under long-wave (365nm) ultraviolet (UV) light.

**B.2.10.2.** Along with the strength, it is also advised to mention the colour of fluorescence. Degree or strength of fluorescence is described as:

- None or Nil
- Faint or Slight
- Medium Or Moderate
- Strong
- Very Strong

**B.2.11. Clarity grade**

**B.2.11.1** It is a relative degree of presence or absence of internal characteristics/inclusions and/or external characteristics/blemishes, with respect to the size of diamond.

**B.2.11.2.** Clarity grades are assigned as per the system given in the table B.4

**Table B.4. Terms used for Clarity Grades**

CATEGORY	TERMS TO BE USED ON GRADING REPORTS	EXPLANATION
<p style="text-align: center;"><b>LC</b> (LOUPE CLEAN)</p>	<p><b>FLAWLESS (FL)</b></p>	<p>FL diamonds shall be free from internal characteristics/ inclusions and external characteristics/ blemishes when examined under 10x magnification. Note:- the following does not disqualify a diamond from the flawless grade:</p> <ul style="list-style-type: none"> <li>• An extra facet on the pavilion which cannot be seen face up</li> <li>• Naturals totally confined to the girdle, which neither thicken the girdle nor distort its outline</li> <li>• Internal graining which is not reflective, white or coloured and does not significantly affect transparency</li> </ul>
	<p><b>INTERNALLY FLAWLESS (IF)</b></p>	<p>FL diamonds shall be free from internal characteristics/ inclusions and external characteristics/ blemishes when examined under 10x magnification. Note:- the following does not disqualify a diamond from the flawless grade:</p> <ul style="list-style-type: none"> <li>• Internal graining which is not reflective, white or coloured and does not significantly affect transparency</li> </ul>

<b>VVS</b> (Very Very Small Inclusions)	<b>VVS1</b>	VVS1 diamonds shall contain minute internal characteristics/ inclusions which shall be extremely difficult to observe when examined under 10x magnification
	<b>VVS2</b>	VVS2 diamonds shall contain minute internal characteristics/ inclusions which shall be very difficult to observe when examined under 10x magnification
<b>VS</b> (Very Small Inclusions)	<b>VS1</b>	VS1 diamonds shall contain minor internal characteristics/ inclusions which shall be difficult to observe when examined under 10x magnification
	<b>VS2</b>	VS2 diamonds shall contain minute from internal characteristics/ inclusions which shall be somewhat easy to observe when examined under 10x magnification
<b>SI</b> (Small Inclusions)	<b>SI1</b>	SI1 diamonds shall contain noticeable internal characteristics/ inclusions which shall be easy to observe when examined under 10x magnification
	<b>SI2</b>	SI2 diamonds shall contain minute from internal characteristics/ inclusions which shall be very easy to observe when examined under 10x magnification
<b>I or P</b> (INCLUDED OR PIQUE)	<b>I1 or P1</b>	I1/P1 diamonds shall contain internal characteristics/ inclusions which are prominent when examined under 10x magnification. They shall also be visible face up to the naked eye
	<b>I2 or P2</b>	I2/P2 diamonds shall contain internal characteristics/ inclusions which are very prominent when examined under 10x magnification. They shall also be easily visible face up to the naked eye, slightly reducing the brilliancy of the diamond
	<b>I3 or P3</b>	I3/P3 diamonds shall contain internal characteristics/ inclusions which are extremely prominent when examined under 10x magnification. They shall also be very easily visible face up to the naked eye, reducing the brilliancy of the diamond

**Notes-**

1. Although, different systems for grading of diamonds are used, GIA system is the most prevalent and widely followed, therefore it is recommended to adopt the GIA grading system to get the uniformity. However, individual laboratories are free to use any of the internationally accepted Grading systems.
2. Diamonds that are beyond the I3/P 3 grade are known as rejection grade and are considered as being outside the clarity grading scale.

**B.2.11.3.** In loose diamond grading a single grade is assigned to a diamond that can vary from FL (flawless) to I3 (included), as listed in table B.4.

**B.2.12. Clarity grade plots**

**B.2.12.1.** If required, positions of internal and external features within the diamond may be illustrated on grading reports (as given in table B.5.). In such cases, a line diagram showing the style of cutting may be used, where internal features are marked in red ink, while external features in green.

**B.2.12.2.** This position plotting of features in a diamond gives a unique identification feature to the

specimen also, therefore, it should also be recorded for internal database of laboratories for future verifications.

