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# Bullion World

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expanding globally  
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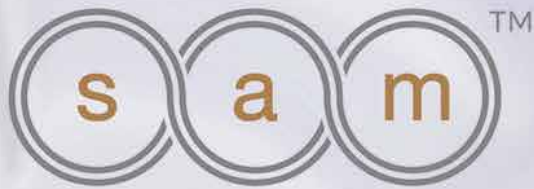
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# EDITORIAL

Dear Readers,

August 2022 was a month of significance for the Indian bullion and jewellery industry with the launch of the much awaited India International Bullion Exchange at the IFSC GIFT city, Gujarat by the Honourable Prime Minister Shri. Narendra Modi. The Exchange would help making India as a regional hub for bullion trade. The Exchange would go a long way to address sourcing integrity, ensure standardisation apart from facilitating efficient price discovery.

Bullion World takes this opportunity to thank the industry fraternity for their overwhelming support to the India Gold Conference 2022 held in Chennai. Topics and panel discussions covering a wide spectrum of business verticals featured in the conference. The inaugural address was delivered by Mr. Ahmed Bin Sulayem the Executive Chairman & Chief Executive Officer of DMCC.

Sessions covering India-Regional Hub for Gold Bullion and Jewellery, Unleashing opportunity for gold refining industry , India – UAE CEPA, IIBX ecosystem, opportunity for South Indian gold and silver jewellery market, Bullion trade post domestic spot exchange and Tech backed products were well received by the audience.

A report titled, "SRO for Indian Gold Industry" was released by World Gold Council, which is supporting the Swarna Adarsh Abhiyan initiative.

The recent changes in the hallmarking norms for jewellery and the proposal for inclusion of polki, kundan and jadau jewellery in hallmarking ambit has evoked mixed response from the industry participants. The government in order to extend the service of hallmarking to wider area has included 32 additional districts bringing the tally to 288 districts.

The current edition carry abstracts and glimpses of the India Gold Conference 2022. As a special coverage, we bring to our readers the transcripts of the presentation made by Mr. V S Sundaresan, Executive Director, Securities and Exchange Board of India (SEBI) and Mr. Kamlesh Sharma, GM and Head, Precious Metals Department, IFSCA, India.

Do you have any interesting story to share? Please write to us at [editor@bullionworld.in](mailto:editor@bullionworld.in) It can be on the Indian or global precious metals market and jewellery industry.

Best wishes,  
G Srivatsava  
Editor



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# SAM PRECIOUS METALS: UAE-based refiner with ambitious plans on expanding globally



**Mr Ahmad Abu Ahmad**  
Deputy General Manager, SAM Precious Metals

## Can you elaborate on your company?

**Mr Sadi:** Mr Sami Abu Ahmad, our Chairman, is the man behind this company who is credited with having an incredible vision. This refinery is very special and comes from a lot of hard work. We have a vision where we want to create a sustainable precious metal value chain for our customers and work responsibly by adhering to all the regulations.

We want to provide our customers with the best quality products and services at competitive prices and timing. We want to ensure that Sam Precious Metals will become one

of the top refineries in the world. Of course, as you mentioned about opening refineries, we have already fulfilled part of that plan; we have opened refineries in Egypt along with Dubai, so we are moving towards that direction with support from all the participants and our fantastic team; we are very confident that very soon we will achieve all our objectives.

**As they say, “Well started is half done”, so we are confident that we will achieve all our goals with our dedicated and efficient team.**

## About SAM PRECIOUS

**METALS:** A significant player in UAE. The company has an excellent vision to expand globally, and they have been planning to set up around 13 refineries around the globe



**Mr Ahmad:** As you mentioned, opening up the 13 refineries worldwide is the vision of our chairman, Mr Sami; he wants to link the producing countries with the consuming countries. We have already expanded to Egypt in 2021, and hopefully, there will be many more.

**What are your plans to diversify your refining capacities?**

**Mr Sadi:** We want to establish them all around the globe. We have plans to have footprints of Sam across the world, it is not a local brand, and we don't want it to be associated with a particular market. It will be a household name one day, and everyone will know about Sam. We want to create a brand with responsible sourcing, quality value, trust, confidence and respect.

**You want to establish yourselves as the benchmark?**

**Mr Sadi:** Absolutely! We are working very hard, and every member of Sam welcomes everyone to come and see what we are putting into this brand. This brand is close to our hearts. We do not consider this as work; we are living SAM.

I'm sure Ahmad will elaborate more on how passionate we are about it and how much effort we put in. All of this is under the leadership of Mr Sami, a pioneer in the field of precious metals. He is a man of vision who has established many brands with a wealth of experience, and the knowledge of the technical know-how that he brings is excellent.

**Mr Ahmad:** Actually, this has been our target from the start. We were established in 2018, and the refinery is now four years old. I'm happy to say during 2022, we have succeeded in getting the



**Mr Sadi Ahmad**

Global Head of Legal & Compliance, SAM Precious Metals

RJC Certification and UAE Good Delivery for Gold Accreditation. Sam has been recertified for Code of Practices (COP), which we first achieved in May 2019. Further, we are the first refinery in the whole of Middle East to become an Chain of Custody (COC) Certified Entity. Also, we are the first refinery to get the same in Egypt. So, this has been a year of great success and more to come.

**So, you're challenging yourself constantly to grow more?**

**Mr Ahmad:** This is a year of achievement, but this success is the culmination of four years of hard work. This recognition comes in certificates and accreditations, but the work started in March 2018. This is the fruit of the hard work we have

put together for many years. If we talk about the RJC COP standards, that focuses a lot on the health, safety and environmental standards, and there's something I will tell you as the deputy general manager and as somebody who is directly looking into the operations aspect; the top management is actually on the grounds, so we are spending several hours in the factory ensuring that all the standards are maintained, and that's not for certificates, let's be very clear, accreditation is a recognition for us. Still, we do it from our hearts, we believe in being environmentally responsible, and we believe in maintaining the safety of our staff. Everyone in the refinery is like a family member, and I think that one of the most critical aspects of Mr Sami's vision is that everyone is



a part of his family. Here at Sam, our primary investment and main asset is manpower.

**How much is Sam Precious Metals concerned about the environmental effects and trying to take steps to conserve energy and curb the amount of pollution?**

**Mr Sadi:** Absolutely, no waste goes out of our factories. All the solid waste is sent to ash refineries where it is recycled; we have a recycling plant for water within our factory itself, so there is no drop of water going out of our factory that is polluted or above the prescribed limit by the government. We have a lot of regulators coming over to check our systems.

We still believe, as a team, there's a lot we have to do, Sam is not an organisation that will be satisfied with what we have achieved and say we have the best yet because we know that our dreams and goals are much higher. When we get a certificate or accreditation, we look to what's next.

**You keep raising the benchmark?**

**Mr Sadi:** Absolutely, we as an organisation believe that every day is a new learning, a new challenge, and we want to keep improving our

standards and ourselves constantly, both individually and collectively, as an organisation. We have been closely working on the development of our staff; if one goes to our LinkedIn page, they will see our staff posting about new courses that they are doing and new training they are undertaking and collectively, as a team, we are focusing on enhancing the skillset of our manpower. As Mr Ahmad said, the heart of the organisation is the people we are working with, so while they are contributing to our development, we should also contribute towards their development. This is something we are focusing on.

**How do you see the Indian bullion market and its potential for players like Sam Precious Metals?**

**Mr Sadi:** India is one of the largest consumers of gold; on an average, 800 tonnes are imported every year. Some data was published last year, which said that in 2021, about 1,067 tonnes of gold were imported into India. Of course, gold consumption in India is also enormous. India has traditionally been a huge market, and there are many reasons why there's a high demand for gold; there are a lot of customs, traditions and passion for gold.

Gold is also looked upon as a symbol of status, as an investment product to hedge against risk; it is also something that is used as a gifting item in marriages and rituals, and it is something that is considered to be very pious or auspicious as it brings in good luck and good fortune. So, when you talk about the gold market in India, it's tremendous, and Sam is a massive player in India already.

You will see our bars with almost all the big dealers here. With the launch of IIBX, we hope to be a major player in this endeavour. With CEPA, we have a significant role to play as we are one of the refiners in the UAE, having the necessary accreditations.

**Since you know how regulated this commodity is, how do you see the regulatory and compliance framework changing in favour of demands?**

**Mr Sadi:** For Sam, it is not about regulation and framework; it comes from the heart. These are the words of our chairman, and he says, 'I don't need a book or a law to tell me what is right and wrong. I know it in my heart.' So that is the vision he has imparted to us, and we are following that.

When we talk about the regulatory framework, we have one of the strongest compliances you can see in the whole precious metals industry. You will be amazed to see our due diligence in account opening and transaction monitoring. Recently we had audits for RJC and UAE good delivery, and let me tell you, both the auditors were amazed by the kind of systems we have created because of years and years of hard work.

Systems are not created in one day. You create a vision, and it's a process. It has taken many years to develop, but we are very confident in our developed systems. At the same time, we are looking to improve every day regarding compliance. The best part about it is that the support we get from the management, from the chairman to the general manager to the deputy general manager, it is an absolute freehand that we get.

It is a challenge for compliance to do its work in most places. At sam the decision-making on whether to onboard or reject a client has solely been given to the compliance team without any interference from the management. Sam is a place where we have focused on making compliance an independent function, which talks about the integrity of the department; there is no influence from the management or anybody. We are an independent structure within the organisation.

Every day we are improving; you see, our standards yesterday and today it's one step better, and tomorrow, we will work on something even better, and the idea for Sam is that we will be doing business and doing it responsibly; we will compete in the market with integrity and honesty.



**Coming to the refinery aspect, what is your capacity and do you have any visions to scale up your capacity in the existing ecosystem?**

**Mr Ahmad:** Sam Precious Metals, in the year 2018, started the refinery with an 11,000 square-foot warehouse where our capacity reached up to 1.2 tonnes of gold and 500kg of silver.

Currently, Sam has a space of 22,000 square feet, but our developments are not enough yet. So, we have signed a 10-year contract with the concerned authorities to procure a facility in Dubai Production City, which is 65,000 square feet. This new facility along with the current refinery will be approximately 87,000 square feet, making us one of the biggest refineries in the world. This is not just about the capacity but also about the value-added products. We are going to expand our products. Currently, we are offering minted bars ranging from 1 gram to 250 grams with different shapes and trademarks. Sam currently has five exclusive trademarks, and we will start producing precious chemicals used in the precious metal industry.

We will have the full range of services from logistics to refining to hedging.

**What's your take on IGC?**

**Mr Sadi:** It's a great event. I congratulate the organisers for having such a well-organised and timely coordinated event. One of the problems in many events is managing such high dignitaries and eminent personalities that generally come for these events. I think IGC has done a great job organising the event; there's a lot of hard work which we do not realise; it's months and months of planning and coordination between the stakeholders that goes into creating such an event. It's an excellent platform for everybody, where we connect with people from different backgrounds and industries, playing a part together in the same industry. Multiple stakeholders are equally important in running our industry. So getting to know people out here and interacting with them is a great opportunity and adds value to the industry and stakeholders here today.