**Table B.5. Suggested plotting symbols to be used on grading reports**

Internal features					
Bruise		Cavity		Chip	
Cleavage		Cloud		Crystal	
Feather		Grain Centre		Indented Natural	
Internal Graining		Knot		Laser Drill Hole	
Needle		Pinpoint		Twinning Wisp	
External features					
Abrasions		Natural		Nick	
Pit		Polish Lines		Burnt Marks	
Scratch		Surface Graining		Extra Facet	

**B.2.13. Cut grade**

Cut grade of a diamond should be assigned only after analyzing appearance, proportions and finish of the diamond

**B.2.13.1.** Appearance is described by brightness, fire, and scintillation in standard lighting environment (white light - colour temperature of 6500K)

**B.2.13.2.** Proportions and symmetry are measured by manual methods and/or by diamond cut scanner and includes different angles and size of facets (for example, table size, crown angle, pavilion depth, girdle thickness, culet size, etc.). The same should be clearly mentioned on the grading reports, whether the mentioned parameters are judged manually or through a cut scanner. Table B.6. illustrates the parameters to be used for assigning 'Cut Grades' to a Round Brilliant cut diamond.

**B.2.13.3.** Fancy cuts are not graded on the basis of proportions given above, but only on the basis of 'Finish' grade given in clause B.2.13.4. and table B.7.

**B.2.13.4.** Finish grade of a diamond includes judging and assigning quality of symmetry and polish of a diamond. Polish is the quality of overall surface condition of diamond facets, while symmetry is the exactness of shape and arrangement of the facets in a diamond. Both symmetry and polish should be separately mentioned under the heading 'Finish'. These two grades are applicable in single loose diamond grading as well as for mounted diamond grading and can vary from excellent to poor, as mentioned in table B.7.

**B.2.13.5.** If GIA grading system is being used to determine the cut grade for RBC diamonds, GIA Facetware would be required to support the cut grading.



**Table B.6. An example of Cut grade parameters**

<b>GRADES</b>					
	<b>EXCELLENT</b>	<b>VERY GOOD</b>	<b>GOOD</b>	<b>FAIR</b>	<b>POOR</b>
<b>PROPORTIONS</b>					
<b>Total Depth (%)</b>	57.5% to 63.0%	56.0% to 64.5%	53.0% to 66.5%	51.0% to 70.9%	<51.0% to >70.9%
<b>Table( % )</b>	52% to 62%	50% to 66%	47% to 69%	44% to 72%	<44% to >72%
<b>Crown Angle(°)</b>	31.5° to 36.5°	26.5° to 38.5°	22.0°to 40.0°	20.0°to 41.5°	<20.0° to >41.5°
<b>Pavilion Angle(°)</b>	40.6° to 41.8°	39.8° to 42.4°	38.8° to 43.0°	37.4° to 44.0°	<37.4° to 44.0°
<b>Crown Height (%)</b>	12.5% to 17.0%	10.5% to 18.0%	9.0% to 19.5%	7.0% to 21.0%	<7.0% to >21.0%
<b>Star Facet Length (%)</b>	45% to 65%	40% to 70%	Any Value	Any Value	Any Value
<b>Lower Girdle Facet (%)</b>	70% to 85%	65% to 90%	Any Value	Any Value	Any Value
<b>Girdle</b>	Thin to Slightly Thick	Extremely Thin to Thick	Extremely Thin to Very Thick	Extremely Thin to Extremely Thick	Extremely Thin to Extremely Thick

<b>Girdle (%)</b>	2.5% to 4.5%	Up to 5.5%	Up to 7.5%	Up to 10.5%	>10.5%
<b>Culet</b>	None to Small	None to Medium	None to Large	None to Very Large	None to Extremely Large
<b>FINISH</b>					
(refer to table B.7 for explanation)					
<b>Polish</b>	Excellent to Very Good	Excellent To Good	Excellent to Fair	Excellent to Fair	Excellent to Poor
<b>Symmetry</b>	Excellent to Very Good	Excellent To Good	Excellent to Fair	Excellent to Fair	Excellent to Poor

**Note:** Although, different systems for grading of diamonds are used, GIA system is the most prevalent and widely followed, therefore it is recommended to adopt the GIA grading system to get the uniformity. However, individual laboratories are free to use any of the internationally accepted systems.

**Table B.7. Table illustrating Finish grades for a diamond**

POLISH		SYMMETRY	
GRADE	EXPLANATION	GRADE	EXPLANATION
<b>EXCELLENT</b>	Ranges from no polish features to a few minute features that are difficult to observe when examined under 10X magnification	<b>EXCELLENT</b>	Ranges from no symmetry features to a few minute symmetry variations that are difficult to observe when examined under 10X magnification
<b>VERY GOOD</b>	A few minor features are observed when examined under 10X magnification	<b>VERY GOOD</b>	Minor symmetry variations are observed when examined under 10X magnification
<b>GOOD</b>	Areas of noticeable features are observed when examined under 10X magnification, might affect lustre when seen by unaided eyes	<b>GOOD</b>	Noticeable symmetry variations are observed when examined under 10X magnification, might affect overall appearance when seen by unaided eyes
<b>FAIR</b>	Areas of obvious, heavy features are observed when examined under 10X magnification, affects lustre when seen by unaided eyes	<b>FAIR</b>	Obvious symmetry variations are observed when examined under 10X magnification, often affects overall appearance when seen by unaided eyes
<b>POOR</b>	Areas of prominent, heavy features are observed when examined under 10X magnification, significantly affects lustre when seen by unaided eyes	<b>POOR</b>	Prominent symmetry variations are observed when examined under 10X magnification, significantly affects overall appearance when seen by unaided eyes

*Note:*

1. Cut grade is not assigned to fancy shape diamonds.
2. Cut grade is not applicable on mounted diamonds due to mounting limitations.

**Annexure C**  
**(Conflict of Interest)**  
**Undertaking**

We, M/s \_\_\_\_\_ (OSL  
Code - \_\_\_\_\_), located at \_\_\_\_\_  
\_\_\_\_\_

An applicant lab under the Laboratory Recognition Standard Operating Procedure (LRSOP), do, hereby, declare and undertake that:

- i) We shall not encourage “agent culture” (either through direct contract or collection representative) for obtaining business and shall deal professionally with the organizations submitting samples with our laboratory for independent testing under any conformity assessment scheme of the Bureau. We shall not indulge in payment of a sales commission or other inducement for the referral of new customers;
- ii) Neither members of management of the laboratory nor any employee of the laboratory shall, in any way, act as representative for any manufacturer / merchant of diamonds; and
- iii) The relatives of management of the laboratory or sister unit of laboratory are not acting as representative for any foreign manufacturer / merchant of diamonds; and if at any time in future relatives of management of the laboratory or sister unit of laboratory poses any risk to impartiality as stated above, we shall inform GJEPC / DGFT about the identified risks.

In such a situation, we undertake that we shall not test samples of these manufacturers in our laboratory to maintain impartiality as per requirement of terms and conditions of the LRSOP.

- iv) The owners / shareholders / management / employee of the Laboratory or testing personnel is not engaged in any type of trading activities or manufacturing of gemstones / jewellery.
- v) The depositor / customer shall be prohibited from directly contacting the technical staff.
- vi) At no point of time, during the testing procedure, shall the depositor / customer information be revealed to the technical staff of the Laboratory.
- vii) At no point in time shall the Laboratory or the owner / shareholders / management / employee of the Laboratory deal with any right title or interest in any property (sale, lease, acquire, etc.) of entities engaged in any type of trading activities or manufacturing of gemstones / jewellery.
- viii) At no point in time shall the Laboratory or the owner / shareholders / management / employee of the Laboratory obtain / grant any loans, advances, guarantees or borrowings of any nature, from entities engaged in any type of trading activities or manufacturing of gemstones / jewellery (except for in the normal course of business of the Laboratory).
- ix) All of our relationships based on ownership, governance, management, personnel, shared resources, finances, contracts, marketing (including branding) shall not present any threat to the impartiality of our laboratory.

- x) There shall be no change in Control of the Laboratory and/or its holding entity, without the prior approval of the DGFT.
- xi) Our equipment installations in the Laboratory shall not become a safety hazard and shall not be in contravention of any Applicable Laws.
- xii) We hereby also declare that the above-mentioned information is true. We are also aware that any deviation to the above-mentioned declarations or any information submitted, if found incorrect by GJEPC/DGFT at any stage, may lead to rejection of our application without any further reference and if found after grant of recognition.
- xiii) The terms of this Undertaking shall be governed by Clause 9 of the LRSOP, in case of any dispute or non-compliance hereto.