# DMCC: To ride the wave along with India



Special Interview with  
**Mr Ahmed Bin Sulayem**  
Executive Chairman and CEO of  
DMCC, who has been instrumental  
in developing Dubai and UAE's gold  
markets.

**Mr Ahmed Bin Sulayem**  
Executive Chairman & CEO, DMCC

## Can you explain how DMCC plays a role in developing the UAE gold market?

The growth was very organic. We started slowly, with just a few refineries launching their operations in the Free Zone. We started registering businesses in 2003. In the past few years, we started taking a leadership role and bringing in more initiatives, such as the OECD, and now pretty much all our members are in line with OECD guidelines. We are still growing as a gold business.

DMCC, with the help of FTIL and MCX, created the Dubai Gold and Commodities Exchange, the first online commodities exchange in

the region. A lot of the updates on DGCX are more about the technical aspect, but we've managed to introduce the first Indian Rupee futures contract. We started with the gold and silver futures; part of DGCX marketing started in Delhi to reach the Indian market. Alternatively, we are going international as much as possible. DGCX is expected to develop products and services for its members. Exchanges are being launched elsewhere, and DGCX would face competition. Competition is healthy as it helps to focus more on quality.

In recent developments, Etihad refinery became COMEX approved refinery. We see the relevance of





Dubai and UAE in the gold trade and refining business growing significantly with the bilateral agreements with India recently. Also, India has lowered the import duties by 1%, which would translate into the business flow.

**How do you see CEPA boosts the bilateral trade between India and UAE in jewellery and bullion trade?**

We could see a lot of changes going forward. In the past, LBMA would talk about the market in the UAE and say that the Indian market trusts the gold from the UAE more than from India.

Once a former chief executive of the LBMA talked about Indian purchasing gold from the gold souk of Dubai because they trusted it. However, the business landscape is changing in India. Tourism has improved a lot between the two countries. Two countries share lots of connections. To say my late grandfather lived here for about 20 years. He was a journalist; he spoke Hindi, Arabic and English. What excites me is that apart from gold, we've progressed so much in our tea business, which has much to do with our Indian members. We're also now prominent in the coffee business; we've launched the DMCC coffee centre.

**So apart from gold, DMCC focuses on many Indian-based commodities where many trade opportunities exist?**

We're one flight away from three or four of the central regions of India. I visited India as a teenager with my father to see the TATA facilities, I was surprised to see TATA watches, and now I hear they're into jewellery. I'm excited to revisit them. I feel like there is a lot to hear from the tech side. We recently started a partnership with Crop data, and wherever we feel there is a gap in the market, it's an opportunity to provide a service.

As far as DMCC is concerned, we want to ride the wave along with India and grow with them. We have enjoyed the partnership with them so much that when we interact with others with similar strengths to India, we tell them to use our relationship with India as a benchmark.

**It has been ten years since you've been to India; how have you seen the Indian bullion market change since then?**

I have to be honest with you; I feel my age a little bit from those days, and I see a lot more maturity, and I think it's due to the flow of information, whether it's from Facebook, Instagram or other social

media, I feel like everyone is pretty much briefed and that doesn't necessarily mean we have less to talk about, it just means that we can build on it and come up with different conclusions.

**Can you share some insights into the trade flow of bullion in and out of DGCX?**

DGCX traded 120 thousand contracts last year and 11.6 billion dollars of nominal value; I haven't looked into the physical side.

We feel proud that the world is looking to India and the UAE as a benchmark, given that other markets are struggling with either gold manipulation or court cases, and I'm happy to see us moving forward. I'm very impressed with India standing its ground and pushing forward and building more relationships worldwide, taking advantage of the challenges and bringing up solutions. From a manufacturing standpoint, they're a strong partner the world needs, and I think it's understated what India brings to the table.

**What is your take on the India Gold Conference?**

I'm excited; I like the setup. I see some familiar names as sponsors. We're here for more than the conference; we're here to develop a healthy relationship.

# India Gold Conference 2022: Transcript of Special Address by Mr Kamlesh Sharma, GM and Head, Precious Metals Department, IFSCA, India



**Mr Kamlesh Sharma**  
GM and Head, Precious Metals Department, IFSCA

I thank the organisers Eventell Global for inviting me to deliver a special address at this prestigious congregation of eminent entities and individuals having a long association with the bullion sector. It is my debut at IGC and am looking forward to learning from this experience.

Yesterday, we witnessed when the Hon'ble Prime Minister Sh. Narendra Modi inaugurated the India International Bullion Exchange apart from announcing other launches and initiatives such as the foundation-stone laying of the proposed IFSCA building Headquarters and the SGX-Nifty connect. I thank all the dignitaries on the dais and all the participants at the IGC who attended yesterday's landmark event for IFSCA, either physically or over

the video link. Thus, the timing of this IGC has become all the more important for IFSCA as we have assembled here immediately after the launch of the India International Bullion Exchange (IIBX).

For benefit of those who may not be aware, the IFSCA is the unified regulator for all financial products, financial services and financial institutions which can be undertaken in the international financial services centres set up in India under the SEZ Act. GIFT-IFSC is the first and so far, the only IFSC in India. The IFSCA Act bestows the powers of the domestic regulators such as the RBI, SEBI, PFRDA & IRDAI, for GIFT-IFSC. IFSCA is mandated to develop and regulate all aspects of financial sector activities including banking,

equity markets, precious metals, funds management, pension funds, insurance sector.

Before I settle into my talk about the journey and plans about the bullion eco-system in IFSC, I would like to emphasise that the regulatory approach of IFSCA is different since its mandate is different. If I may take a sporting analogy, I would reckon that the role of a regulator-supervisor is like that of a rule-maker and umpire in the game of cricket. Once the rules of the game have been framed, then the umpire and the regulator must keep a distance while keenly observing the flow, motivation and tendencies of players. The umpire should intervene only if the spirit and the objectives of the game are being flouted or compromised to set things right and if required modify the rules of the game accordingly.

In the backdrop of this overarching philosophy, I'd like to focus on the journey with respect to bullion starting from the measures undertaken in the last 18 months or so, that formed a part of the trying times of disruptions caused by the global pandemic of COVID-19.

## **Setting up of IIBX**

Inspired by the vision of Hon'ble Prime Minister, armed with the mandate under a budget announcement, IFSCA on December

4, 2020 notified the IFSCA (Bullion Exchange) Regulations, 2020 paving the way for setting up a Bullion Exchange and a Bullion Clearing Corporation by a consortium of 5 leading Indian Market Infrastructure Institutions (MIIs).

India International Bullion Exchange (IIBX), the maiden international bullion exchange at GIFT-IFSC, has been set-up by a consortium of Central Depository Services (India) Limited (CDSL), India INX International Exchange (IFSC) Limited (INDIA INX), Multi Commodity Exchange of India Limited (MCX), National Securities Depository Limited (NSDL) and National Stock Exchange of India Limited (NSE) under the regulatory oversight of IFSCA.

IFSCA had issued detailed Operating Guidelines for Bullion Exchange, Bullion Clearing Corporation, Bullion Depository and the Bullion intermediaries in an IFSC, on August 25, 2022.

#### **Some of the highlights of the bullion ecosystem at IFSC are as under:**

**1. Movement towards organised market:** The state-of-the-art infrastructure of IIBX will offer technology-based mechanisms for trading, clearing and creation of Bullion Depository Receipts (BDRs), the security traded on IIBX which is backed by the physical bullion.

In addition to providing a trading avenue to various participants, IIBX will also offer the advantages of price discovery, transparency in disclosures, centralised clearing and assurance of quality.

IFSCA has ensured sourcing integrity of the bullion delivered through IIBX by mandating compliance to OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

#### **2. Import by Domestic Jeweller:**

From the Indian (DTA) perspective, the enabling of direct participation of qualified jewellers- as notified by IFSCA, on IIBX for the purpose of importing gold, is a major policy reform by the Government of India and the Reserve Bank. For the first time in India, since the liberalisation of gold imports through nominated banks and agencies in the 1990s, the end users (eligible qualified jewellers in India) are allowed to directly import gold through IIBX. Our endeavour would be to provide an alternative channel of import based on the benefits of disintermediation of import.

#### **3. Vaulting facilities at IFSC:**

Indian and Global vault service providers have set up or are in the process of setting up vaulting facilities in GIFT-IFSC which will lead to total storage capacity of approximately 125 tonnes for Gold and 1,000 tonnes for Silver. Further, Ministry of Commerce and Industry has notified on July 6, 2022 that any unit in an SEZ -including other than GIFT-IFSC- which is permitted to store bullion for the purpose of issuance of bullion spot delivery contract and BDR can also be deemed as a unit in IFSC.

Thus, the vaulting facilities at all the key bullion centres in

India shall act as the spokes to feed the bullion for the jewellery manufacturers and exporters across the country, while the IIBX at GIFT-IFSC will act as a trading hub.

#### **4. Indian Bank's branches as Professional Clearing Members:**

The RBI through a notification on June 7, 2022 has enabled Indian Bank's branches or Foreign Bank's Wholly owned subsidiaries who branches may be functional at GIFT-IFSC to operate as Professional Clearing Members (PCMs) subject to necessary approvals by the RBI.

#### **5. Financialisation of Gold:**

IFSCA has already provided a regulatory framework for products like Gold and Silver ETFs which is expected to encourage participation by a variety of investors.

#### **For International Market participants**

Our audience from overseas may be interested in participating on the GIFT-IFSC bullion ecosystem under an 'offshore' regulatory framework, within India that has a huge ready-made consumer demand market, that is in existence. Although India has been a key consumer of gold, its share in the global trading volumes is less than 0.50% currently.

The potential for leap-frogging in this aspect is immense and IFSCA recognises the various factors that will help India move forward in this sector. Some of the plans, base for which is already existing in the current ecosystem are:

1. Foreign banks participation as Trading & Clearing members on the IIBX, which has been enabled by IFSCA.

2. It is envisaged that hedge funds shall look to purchase gold and silver from IIBX which has the backing of the actual bullion bars which are stored in regulated vaults in IFSC and other SEZs.
3. With this, IFSC is expected to become the bullion storage hub primarily and initially for South Asia & South East Asia region and may be of the World.
4. IFSCA expects large scale participation from funds on Gold and Silver ETFs as and when they absorb the regulations which are already in place.
5. Activities such as bullion leasing, gold loans, financing against BDRs, project financing for doré (raw gold) and Gold Savings accounts /Gold accumulation plans, etc., can further lead to making GIFT-IFSC as a hub for various Gold related products.

Even as IIBX has facilitated some transactions of import by QJs during the trial phase, we are looking to provide more clarity through SOPs and guidelines including those related to enabling a remote access – limited purpose mode of participation by certain QJs on the buy side and certain suppliers on ‘sell’ side – based on some additional eligibility criteria. While we expect that at least a few IFSC Banking Units of foreign banks will soon see value in becoming TCM/ TMs on IIBX, we’d like to provide the additional facility of remote access, with proper safeguards and risk management in place, to ensure an early participation by a wider set of eligible entities.