Date:

Name:

Place:

Designation:

Signature

Seal:

**Note:** *The Undertaking shall be furnished, signed and sealed by the authorised signatory of the applicant laboratory on laboratory's official stationery (letter-head). Relatives as per above shall have the meaning given to it under Section 2(77) of the (Indian) Companies Act, 2013 (and the rules thereunder).*

**Annexure D**  
**Application for Recognition under LRSOP**

**(Laboratory Details)**

1.	<b>Name of Laboratory</b>	
2.	<b>Complete Address</b>	
3.	<b>Address of Regd. Office/Head Office (if any and different from 2. above),</b>	
4.	<b>Contact Details</b> <i>(Telephone Nos., Fax and Email Id)</i>	
5.	<b>Name &amp; Designation of Top Management</b> (Proprietor, Partner, Director, CEO, Head etc., as applicable)  <b>Contact Details</b> <i>(Telephone Nos., Mobile No. and Email Id)</i>  <b>Details of positions of responsibility and / or amount of shareholding held by each top management in other entities engaged in any type of trading activities or manufacturing of gemstones / jewellery</b>	
6.	<b>Normal working hours &amp; Weekly off day(s)</b>	
7.	<b>Type of Organization</b> <i>(Govt./Autonomous/Public Sector/Ltd. Co./Pvt. etc.)</i>	
8.	<b>Name of Address of Parent Organization</b> (If the applicant laboratory is part of a larger organization)	
9.	<b>Proof of Legal Identity</b>	
10.	<b>Proof of Laboratory Address</b>	
11.	<b>Declaration regarding Statutory Compliances</b>	

13.	<b>Accreditation Details</b> as per IS/ISO/IEC 17025  (Attach accreditation certificates and scope of accreditation)	
14.	<b>Organization chart</b> (Attach details with names and designations of various functionaries and Departments of Laboratory)	
15.	Details of Managerial & Technical personnel employed (submit information on proforma <b>Annexure [E]</b> )	
16.	<b>Impartiality, Confidentiality, Independence in judgement and Integrity in relation to laboratory activity</b> (Give details of arrangements for ensuring these aspects)	
17.	<b>Layout of Laboratory Premises</b> (Attach floor-wise plan indicating testing areas, storage area, area for receipt of samples, major equipment, etc.)	
18.	<b>Location map of Laboratory from nearest railway station or airport.</b>	
20.	<b>Documented procedures for handling of samples, remnants, maintaining confidentiality, complaints, sub-contracting (in case of break-down)</b>	
22.	<b>Whether laboratory follows software-based System for handling and monitoring of samples?</b> If yes, attach details thereof.	
23.	<b>Whether separate area has been earmarked for Storage of samples?</b> If yes, give details	
24.	<b>Proficiency Testing/Inter Laboratory Test Comparison</b> (Give details of participation	

	during last 1 year for parameters of the Standard).	
27.	<b>Prior recognition under other authorities</b> (If recognized previously, give details of Recognition No., Validity and details of recognition authority).	
30.	<b>Any other information considered relevant</b>	
31.	<b>Safety &amp; Security measures implemented by laboratory &amp; details of insurance policy of the valuables stored over night &amp; professional indemnity policy of the employees</b>	
32.	<b>List of equipment &amp; its calibration programmes/status.</b>	

Date:

Name:

Place:

Designation:

Signature

Seal:



**Annexure E**  
**(Details of Managerial & Technical Personnel)**

Department	Name	Designation	Qualification	Experience (No. of year)	Training Details	Employed since	Roles & Responsibilities

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**Annexure F**

**Check-List for Application for Recognition under Laboratory Recognition Scheme**

*(To be filled by the applicant and attached with the application)*

<b>Sl. No.</b>	<b>Subject</b>	<b>Annexure No.</b>	<b>Page No.</b>	<b>Verification (by GJPC) [Y/N]</b>
1.	Application fee (in the form of Demand Draft or copy of online transaction for payment)			
2.	Document in respect of Legal Identity of the laboratory			
3.	Document Authenticating the premises (address of the laboratory)			
4.	Documents in support of Statutory Compliances			
6.	Copies of Accreditation certificates for (relevant to scope/field of testing applied for)			
7.	Organization chart (clearly indicating the names and designations of various functionaries and departments of the laboratory)			
8.	Details of Managerial and Technical personnel on (on Annexure [E])			
9.	Layout plan of Laboratory			
10.	Location map of the Lab			
12.	Details of CRMs/SRMs and calibration with details of and validity			
13.	List of procedures, work instructions, SOPs, formats as applicable for the scope applied			
14.	Copy of Procedure for handling of samples			
15.	Copy of Procedure for handling of remnants			
16.	Copy of Procedure for maintaining confidentiality			
17.	Copy of Procedure for handling of complaints			
20.	Authorization letter from Proprietor/Partner/Director/CEO etc in case application form signed and submitted by an authorized person			
21.	A note on the nature of business / activities of the proposed applicant entity.			
22.	Board resolution or Power of Attorney authorizing the authorised signatory with attested signatures (as the case may be).			
23.	Any other document referred in the application form but not covered above			

Date

Signature

(Proprietor/ Partner/Director/CEO/Authorized Signatory)

Place

Name

Designation

Seal

DRAFT