We’d also like to formulate a gold leasing framework through IIBX so that the QJs as well as the financiers / suppliers may be able to replicate

the gold loan transactions they undertake in the OTC market, on an exchange platform with necessary modifications.

Further, once the T+0 contract mainly for facilitating the gold import by QJs in India gets a firm footing, the IFSCA shall look to take calibrated steps towards introducing other contracts, including derivatives contracts, in consultation and coordination with the domestic regulators such as the RBI and SEBI and other stakeholders.

I would like to provide some more insight into IFSCA’s future plans on the development of a comprehensive precious metal ecosystem, in the medium to long term.

**1. IBUs as Trading members**

IFSCA is aware that banks across the world play a key role in the precious metals business which include various components such as gold savings accounts, gold deposits, financing, trading both proprietary and on behalf of their customers, & treasury management (ALM, risk etc.).

We have already enabled the bank’s branches i.e., the International Banking Units to become trading cum clearing members of the IIBX, apart from the Broker-Dealers on IFSC stock exchanges grandfathered as TCMs on IIBX. Apart from some IBUs of foreign banks, we expect that if and when the RBI permits, some IBUs of strong Indian banks may also become TMs / TCMs on IIBX.

**2. Export from Domestic Area through existing refining capacity**

In India, there are 41 refineries certified by the Bureau of India Standards (BIS). The Capex of these

refiners could range between 50 lakhs to 250 crores and capacity to refine gold bullion anywhere between 8 tonnes to 300 tonnes per annum. This means an annual capacity of easily 2000 tonnes can be expected from these refiners. However, out of this list, most of the refiners are accredited by BIS technical standards.

Thus, not many amongst these refiners have been associated with Responsible Sourcing as per the OECD-DDG guidance. It is imperative that these refiners associate themselves to the norms under the Five Step framework of the OECD.

India must leverage these capacities which are already in place and build new capacities at GIFT-IFSC to encourage it to become a refining and storage hub of the world’s gold.

**Conclusion:**

The journey of IFSC with the launch of the India International Bullion Exchange has only begun and on a right footing.

We hope to scale newer heights to create a precious metals ecosystem as part of a broader financial system in IFSC to support the evolution of a gamut of financial products and services helping the investor find appropriate value at a competitive cost when compared to other financial jurisdictions.

We hope that after 10 years when we look back, we see the peaks scaled were focused on helping India achieve greater integration with the global financial markets.

I thank the audience for a patient hearing. And once again a big thanks to the organisers.



# EXCHANGE TRADED BULLION CONTRACTS - FAIR AND TRANSPARENT MEANS OF INVESTMENT



## SMALLER DENOMINATION GOLD & SILVER FUTURES CONTRACTS

**Developing gold and silver as an asset class.** Investment in smaller denomination contracts backed with delivery is witnessing an increasing interest from retail participants.

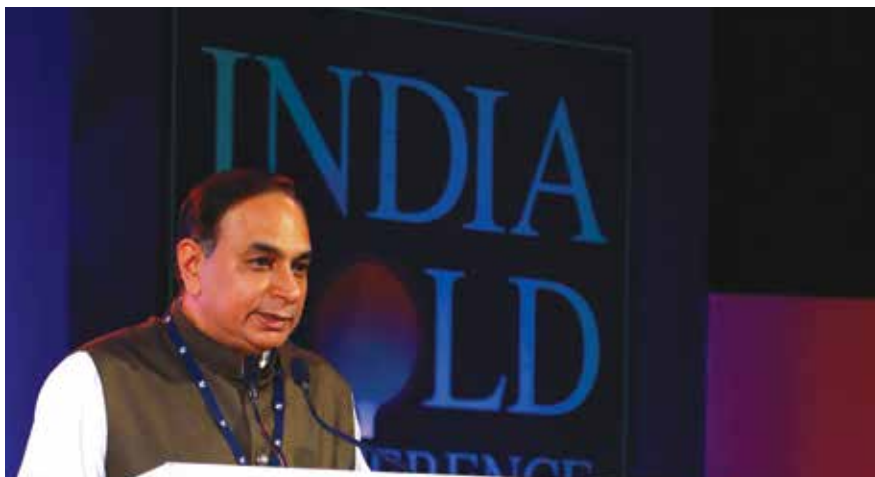
Smaller denomination contracts are designed to cater to the organized retail investor demand. They also capture the imagination of a fast emerging new-age clientele with an evolving view on gold and silver as an investment class.

### SALIENT FEATURES

- Smaller denomination contract
- Providing a systematic investment plan (SIP) type of flexibility
- Coins and bars can be held and accumulated in the electronic format and physical delivery also available
- It comes with an individual assaying certificate with quality assurance
- Convenience of transaction and liquidity of exchange platform are key advantages
- Better Cash flow management and margin protection
- Inventory hedging amid volatile prices



# Excerpts of Presentation made by Shri V S Sundaresan, Executive Director, Securities & Exchange Board of India (SEBI)



**Shri V S Sundaresan**

Executive Director, Securities & Exchange Board of India (SEBI)

## Recent Developments

- The 3 largest NBFC offering gold loans saw their assets jump by 32%, 25% and 61% year on year, respectively, in 2020
- Gold’s appeal as a safe haven is only rising:
  - as tensions escalated in Ukraine, its price approached records
  - savings stashed away, as idle gold could be put to more productive use elsewhere
- Indian households hold 22,500 tonnes of the physical metal – five times the stock in American’s bullion depository at Fort Knox and worth \$1.4trn at current prices. The average family has 11% of its wealth

in gold (against 5% in financial assets)

- Gold demand increased by 43% to 171 tonnes in April – June 2022, compared to 120 tonnes in previous year



## Initiatives by Government of India

- Five Focus Areas as identified by Niti Aayog Report titled “Transforming India’s Gold Market”, 2018 are as follows:



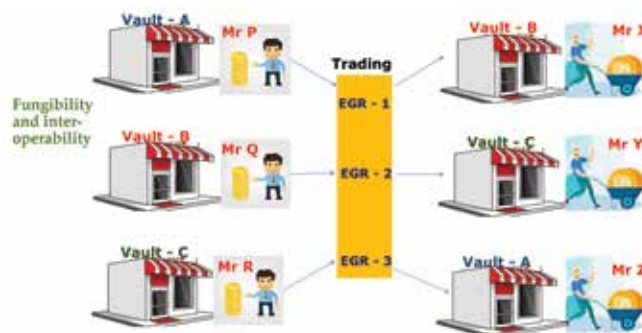
- Revamped Gold monetization scheme
- W.e.f 1st July, 2022, India’s gold import duty increased by 4.25%, with consumers now paying 18.45% tax for refined gold compared to 14.07% previously.

### Looking forward

- Technology allowed the world to continue functioning uninterrupted during Covid-19
- Pandemic gave rise to webex / zoom calls and new platforms for selling online gold as well
- Launch of IIBX is historic step and will facilitate
  - efficient price discovery
  - responsible sourcing
  - assurance on quality
  - impetus to financialization of gold in India
  - enable greater integration with other segments of financial markets
  - establish India's position as a dominant trading hub in the World



### Framework for EGR Segment



### Framework for EGR Segment

- **Withdrawal Center** → All existing branches of vault managers are allowed
- **Storage (vaulting) and Withdrawal Charges** → To be levied by the vault managers and be collected by the depository
- **Empanelment of assaying agencies:** Clearing Corporations to empanel
- **Logistic service providers:** Investors encouraged to utilize their own trusted means of transportation for movement of gold from vaults to their preferred location



### Electronic Gold Receipt - Transaction Flow



### Framework for EGR Segment

- **Who can launch** → New and existing recognized stock exchanges may launch and deal in EGRs, in a new segment
- **Structure of the transactions:**
  - First Tranche: Creation of EGR
  - Second Tranche: Trading of EGR on stock exchange/s
  - Third Tranche: Conversion of EGR into Physical Gold
- **Product denomination:** Different denomination allowed for trading and / or conversion of EGR into gold



*Thank You*



## Inaugural function:



**Mr Prithviraj Kothari, National President, India Bullion & Jewellers Association (IBJA):** In 2022, Gold prices got support from the ongoing conflict in Russia and Ukraine, the trade restrictions on Russia and the increase in prices of all major commodities - crude oil, natural gas, copper, grains, edible oils, etc., leading to record high inflation. We believe high inflation will remain for at least one more year. The price of gold is caught between high inflation and recession.

As India celebrates its 75th year of independence, we also want independence from the import of gold. The government of India is taking various initiatives towards this. We at IBCA are supporting the government on all its initiatives. The government wants transparency, and the industry wants ease of doing business. IBCA proposed two model institutions to Niti Aayog and other bodies. One was IIBX and the other was the domestic spot gold exchange (DSGE). IIBX will bring complete transparency to the way India imports gold. Honourable PM Shri Narendra Modi inaugurated IIBX yesterday. DSGE is a game-changer. EGR is a one-of-a-kind product that converts gold into security for perpetuity. EGR is a reversible product, provides a robust settlement system, deliverable at multiple delivery centres, facilitates goods recycling, promotes greater integration with the financial market and assures delivery of certified goods. It would also give a fillip to GMS going forward.

**A few major initiatives of IBCA:** (a) We plan to open IBCA Stores in every district of India. It's our goal to have 3500 stores across India over the next decade.

(b) IBCA Jewellers Connect and Buyer Bazaar are our flagship B2B programmes for the jewellery sector. (c) IBCA Jewellery and Knowledge Park are being launched on August 5, 2022. It will come up on 87 acres of land in Navi Mumbai (opp. Juhinagar station), with a state-of-the-art manufacturing facility and 120,000 ft convention centre. It will also house a skill development centre for the gem and jewellery sector.

Opening up the mining sector and setting up a bullion bank are much-needed reforms. These are in alignment with the 'Vocal for Local' and 'Make in India' programmes of the government. IBCA can bring overseas investors into the mining sector. IBCA membership has shown strong growth, thanks to state presidents and their efforts. I take this opportunity to offer 200 platinum memberships by invitation in IBCA to industry participants. IBCA platinum members will hold a 30% equity stake in the proposed NSE-IBCA spot gold exchange being set up with a capital base of Rs. 125 cr.

The future growth of the industry depends on transparency from the industry and commitment from the government.



**Mr Vikas Singh, MD & CEO, MMTCPAMP India Pvt Limited:**

At MMTCPAMP, we see a very different world today. Paradigms have changed radically. Inflation rates in the US and the UK have surpassed India's inflation. It changes the way India sees the world and the world sees India. To top it all, India is the fastest growing economy in the world. While stagflation is tearing the world apart, India has been navigating it well so far. The strong government at the centre is striving to place India firmly on the global map. FTA with UAE is a new development for the bullion sector and hopefully,

it would change the trade flows for the better. All these collectively present a unique opportunity to the sector. Our possibility to contribute to the GDP growth of the country is humongous and time is appropriate to harness the same.

At MMTCP PAMP, we try and continue to raise the bar in whatever we do. We are trying to be the first player to create a truly circular economy in India in the precious metals sector. To put it simply, starting from refining to minting to recovery, thereby completing the full cycle. Through this initiative and many others, we would like to be a responsible contributor to the Indian economy. We have also started the process for ESG certification 2030 in conjunction with SBTI targets. It is a long process but our journey has begun.



**Mr Jayantilal J Challani, President, The Jewellers and Diamond Traders Association, Madras:** We are very happy to host India Gold Conference in Chennai. Such activities will make the southern gold and jewellery market strong. We welcome all of you here and hope you have two very good days of conferencing.



**Mr Shivanshu Mehta, Head – Bullion MCX:** Gold proved itself yet again during the covid times. The

gem and jewelry sector contributes 7% to GDP and 15% to merchandise export. It is selectively organized. It got the impetus from SEBI and IFSCA recently. As a Market Intermediary institution (MII), we consider it our responsibility to continue to innovate to bring useful products and services for risk management. The world's one and only one-gram deliverable product saw over 61,000 units delivered. Likewise, 131 tonnes got delivered in silver one kg contract. The gold options launched in 2017, recently touched 4000 cr in May 2022. On the regulatory front, I place on record the incredible framework put in place by our regulatory, IFSCA. The Qualified Jewellers framework is one fine example of it. Through our reach out, 61 participants have become QJs. On the domestic side, SEBI has been proactive on spot gold exchange. We have realized that the industry participants must have the benefit of all these products on one platform. We are actively working on the same. EGR leads to the financialization of gold. This would enable institutions such as mutual funds to tap into creating portfolios and innovative products.

**Special address of Mr Kamlesh Sharma, GM & Head, PM Department, IFSCA:**

**For complete transcript refer page number 14**



**Keynote address of Mr Ahmed Bin Sulayem, Executive Chairman & CEO, DMCC:**

DMCC, when conceptualized, was a gold initiative. From inception, there has been a lot of participation from the Indian community – be it in technology, market development, and in almost every field. We contributed to it. At present, three refiners operate in Dubai. There is soon going to be a fourth one. India leads the market when it comes to gold. It is an

interesting industry here. And the industry is changing. You have heard about Uptown Tower. Dubai has changed too in the last 20 years. Twenty years ago, gold in Dubai meant coins and bars and was controlled by a few families. Today we have over 3000 companies operating in gold, diamond, and precious metals in DMCC. The UAE-India agreement is just the beginning. I expect more to come. We had a Hindu temple in Dubai before the country was formed. Five decades before, the Indian rupee was an accepted currency in Dubai. We understand the rupee and hence launched the derivatives contract in rupees. We knew it would take longer to launch the rupee contract in India. I would like to discuss forward product possibilities. With Uptown Tower, we have built a new foundation. We want to climb a new mountain. We are facing the beautiful challenge of filling up 90% of office spaces in a very short time. GIA is a recent addition. Gold is what DMCC started with. Gold is what attracted some of the designers to work on the project. We are here to engage. We are looking for a representative office in India. We have not decided where yet, maybe in southern India or in Mumbai. If there is something you feel we are missing at DMCC, please let us know.

good hardness and toughness in 22K casting and handmade products.

<http://goldconference.in/presentation/Day1/AnkurGoyal.pdf>



**Mr G K Venkatagopal, Emerald Jewel Industry India Limited**, presented on ‘**Jewellery Manufacture using Electroforming Technology (EFM)**’. He demonstrated that complex 3D articles and, hard and durable jewelry products with

high shine and good strength can be made using EFM.

<http://goldconference.in/presentation/Day1/Venkatagopal.pdf>



**Mr Shubham, Eventell Global Advisory Pvt Ltd**, share details on **Swarna Adarsh Abhiyaan** and urged jewelers to join the movement by signing an expression of interest.

### Special program on jewellery technology curated by MMTC PAMP India Pvt Ltd



**Mr Arun Brakash, Senior Manager- Upstream, Titan Company Limited-Jewellery Division**, presented on “**Scientific approach for investment casting**”. The presentation was full of implementable suggestions backed by years of R&D.

<http://goldconference.in/presentation/Day1/ArunBrakash.pdf>

**Mr Ankur Goyal, President-Works, MMTC PAMP**



**India Pvt Ltd**, shared his perspective on “**Master Alloys**”. He demonstrated that master alloys made from 99999 silver and alloy free from lead, cadmium and other noxious elements can result in higher productivity, good luster, homogeneity, less tarnish, minimum gold loss, and

### Special session on Refining Technology



**Mr Peter Bower, GM Refinery & Fabrication, Rand Refinery**, delivered an excellent presentation on “**Controlling losses in refining operations**”. The presentation was a brief experiential sharing of how Rand Refinery went about the subject and recovered millions of

dollars of precious metals using a simple motto, “Every milligram matters, every second counts”.

<http://goldconference.in/presentation/Day1/PeterBower.pdf>



**Mr Debasish Bhattacharjee, Dy. President Works, MMTC PAMP India Pvt Ltd**, elaborated on “**Hazards associated with gold refining**”. Fumes, slugs, sludges, and effluents generated during refining process can pose damage to humans and the environment.

He advocated regular safety audits, proactive monitoring of specified parameters,



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Sovereign Metals Limited is in the business of refining precious metals (gold and silver) and supplying highest and most consistent quality products and related services and solution to customers at their place of convenience by leveraging its competent and customer-focused human resources, industry-leading technology infrastructure and transparent and globally compliant-sourcing practices.

Sovereign Metals Limited would pursue environmentally sustainable manufacturing practices and would strive to be a world leader in its chosen segment from India.

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use of correct PPE, and health examination of working personnel, besides upgrading the capabilities of the refinery to comply with norms.

[http://goldconference.in/presentation/Day1/Debasish\\_Bhattacharjee.pdf](http://goldconference.in/presentation/Day1/Debasish_Bhattacharjee.pdf)



**Mr Rakesh Kumar Bhan, MD, Fischer Measurement Technologies (India) Pvt Ltd.,** presented on **benefits of EDXRF** as a preferred technology to measure precious metals content in alloys. He also elaborated the effect of various parameters

such as resolution of the detector, pulse processor, collimator, measuring distance, measuring time, and calibration on the accuracy and reproducibility of the results.

[http://goldconference.in/presentation/Day1/Rakesh\\_Kumar\\_Bhan.pdf](http://goldconference.in/presentation/Day1/Rakesh_Kumar_Bhan.pdf)



**Ms Kristina Kern, Project Manager, Technology Development, Krastsvetmet,** along with her colleague Mr Stanislav Turevich delivered a presentation on **“Recent advances in gold dore refining”**.

She outlined the need for different methods of refining based on silver and PGM contents. The use of an additional precipitator in dore containing PGMs leads to increased recovery of gold. Krastsvetmet has also developed a new dissolution method for refining 20% + silver dore. She concluded by saying that her company is open to technology know-how transfer.

[http://goldconference.in/presentation/Day1/Kristina\\_Kern.pdf](http://goldconference.in/presentation/Day1/Kristina_Kern.pdf)

### Discussion- Gold Refining: Addressing Challenges and Unleashing Opportunities



**Moderator: Mr Karthik C, Surabhi Bullion**

**Panellists:**

**Mr Arjun Raghavendra M, Advocate, IGPC- IIMA**

**Mr Suresh Kumar Banga,**

**Vice President, Bright Metal Refiners**

**Mr Manish Goel, Head-Bullion, ICICI Bank Ltd**



**Mr Arjun Raghavendra M, Advocate, IGPC- IIMA on the export of gold/silver bullion from India:** As per Schedule 2- Export Policy – ITC(HS) 2018 Chapter 71, which is pertaining to gold and silver and based on Export Policy & Policy Condition there is no

restriction on the export of gold or silver bullion from India. Also, there is no mention of any value-addition norms. So, when conditions are favourable, Indian refiners may explore the exportation of bullion. Now that IIBX has become operational, it can provide a new opportunity for Indian refiners.

[http://goldconference.in/presentation/Day1/Arjun\\_Raghavendra.pdf](http://goldconference.in/presentation/Day1/Arjun_Raghavendra.pdf)



**Mr Suresh Kumar Banga, Vice President, Bright Metal Refiners on Opportunities to grow Indian refining sector:** Nominated banks are permitted to support refiners in sourcing gold dore. The government (or RBI) should make necessary regulatory changes

to enable nominated banks to source dore for the refiners. Second, the duty differential between dore bar and standard bullion should be increased from the present level to make refining operations viable. Third, refiners are permitted to import a certain portion of their licensed quantity dore as ‘duty-free’ (against a bank guarantee) to be refined and given to jewellery manufacturer-cum-exporters for manufacturing and export of jewellery.

[http://goldconference.in/presentation/Day1/Suresh\\_Banga.pdf](http://goldconference.in/presentation/Day1/Suresh_Banga.pdf)



**Mr Manish Goel, Head-Bullion, ICICI Bank Ltd on Reviving GMS:** Removing tenure restriction, providing tax benefits for deposits greater than one year, removing ‘fear of taxman’, and focus on investment gold rather than jewellery can create interest

in the potential investor. Likewise, making gold collected under STGD eligible for CRR, loans against GMS deposits, joint promotions and digitization can incentivise banks.

[http://goldconference.in/presentation/Day1/Manish\\_Goel.pdf](http://goldconference.in/presentation/Day1/Manish_Goel.pdf)



## Discussion- The Amazing World of Indian Silver

**Moderator: Mr Viraj Didwania, Director, Foresight Bullion**

### Panellists:

**Mr Vijay Murthy, CEO Silver, Lead & Minor Metals, Hindustan Zinc Limited**

**Mr Harshit Doshi, ICBC India**

**Mr Dhiaan Srinivasan, Director-Business Development, Emerald Jewels**



**Mr Viraj Didwania, Director, Foresight Bullion:** India produced 690 tonnes and imported 3043 tonnes silver during 2021. Of the total demand for silver in India, jewellery demand accounts for 44%, silverware 18%, physical investment 20%, and coins and

medals 5%. Industrial demand comprises electrical contacts & electronics (11%) and brazing alloys & solder (2%). Two new channels were made available for retail investors in silver – silver ETFs and digital silver (allocated as well as unallocated). Three silver ETFs are operational since the end of 2021, fairly successfully.

[http://goldconference.in/presentation/Day1/Viraj\\_Didwania.pdf](http://goldconference.in/presentation/Day1/Viraj_Didwania.pdf)



**Mr Vijay Murthy, CEO Silver, Lead & Minor Metals, Hindustan Zinc Limited:**

We are the only primary Zinc, Lead and silver mine producer in the country. Silver has been an exciting story for HZL, especially after we found silver in Sidhedurg,

near Udaipur through primary exploration. Primary exploration in precious metals is a grossly under-invested sector, unlike other sectors such as coal and oil. There is a need to bring in more investments into exploration. HZL carried out exploration between 2007 and 2012. After getting all clearances, we started operations in 2014. The ore body is rich with 100 gm silver per ton at the mine level; at the lead concentrated stage, we get about 2.3 to 2.5 kg silver per ton. HZL has been producing between 650 to 700 tonnes. Planning to move to 725 tonnes. Our focus is to grow domestic consumption. Towards that, we would love to work with players in electrical contact, silverware, conductors, cutlery or any of the upcoming applications. We are here to serve the country and work towards import substitution.



**Mr Harshit Doshi, Head-Precious Metals, ICBC India**

RBI has nominated a few banks to import precious metals. While we help our clients to import gold and silver, we also perform several other services. We ensure guidelines and policies of RBI

and DGFT are implemented. We also ensure GST compliance of our clients. Banks have given comfort to the suppliers. Banks have also given comfort to the customers. One recent example is the TDS collection by banks. Customers know that they would get back the TDS that we collect and remit to the government on time. Banks would soon be permitted to function at IIBX by the regulator. Through that, we can offer additional services to our customers. There is a lot more to do in the industrial use of silver in India. Banks are open to supporting the industry in that.



**Mr Dhiaan Srinivasan, Director-Business Development, Emerald Jewels**

The end consumer is the most important person one should start with. Young customers want a large collection of designs. Silver, being competitively priced, lends

itself to design innovation and range. While in terms of turnover silver jewellery business may be small, it provides a lot more opportunities for innovation and also gives more profits. One challenge is the tarnishing of silver jewellery over time. If we find a solution to that problem, we can take a sizeable market share from brass and copper jewellery as silver jewellery has better resale value. The growth rate in the silver jewellery business, in my view, is much higher than the growth in the gold jewellery business. With the change in demographic, the silver jewellery business has great promise. Silver is the new gold.

Having said this, the silver jewellery business cannot be modelled the way the gold jewellery business is being done. Especially given the price of gold, inventory management always comes to mind in the gold jewellery business. So it has become volume-driven and low margin. Silver business is design-driven and high margin. When the design is the most important selection criterion, the choice of metals becomes secondary.

## Gold Price outlook



### **Mr Debajit Saha, Lead Analyst-India and the Middle East, Refinitiv**

Globally we are struggling with inflation. In my view, inflation is not going to cool down any soon. Historically, every high inflation period is followed by a recession.

Are we staring at a recession? Maybe. If that is the case, gold has a useful role to play.

If we look at some of the economic indicators, we see improvement in US employment; however, the manufacturing index is deteriorating, especially after the Russia-Ukraine conflict. Gold vs US 10-year yield curve has turned positive.

Coming to price, the Gold price has been on the upswing from 2016 until recently. For this upmove, there has to be a healthy correction, which in my view is 50% retracement. I expect gold to gradually correct towards US\$ 1550 per TO soon. Of course, no market moves in a straight line, there may be a temporary upmove. I see the gold market consolidating between US\$ 1850 and US\$ 1550 per TO in the next year.

I am not bullish on silver. It is likely to consolidate in US\$18 – US\$ 21 per TO range. It may spike lower to US\$ 16 per TO also, briefly.

[http://goldconference.in/presentation/Day1/Debajit\\_Saha.pdf](http://goldconference.in/presentation/Day1/Debajit_Saha.pdf)



### **Mr Chirag Mehta, CIO, Quantum AMC Pvt Ltd on Gold in Investment Portfolio-An India Perspective:**

As of March 2022, the total household assets of Indians are estimated at USD10.7 trillion, 15% is into gold (Source: Jefferies).

Gold has been an excellent portfolio diversifier in India, based on the analysis of data on annual returns from equity and gold between 1990 and 2022 (Source: Bloomberg). Gold has been an excellent store of value. It has given an average nominal return of 11% pa during the high inflation period (inflation >6%) and 7% pa during the low inflation period (<6%). In recent times, physical investments in gold coins and bars are giving way to paper products such as Sovereign

gold bonds due to incentives. Gold ETFs, launched in 2007 in India, grew well till 2012 to almost 40 tonnes, then lost its sheen between 2013 till 2020 only to raise phenomenally again to 40 tonnes during the covid period. Gold Jewellery has enormous emotional value but compares poorly as an investment option. Gold financialisation needs actions in terms of treating gold as currency, eradicating barriers of taxation and movement and coming out with product-driven innovations along the value chain. New institutions such as IIBX and domestic gold spot exchanges provide a great opportunity for the creation of an integrated ecosystem bringing in efficiency and fungibility. On price outlook, recessionary concerns could limit the downside in gold prices, while a U-turn on hawkish stance could push gold higher.

[http://goldconference.in/presentation/Day1/Chirag\\_Mehta.pdf](http://goldconference.in/presentation/Day1/Chirag_Mehta.pdf)

## Special address by

### **Mr V S Sundaresan, Executive Director, Securities & Exchange Board of India (SEBI)**

For more details refer page number 18

## Discussion- India - UAE CEPA: Opportunities for Precious Metals Sector

### **Moderator: Mr Sadi Ahmad – SAM PRECIOUS METALS**

#### Panellists:

**Mr Sanjeev Dutta, Executive Director – Commodities & Financial Services DMCC**

**Mr Mohammed Ayyob – General Manager SAM PRECIOUS METALS**

**Mr Pramod Mohan – Managing Director FinMet Pte Ltd**

**Mr Chirag Thakkar- Amrapali Industries**

**Mr Kinjal Shah- RJC**

**Mr Harish Pawani, Director, Peekay Intermark Pvt. Ltd**



### **Mr Sadi Ahmad – SAM PRECIOUS METALS**

Significant events like the launch of IIBX in India and the announcement of the new policy on responsible sourcing involving refiners and importers in the UAE by the UAE Ministry of Economy



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will provide a great opportunity for precious metal trade. CEPA is hailed to boost the trade between the two non-oil businesses. The industry must understand the advantages of CEPA and the benefits thereof. Apart from gold, the silver industry is also going to benefit from the tariff elimination scheme. CEPA has put more emphasis on responsible sourcing in the sense that, gold or silver that gets benefited under the CEPA has to be certified by UAE of India good delivery bar.



**Mr Sanjeev Dutta, Executive Director – Commodities & Financial Services DMCC**

UAE has been working on creating a robust regulatory framework. Similarly, on the governance side, quite a lot of developments are shaping up.

Dubai Good Delivery for which DMCC is the custodian has been elevated as UAE good delivery with the support of key stakeholders. Another significant development is the establishment of the Emirates Bullion Committee chaired by the Minister of State for foreign trade. DMCC is working on implementing a trading platform to track and trace gold flow. Most of the trade pacts existing or worked upon ultimately point towards multilateralism in trade. A combination of the governance, platform and multilateral trade agreements augers well for the future of the bullion and jewellery trade. It is the time we define the standards to ensure responsible and seamless trade.

[http://goldconference.in/presentation/Day2/Sanjeev\\_Dutta.pdf](http://goldconference.in/presentation/Day2/Sanjeev_Dutta.pdf)



**Mr Mohammed Ayyob, General Manager, SAM PRECIOUS METALS**

Under India – UAE CEPA refineries have more responsibility and a significant role to play. Dubai not only provides a very good foundation for business but also

for investments to create infrastructures. Regarding SAM Precious the company has invested heavily in infrastructure creation, and the company is well equipped to support such comprehensive agreements. SAM has created a capacity to produce 2 tons of gold per day working 24/7.

The focus should be on the quality of service and products to gain more customer confidence. SAM precious is accredited with UAE good delivery and also an RJC gold custody. Apart from quality, SAM precious is more focused on compliance and accreditations

which will go a long way in supporting bi-lateral trade agreements.

[http://goldconference.in/presentation/Day2/Mohammad\\_Ayyob.pdf](http://goldconference.in/presentation/Day2/Mohammad_Ayyob.pdf)



**Mr Pramod Mohan, Managing Director, FinMet Pte Ltd**

Under the able leadership of Mr Ahmed Bin Sulayem DMCC was the first to come out with the protocol in terms of Dubai Gold Delivery which is in line with OECD principles and global

regulations. Unlike IIBX which has ISFCA and DIFC which has DFSA as regulators, DMCC does not have regulators to oversee the enforcement. The transition from the DGD era to UAE good delivery has been significant, smooth and facilitated by the government. Recently the ministry has come out saying that all the refiners, numbering around 28 have to do responsible sourcing, failing which, they would be fined 5 million dirhams. In the UAE, with the government acting as the regulator and enforcing agency, the country would be a secure market in terms of precious metal sourcing

On providing liquidity to the UAE bullion market, DMCC was all supportive and DGCX as an exchange active in metal products realised an opportunity. They came out with a product where fresh UAE good delivery bars go directly into DGCX warrants being created and banks provide the liquidity. Now that CEPA is happening, it is now a great product for providing liquidity for UAE refiners.

[http://goldconference.in/presentation/Day2/Pramod\\_Mohan.pdf](http://goldconference.in/presentation/Day2/Pramod_Mohan.pdf)



**Mr Chirag Thakkar, Amrapali Industries**

To touch on the important milestones and timelines when the Indian government opened the consignment business in 1997-1998, it took 10-15 days to clear the consignment. There

was no system put in place then. In 2013 when dore imports were opened up it took around 15-20 days to clear the first shipment. These were followed by the implementation of India's good delivery standard and the recent big milestone is the launch of IIBX. The recent India – UAE CEPA is an advantage for both nations. Dubai as a nation is a very supportive partner in the bullion trade and a significant bullion exporter. Government through TRQ and qualified jeweller criteria is trying to ensure that the bullion supply under

CEPA actually goes to the jeweller and sustain the entire value chain and does not get disrupted by the market forces. Silver is also going to follow the same strides as gold with the actual user/manufacturer criteria benefitting the actual manufacturing hubs.



#### **Mr Kinjal Shah, RJC**

Responsible Jewellery Council is a not-for-profit organization with the ultimate goal to uplift industry practices. RJC has two standards one is the code of practices with a main focus on ethical and sustainable management practices

and the second is a chain of custody with a focus on ethical sourcing and transparent tractability

Chain of custody is the highest category of standards which is complicated to comply with. On the commercial advantages of RJC standards, whomsoever the exchanges have accredited and eligible as India Good Delivery has placed RJC membership as a mandatory criterion. Chain of custody ensures that the process of making jewellery/ ornament follows ethical and sustainable business practices



#### **Certiline presentation by Mr Jacopo Monteforte Specchi**

We are a 25-year-old family-owned company that is into anti-counterfeiting solutions for the precious metals and the diamond industry. We started our

business, offering secured solutions to the diamond industry, and then moved to have refiners, mints and other fabricators of gold and precious metals as our customers.

Why is our packaging solution accepted worldwide? It adds value to the product, protects the market and facilitates trade.

Cryptoprint is one of our security systems. Once the packaging is opened, another script will appear in this. The second security system is the UV membrane. Once the packaging is open, the UV membrane cannot be replaced, as it is very thin. Laser engraving is the third security system. Then we have a machine for sealing the packing. We have expanded our offering of secured solutions to documents, food, clothes and bags.

Now, I would like to draw your attention to the Certieye app. It is a new addition to our offering. Let me demonstrate it to you. Once I scan the packaging, I can get all the details of the product on my screen. It will show the geo-location of the product. If it is counterfeit, then it can easily be detected. So, it is easy to monitor and manage. We introduced the solution last year.

[http://goldconference.in/presentation/Day2/](http://goldconference.in/presentation/Day2/Jacopo_Monteforte.pdf)

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#### **Discussion: IIBX Ecosystem- The way forward**

**Moderator:**

**Mr P R Somasundaram,  
Regional CEO- India, World  
Gold Council (WGC)**

**Panellists:**

**Mr Ashok Gautam, MD & CEO, IIBX IFSC**

**Mr Anshuman Sharma, Head Precious Metals- Middle East & India, StoneX**

**Mr Sharad Jobanputra, Chairman, Sequel Global Logistics**

**Mr Haresh Acharya, Director, Parker Precious Metals**

**Mr Mahendran K, Head-Precious Metals Business, Karur Vysya Bank**

**Mr Ravi Ramakrishnan, Head Precious Metals Trading Asia, J P Morgan**

**Mr P R Somasundaram: Ashok, congratulations on the launch of IIBX. Now that there is a huge responsibility, how do you see yourself resourced to handle the expectation?**



**Mr Ashok Gautam, MD & CEO,**

**IIBX:** Thank you all for your support that resulted in the launch of IIBX yesterday. We have the top 5 MIs as promoters. They are giving their expertise to this initiative. We also have WGC, and associations such as IBJA

to support us on policy matters. On the resources part, because of the grand launch, we have started getting a lot of resumes now. We have a plan for HR, which will be calibrated. Resources also include tech (BSE Tech). There also we are working on several changes. We are tailoring the technology for spot trade and physical delivery and taxation compliance.

So, we are adequately resourced.

Issues to be focussed on – Ensure supply-side is working smoothly. Second, Even in QJ, consider multiple options such as a client of a member or a Limited purpose company.

**Mr P R Somasundaram: Anshuman, what do you think we should focus on?**



**Mr Anshuman Sharma, Head Precious Metals- Middle East & India, StoneX:** First, I would like to congratulate IIBX. From an international perspective, we would love to work with exchanges. It's a great opportunity for us. Having said this, a lot of infrastructures have to be enabled around IIBX. We also need more visibility of the whole process.

One issue that IIBX should focus on - enabling people to come on the platform.

**Mr P R Somasundaram: Sharad, you have put an excellent vaulting at IIBX. How are you going to make people aware of it?**



**Mr Sharad Jobanputra, Chairman, Sequel Global Logistics:** We have the largest vaults. We have also invested in keyless technology. At Rs 100 per sqft for 18000 area my rentals are very high. Our monthly fixed cost is Rs. 25 lakhs. However, being the

market leader, we have to maintain competitive pricing. Our vaulting charges in IIBX are at par with that of what we charge in DTA. We have already moved a lot of cargoes from that IIBX infrastructure.

Propose to have a customer-centric approach to communicate the benefits to existing and new clients.

**Mr P R Somasundaram: Haresh, you have been involved with this initiative for a long time. What is your reading?**



**Mr Haresh Acharya, Director, Parker Precious Metals:** What we saw yesterday at IIBX was the mindset of the government. PM's vision for the industry is to make it organised. Stakeholders should prepare their minds for

compliance-oriented businesses, going forward. If we are not ready, then it will be forced on the stakeholders.

When Mr Jignesh Shah started MCX in 2003, it took nearly three years of continuous efforts to build volume. So, the exchange ecosystem takes time to grow and mature. However, when it comes to IIBX, people want everything on day-1 only. It is not possible. If we stay on and work together, then things will happen.

One thing IIBX should focus on is minimum compliance.

**Mr P R Somasundaram: Mahendran, what is the way forward?**



**Mr Mahendran K, Head-Precious Metals Business, Karur Vysya Bank:** Firstly, congratulations to Mr Ashok for the historic event. Everyone knows what needs to be done to make IIBX a success. Bullion banks have been serving the industry by importing tons of

metal over the years and ensuring compliance. It is heartening to hear from GM, and IFSCA that policy on banks' participation in IIBX will be available within the end of the year. Whenever it is ready, banks will be ready to participate. Aside from looking at it as an alternative channel of imports, we can explore newer possibilities including the export of bullion.

One thing IIBX should focus on is improving connectivity. This would expand the market.

**Mr P R Somasundaram: Ravi, as an overseas supplier and a bullion bank, how do you see the development?**



**Mr Ravi Ramakrishnan, Head Precious Metals Trading Asia, J P Morgan:** Congratulations to Ashok and his team for a great start yesterday. We are 100% supportive of the IIBX initiative. It will help both sides. The key to the market is liquidity. With

the exchange in place, there is a strong chance of both sides participating in large numbers and driving

liquidity. We have opened our branch office at GIFT City yesterday. There is a push toward being a part of the GIFT city ecosystem and developing it. IIBX and bullion will form a part of these initiatives.

One thing IIBX should focus on is Liquidity. From the supplier side, we can ensure liquidity. We need someone on the demand side to match the same.



**Comment from Mr Prithviraj Kothari:** The supply-side should be well represented. Ease of compliance on the buyer side is needed. Also, a concession is needed as capital is blocked in the new system for 48 hours against the current system.



**Mr Ashok Gautam:** We are working on a model where the entire trade cycle (from remitting USD till delivery of Bullion Depository Receipt (BDR)) is compressed to under three hours. We are working on that now and hope to come up with a solution very soon.

**Mr P R Somasundaram:** One suggestion to IIBX; have regular interactive sessions with industry stakeholders once a fortnight for the first year. This engagement process would be effective in identifying and resolving issues.

### Discussion- Opportunities in South Indian Gold / Silver Jewellery Market

**Moderator: Mr Surendra Mehta, National Secretary, IBJA**

**Panellists:**

**Mr Jayantilal J Challani, President, The Jewellers and**

**Diamond Traders Association, Madras**

**Mr Sabarinath B, President,**

**Coimbatore Jewellers Association**

**Mr Ba Ramesh, President,**

**Madurai Jewellers Association**

**Mr Chetan Mehta, Vice-President, IBJA**

**Mr Chanda Sreenivas, President, IBJA- Telangana**



**Mr Surendra Mehta, National Secretary, IBJA:** As you all know, South India is one of the largest gold jewellery markets. About 60% of India's gold jewellery is sold in South India. What is there in the South Indian gold jewellery market? Let us try to find out. Let me begin with Jayanti bhai.



**Mr Jayantilal J Challani, President, The Jewellers and Diamond Traders Association:** South Indians are very conservative. They save first and then spend the rest. For men, investment in gold means financial security. For women, gold

jewellery symbolises social status. Thus, gold jewellery purchase satisfies the requirements of both heads of the family.

**Mr Surendra Mehta: Sabarinath Ji, what more can further be done to improve the jewellery market in south India?**



**Mr Sabarinath B, President, and Coimbatore Jewellers Association:** The South Indian jewellery market is developing fast with population. The design concept has improved a lot in the last three years. Companies such as Emerald are leading the way in

this, as they have an excellent design team. This has opened up the market for Coimbatore manufactured jewellery to other parts of India and the rest of the world.

People attach sentimental value to gold jewellery. Thus, jewellery gets passed on from one generation to another.

**Mr Surendra Mehta: Ramesh sir, you have 52 retail stores and have an expansion plan. What is the reason the chain store concept does not succeed in north India? Why does it succeed in south India?**



**Mr Ba Ramesh, President, Madurai Jewellers Association:**

I can tell why it is successful in South India. After covid, people are investing about 15 to 20% of their earnings in gold. Covid has proved the utility of gold compared to other assets such as cars,

mobile phones, etc. Second, common people in South India are not that aware of equity, mutual funds and so on. About 95% of the gold purchase is in the form of jewellery. Making a charge of 10% is affordable, as with time, gold appreciates. Last, in South India, we sell 22 kt jewellery of assured purity.

**Mr Surendra Mehta: Chetan bhai, share with us something about the South Indian diamond market.**



**Mr Chetan Mehta, Vice-President, IBJA:** After gold, the best quality diamond is sold in Southern India. After covid, even with the increase in the price of diamonds by 10 to 15%, the demand for diamonds has grown by over 80%. Diamonds are

associated with prosperity. We see a great future for quality diamond jewellery in Southern India. In terms of demand for higher caratage diamonds, the south is ahead of north India.

**Mr Surendra Mehta: So, one thing that comes out clearly is the South Indian jewellery market is quality conscious. Chanda Srinivasan ji, why is the demand for gold jewellery less in Hyderabad?**



**Mr Chanda Srinivas, President, IBJA- Telangana:** Silver is picking up very much in Telangana. Gold jewellery demand is more in Andhra compared to Telangana. In terms of investment, gold, silver, land and shares are the preference of common people.

Compared to Tamil Nadu, the demand for plain gold jewellery in Telangana is less. However, there are new stores coming up in Telangana for gold jewellery, silver jewellery and diamond jewellery. Telangana is more of a studded jewellery market.

**Mr Chetan Mehta:** Would like to add to Srinivasan ji point. Telangana is the place for the largest diamond sale.

**Mr Surendra Mehta: How is the demand for silver jewellery? Does silver jewellery compete with gold jewellery?**

**Mr Ba Ramesh:** Silver jewellery demand has increased very much in recent times. It is a different segment compared to the gold jewellery segment. Silver jewellery demand does not affect demand for gold jewellery.

**Mr Surendra Mehta: Jayanti bhai, what should North learn from south India's success?**

**Mr Jayantilal J Challani:** Quality of jewellery should improve in North India. For example, in North India, silver jewellery with 30 – 40% silver content is still sold. In south India, the standard is a minimum of 87.5% silver for silver jewellery. In diamond jewellery, south India will not buy if you sell diamonds at 15,000 to 20,000/carat.

**Mr Surendra Mehta: Srinivasan ji, what should North India jewellers do?**

**Mr Chanda Sreenivas:** Transparency is important. In the South, the number of occasions for the purchase of jewellery is very high. Promotion is also high in the South.

**Mr Ba Ramesh:** in Tamil Nadu, there is a custom of giving 4 to 5 kgs of gold jewellery to the bride and groom at the time of marriage. In Kerala, new jewellery is bought for all close relatives also, in addition to the bride and groom.

**Mr Sabarinath B:** In the North, the buyback rate is also very low compared to the selling rate. In the South, it is usually weight for weight in any exchange programme.

**Additional comments from Delegates:**

**Mr A S Sriram, President, Tamil Nadu Jewellers Federation:** In South India, the bottom pyramid is very large. Each one is buying a small quantity. In North India, the top end of the pyramid buys more gold. However, the bottom pyramid may not be buying. So, with overall economic growth in the North, there is a scope for growing the market.

**Mr James Jose, President, Hallmarking Federation of India:** Every year, Kerala buys about 100 -120 tons of gold jewellery and recycles another 80 tons of gold. I have been a refiner for 27 years. About 15 years ago, the average purity of gold jewellery in Kerala used to be 82%. These days, the average purity of old gold jewellery coming to refineries from Kerala and Tamil Nadu is about 90%. It is about 75% of gold jewellery scrap coming from Bangalore and upwards even now.





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## Discussion on Bullion Market and Trade post-Domestic Gold Spot Exchange

**Moderator: Mr Harish Chopra, IGPC, IIMA**

**Panellists:**

**Mr Shivanshu Mehta, Head-Bullion, MCX**

**Mr Kumar Parmani, President- Trade & Bullion, Yes Bank**

**Mr Deepak Gupta, CEO, Kundan Group**

**Mr A S Sriram, President, Tamil Nadu Jewellers Federation**

**Mr Nagendra Kumar, Chief Business Officer, NSE**

**Mr Ranjith Singh, Head Commodities, BSE**

**Mr Manish Gavaskar, Senior VP- Treasury & Head Bullion Sales, Ratnakar Bank Ltd**



**Mr Harish Chopra, IGPC, IIMA:**

We just heard Mr V S Sundaresan, ED, SEBI. He has addressed many of the issues. Thank you, sir. The plans for developing the market ecosystem are very encouraging.

We have all three exchanges here. We will find out what their plans are in so far as Domestic Spot Gold Exchange (DSGE). BSE has been given in-principle approval by SEBI. Starting with Shivanshu, how soon are you planning to start the DSGE?



**Mr Shivanshu Mehta, Head-Bullion, MCX:**

At MCX, we already have derivative products in gold, silver, and indices. We have also demonstrated our delivery capabilities. Now that SEBI has put in place a system for DSGE, we will be there very soon.

**Mr Harish Chopra: Kumar Parmani, as a banker in the precious metals sector, how do you see DSGE? is it good news or a threat?**



**Mr Kumar Parmani, President-Trade & Bullion, Yes Bank:**

Any news is good news. DSGE is a good development. There is a space for everyone. We may have to realign ourselves, as banks cannot play directly in the

exchange, as per the current regulation. We need to find out how we can collaborate with other partners. Banks have their strengths in financing and it will be relevant for the sector.

**Mr Harish Chopra: Deepak Ji, as a refiner what are the opportunities that you see?**



**Mr Deepak Gupta, CEO,**

**Kundan Group:** We will get more opportunities. The idle gold with the public will come on the exchange. Second, as per the current guidelines, only India Good Delivery (IGD) refiners can deliver gold and silver into the exchange.

So, as an IGD refiner, we are at an advantage and we expect our volumes to increase.

**Mr Harish Chopra: Sriram sir, the ecosystem is aimed at catering to the last mile. What is going to be the role of bullion dealers/traders going forward?**



**Mr A S Sriram, President, Tamil Nadu Jewellers Federation:**

I thought of asking the same question to you. From what I have heard and read, IIBX is a good platform. It is in alignment with the Athma Nirbhar vision of the prime minister. At the end of the day, the

regulations have to be pronounced. It has to be clear as to how is it going to help the stakeholders.

**Mr Harish Chopra: Nagendra, can you give us an understanding as to how DSGE would help the stakeholders?**



**Mr Nagendra Kumar, Chief Business Officer, NSE:**

Even at IIBX, initially banks were not permitted. Now, we all know banks have been permitted to function as professional clearing members (PCM). Soon we believe they may be permitted to offer trading

services to their clients. I expect similar developments at DSGE as well going forward.

Secondly, all of you are aware of NSE-IBJA MoU. According to this, NSE and IBJA will create DSGE, wherein 51% ownership will be with institutions

## Introduction of 1 gram Gold contract with delivery-based settlement on NSE Commodity Derivatives segment.



In addition to the Gold Futures (1 Kg) contracts and Gold Mini (100 gms) contracts, NSE is pleased to launch 1 gram Gold contracts w.e.f. June 07, 2021, on its NSE Commodity Derivatives segment.

### Key Highlights

- Assured delivery of 999.0 purity gold
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- Delivery only from NSE approved Domestic Refiners or London Bullion Market Association (LBMA) certified Refiners
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- M/s Kundan Care Products Ltd.
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(NSE owning 15% and other institutions owning the remaining. BSE and MCX can also participate in this). The balance of 49% will be owned by the industry. For the first time, we are introducing the concept of a depository. With IBJA we are planning an awareness programme. We believe the new system will change the entire delivery ecosystem, especially the B2C segment.

In the proposed exchange, there are going to be B2B as well as B2C segments where EGRs would be traded. At present, SEBI's regulations are more toward B2C. We will work with SEBI on EGR utilization for B2B.

**Mr Harish Chopra: Ranjith, continuing the same subject, what do you think is a good business proposition for BSE?**



**Mr Ranjith Singh, Head-Commodities, BSE:** Let me at the outset thank SEBI for giving us the permission. We will start DSGE as a segment of BSE. We have already conducted mock testing. SEBI did their checking last week.

Once we have all approvals in place, and clarity on some of the taxation issues, we will start. As far as viability is concerned, we see good potential. The official import number is about 1000 tonnes a year. We are promoting this as a SIP option for retail investors as well. For jewellers, we are looking at it as a kilobar product.

**Mr Harish Chopra: Deepakji, Kundan also has a digital gold business. How would DSGE affect Kundan's digital gold business?**

**Mr Deepak Gupta:** EGR will work for limited hours. Digital gold is 24\*7. So, in our view, it will co-exist. NK: In digital gold, the key is the bid-ask spread. Current spreads are very large. As against that, the bid-ask spread in gold ETFs (Exchange-traded products) is very narrow. Also, in a regulated environment, there are mechanisms to incentivise the channel. So, over a period of time, the digital gold volume will shift to exchange.

**Mr Shivanshu Mehta:** I agree with Nagendra's point. Our gold petal contract saw the delivery of 61,000 units. Like-wise, 130 metric tonnes of silver were delivered against the silver one-kg contract. So, exchange-traded products have an inherent advantage in terms of liquidity.

**Mr Harish Chopra: Manish, how do you see banks continue working capital financing and other services?**



**Mr Manish Gavaskar, Senior VP & Head-Bullion Sales, Ratnakar Bank Ltd:**

Banks have played a variety of roles in serving the needs of customers in the current market. Even under IIBX and DSGE, banks will support and play a variety of roles. PCM at

IIBX is known to all. Likewise, it will evolve as with the evolution of the market.

**Mr Kumar Parmani:** As of today, banks enable importation, provide a working capital loan, run Gold Metal Loan books, and also provide loans for CAPEX. Going forward, if there is an exchange model, banks would provide an extra line of service as permitted by the regulator and as demanded by customers.

**Mr Harish Chopra: Sriram sir, do you have enough information on IIBX and DSGE?**

**Mr A S Sriram:** Not yet. But I think we will get all the information very soon. I would like to focus on the capital gains tax aspects related to exchanging old gold jewellery with new gold jewellery. Here the buyer has to pay capital gains tax on the difference between the purchase price and the resale price. If the capital gains are exempted, then it will enable the flow of old gold jewellery into the system and in some ways will reduce the import requirements. We have similar exemptions on capital gains on the sale of land or building if the proceeds are reinvested in land or building within a specified time. The regulator should kindly look into this and permit the same.

**Mr Harish Chopra: Dubai has introduced some stringent measures on responsible sourcing. What is the plan of exchanges in India?**

**Mr Nagendra Kumar:** From an operational point of view, if all three exchanges operate the same contract (EGR) and if the same refiner is empanelled with all exchanges, then we need to standardise the accreditation norms. Else, we will run into serious challenges.

To be continued in next issue - **Discussion on Tech-backed gold products & more on IGC 2022**

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## Sequel Logistics: Physical infrastructure, people/processes & technology critical aspects in transforming secured logistics.



**Mr Rajkumar**  
Founder Director & CEO,  
Sequel Logistics

**Logistics are critical in the precious metals supply chain system. So, the importance of logistics is very critical given the value of the commodity. We have with us today Mr Rajkumar, founder and CEO of Sequel Logistics, one of the leading logistics providers for precious metals in India and globally. Let's hear what he has to say about the secure logistics system in India. Sir, can you introduce yourself and Sequel? How has it grown from a small company in Bangalore to a global player?**

First of all, delighted to be here at IGC this year; we've been regular participants at IGC for many years. It is a beautiful forum to catch up with all the industry participants, leaders, customers and other collaborators. It's a great event, and I'm happy to be here after Covid.

Sequel has been around for a while; it was founded in 2004, and we built a primarily India-centric network. It started in the diamond jewellery segment and subsequently got into commodities. Of course, we have one more division which takes care of the life science logistics, so we look at the critical logistics domain and operate there. During the last couple of years, there have been challenges, especially with Covid, but I think new opportunities have opened up for logistics. Hence, people are now more amenable to online operations.

**Do you feel the importance of logistics is being realised?**

That's right. While the physical aspect cannot be ruled out, the whole idea of digital transactions has also been enabled and increased substantially. Another critical thing that has happened in the last year is Gift City, in which Sequel has been the first IFC-approved vault manager, so our vault is up and running. It's one of the finest vaults in India. We envisaged this to be a model vault for the Indian market,

We hope the coming years will transform the bullion industry. Apart from that, we are also approved by SEBI as a vault manager for domestic gold spot exchange, in which 18 of our vaults have been approved. So once the spot exchange starts, we can offer

logistics and monetary services to our customers.

**You'll be reaching the last leg of connectivity from the vault and playing a critical role in the supply chain.**

It's not just bulk movement. Our customers come and look at smaller denominations, doorstep delivery, and so on. So now it's gotten more democratised, there are more participants, and I think it's not just about the larger volumes, it's also about the smaller ones. So, there's no better time to expand than right now.

**You have two business segments. One is bullion logistics and other is jewellery logistics, so one is volume based, and one is value-based; where do you see more growth coming in?**

I think these two segments are interdependent. Bullion is a sort of backward integration into the jewellery industry. The jewellery industry is the bedrock of the Indian ecosystem as Indians are disposed to buy a lot of jewellery, which also drives the bullion movements. These two are very closely interconnected but have their dynamics and requirements.

**As a veteran, what challenges do you foresee in transporting precious metals? What type of regulations and policy changes do you expect from players like you**

**so it'll be a more conducive and vibrant environment to work in?**

So far, logistics has not been a regulated space, so while regulations are coming in for bullion regulators like SEBI and IFSCA have stepped in, the jewellery movement still is not regulated. Online cash movement comes under RBI regulations. So, while there are general guidelines, the regulatory framework is still not there, so we are working and pushing toward bringing some regulations.

**Would this be self-regulation or external?**

I think external regulation would bring more credibility to the market, like how SEBI's role in regulating domestic gold spot exchanges brings credibility; similarly, external regulation will bring in more trust.

This business is mainly about trust and security, so we welcome the right amount of regulation to protect the customer's interests. This will ensure that the logistics companies are not cutting corners and that there are good infrastructures and vehicles. All of this is in the customer's interest because safe transportation and logistics are ultimately paramount for everyone in the ecosystem.

**There is already WDRA in place, so do you think they're enough for regulations, or should there be one more body within the space?**

We have had some conversations, but those are different because it's more food-related, but here, the dynamics are a bit different.

**So, it requires more understanding to regulate?**

Yes, and whichever entity is finally decided, I'm sure it is not wrong,

and it can still be understood, but some framework will certainly help the industry and the whole ecosystem.

**What has Sequel done to transform the security logistics footprint going ahead?**

We look at it from three specific aspects: physical security, which is to secure the shipment while in vaulting and transit from external environments. So that is one piece that we work on and requires a lot of specific vault layout processes and physical infrastructure. The second aspect is people and processes; we need to ensure that the people we take are 100% verified regularly and must be kept engaged and motivated. It needs to be ensured that the people doing it have the right positive mindset. The third aspect is the IT system, in terms of knowing where the shipment is and what should be there versus what's there; the traceability part and doing that transparently for the customer.

We, have been pioneering in that space and have our mobile app, Sequel247, popularly called amongst our customers. I think it is a huge differentiator that is not available in any other place. Sequel customers can book a shipment, track shipments, make payments and understand the stock levels at their fingertips. We've focused on these three things and made tremendous progress in the past few years.

**Now, with IIBX, how do you see the potential for logistics players in India?**

Yeah, it's going to be huge, so while all the trading happens in the exchange, physical delivery will have to be supplemented with that.

in this context the logistics role will be massive.

**Are you looking to expand globally?**

Not as of now, but we work with global partners in the US, Europe, Middle East and the Far East. We work with very critical, large strategic partners, and we've been working with them for a long time, and that has worked out very well because this is such a detailed kind of work that the native players understand the geography, political systems, labour laws and all of those regulations. We have found it pretty convenient to work with international partners and collaborate with them.

**What is your take on IGC?**

I'd say it's the premium conference that happens for this ecosystem, for the bullion players, so everybody looks forward to it, and this time, it's a massive turnout. I've never seen this much turnout, and the venue is fantastic. Everything has been great, and catching up with many old friends is lovely.

# Hindustan Zinc Ltd Transforming from pure-play commodity to value added player



## Can you please introduce yourself and Hindustan Zinc?

Thank you so much; I'm thrilled to be part of this esteemed event at IGC 2022, a fabulous event we all look forward to every year. Representing Hindustan Zinc, I want to share that I've taken over as the CEO and as you're all aware, Hindustan Zinc is the leading primary producer of silver in India, and we have a substantial presence in the Indian domestic market; we cater to about 12-15% of the Indian domestic market. We're happy to say we've been catering to all the domestic requirements, from electrical contact manufacturers to various applications. As our Prime Minister said, in terms of Make in India and make for the world, I think we first have made in India to fulfil our domestic requirements; we're only a 650-700 tonne player as of now compared to the Indian market of 5000 tonnes so we have a long way to go and we're working on it.

**Hindustan Zinc being a vertically integrated player, we see only a few players in the global arena have the ambition to do value-added products in silver. What strategic plans do you have in place to address the value-added segment?**

Historically, we've been a commodity player, and it was a

conscious call to take a step back from being a pure-play commodity player. We're making strenuous efforts to be productive players. So, we are evaluating the opportunities of value-added products in silver, and we have already started making a few of them, like silver nitrate we have made in batches in the past. Still, we need to get into more commercialised space and more volume. So, we are evaluating the opportunities for alloys, coins and minted bars, and these are all under review, but I'm confident that in the coming years, we will have a strong footprint on the value-added side.

We continuously evaluate new opportunities and try to see how well we can use this opportunity. For example, in the growing renewable energy and EV space, We're looking to the government to support the entire make in India, especially for the solar panels and where we feel we can make a substantial contribution.

**Regarding the ramp-up of production, what are the plans for Hindustan Zinc?**

In terms of refining capacity, we're already there, we already have higher than existing products in terms of refining capacity, and if you look at the last three years,



**Mr Vijay Murthy**  
CEO of Lead, Silver and  
Minor Metals  
Hindustan Zinc Ltd

our silver production has remained constant between 625-700 tonnes, so we expect to end FY2023 with around 700-725 tonnes, but we do have an optimal target which we will continue to move and inch towards. We're hopeful that with successive exploration and maybe trying to optimise our silver resource, we should be able to reach our target. The target is to make for India and make for the world.

**You have recently launched an online portal. Can you share some details about it?**

We are one of the few commodity companies in the world going towards a digitally enabled end-



to-end, fully stacked Ecommerce kind of solution, so as of now, we are making most of our sales and making online price discovery. We will have end to end solution where customers can do their pricing, buy the metal and have complete logistics visibility until it reaches them, so that's the kind of solution we're looking at and investing substantially and enhancing our digital footprint.

**You want to make Hindustan Zinc an end-to-end integrated player and an inclusive player in the**

**Indian silver industry?**

Indeed, we want to partner with all the manufacturers. We do not just want to sell it to the financial instrument partner. Silver to us is a very passionate thing, we want it to be consumed, and that is why, be it tableware, electrical contacts or utensils, we want our silver to be consumed by the Indian public and to be proud that this has been produced from Indian soil.

**You want to convert every tonne of silver into value-added products?**

That's the long-term target, but the way the market develops in terms of the value-added products in India, we have to be cautiously optimistic

on that, and we'll look forward to it because India has varied applications. We are confident we have good days ahead with the growing middle class, silver fashion jewellery. People are optimistic that India will continue to be the silver home, and we'll continue to enhance our production in the future.

**What do you feel about coming to this event?**

If I must say, this is one event I always look forward to attending every year because we get to interact with so many people from the industry for one and a half days. Best wishes for IGC 2023.



*Heartfelt Condolences*

*Shri Nilesh Guptaji left to Heavenly Abode on 10 August 2022*



**Dear Shri Nilesh Guptaji,**

*You will always be remembered and celebrated.*

*The entire Bullion industry will miss you...*



# MCX- Product diversification & successful deliveries sign of market acceptance



**Mr Shivanshu Mehta**  
Head - Bullion, MCX

MCX Gold and Silver Prices are the benchmark for value-chain and end-consumers alike: Most Pricing is done MCX (+/-). MCX Bullion contracts are designed considering the need of all participant's namely large corporates, Retail jewellers, importers, investors and end consumers.

Further, MCX Gold and Silver prices reflects all four elements: USD/INR exchange rate, custom duty tariff, international gold and silver prices along with the domestic premium/discounts. Spot-Futures integration was thus seen via our compulsory delivery contracts.

MCX offers Gold 1kg, Gold Mini 100 grams, Gold Guinea 8 gram

and Gold Petal 1gram futures contract and in Silver we have Silver 30kg, Silver Mini 5kg and Silver Micro 1kg futures contract backed by delivery. MCX has seen deliveries of 129 MT of Gold & and over 4,212 MT of Silver since inception.

Smaller denomination contracts are designed to cater to the organized retail investor demand. Investment in smaller denomination contracts are backed with delivery, providing a systematic investment plan (SIP) type of flexibility. Coins and bars can be held and accumulated in the electronic format and physical delivery is also available. Every bar and coin comes with an individual assaying certificate, quality assurance given. Convenience of transaction and liquidity of exchange platform are key advantages leading to better Cash flow management, margin protection and Inventory hedging amid volatile prices.

MCX designed one gram Gold Petal future contract (**first ever deliverable one gram gold contract in the world**) to cater to organized retail investor demand, by providing a systematic investment plan (SIP) type of flexibility with an electronic accumulation, saw successful delivery of **62 kgs ( 61,954 coins)** since it's launch in October 2019 till June 2022 contract.

Similarly, Silver (1kg) Micro contract that became deliverable

with one kilogram silver bar as delivery lot from February 2020 series, has seen successful delivery of **45,994 kgs**. Silver Mini (5 Kg) contract that became deliverable with Silver (five nos. of one kilogram bars) as delivery lot from June 2020 series, saw successful delivery of **86,080 kgs**.

These three products have strengthened the bullion portfolio further and successful deliveries are a sign of market acceptance.

In volatile situations there is a need to hedge via MCX futures and options contracts to safeguard the profit margins. MCX emerged as an efficient platform for price risk management for Gold and Silver. The close integration of the MCX futures and physical commodity markets in India, reflects the attractiveness of the exchange-traded commodity futures market in India as an efficient platform for price risk management.

MCX also successfully launched Gold 1kg Options contract with Gold (1 Kg) Futures as underlying on October 17, 2017.

#### **The advantages of Options are:**

- Options offer the buyer an Insurance against adverse movement, but allow for participation on favorable side
- Maximum Loss to the extent of Premium paid for Buyer
- Exchange Traded options are free from counter-party risk
- Futures & Options combination

(both risk management tools) gives leverage of futures with safety of Options. Hence, profit is possible from change in future prices but losses are limited via Options

- Participants can devise numerous effective hedging strategies
- Better Cash-flow management because of one-time payment of Premium
- Low Transaction Cost, low capital intensive
- Flexible pricing via Put options: Jewelers may offer the lower of current price / or of a future date, for example - Akshay Tritiya as Festive Scheme

Gold Options (1 kg) contract registered it's highest turnover (post LES) of Rs.4638 crore on May 24, 2022, highest volume (post LES) of 9.49 MT on March 16, 2020 and highest open interest of 8.75 MT on March 20, 2020. Similarly, Silver

30kg Options contract with Silver (30 Kg) Futures as underlying was launched on May 24, 2018. Silver Options contract registered highest turnover of Rs. 740 crore on August 26, 2020, highest volume of 113 MT on June 23, 2022 and highest open interest of 172 MT on August 17, 2020.

After receiving overwhelming response for Gold 1kg and Silver 30kg options contract we received requests from jewelers to introduce smaller denomination options that would enable them to hedge via options, as the advantages of options are multifold, and as listed below:

Hence, MCX designed the Silver Mini Options and Gold Mini Options contract and launched the same on July 19, 2021 and April 25, 2022 respectively. Gold Mini and Silver Mini Options contract caters to small and medium jewelers who can easily mitigate their price risk

by hedging in smaller denomination Options contract and take the above listed advantages. Further, Gold Mini and Silver Mini Options contract has less premium making it affordable and feasible to the small retailers and investors.

To make the Exchange's bullion derivative contracts more relevant to the physical market players and in line with the broader national objective of 'Atmanirbhar Bharat', MCX empaneled domestic refiners as per "MCX Good Delivery Norms for BIS-Standard Gold/Silver" effective from March 6, 2021 and saw a successful delivery of 1,262 kg valued at 622 crore till July 2022 contract.

This initiative of empaneling domestic refiners by MCX may serve the nation by reducing disparities, encouraging quality gold recycling and reducing import dependence.

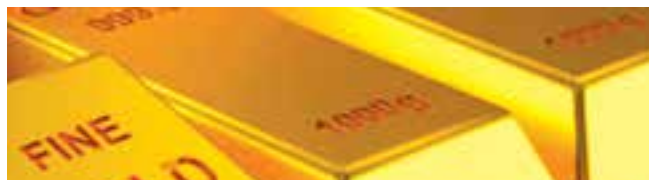


**BRINKS**

**Team BRINK'S is delighted to inform that BRINK'S is the 1st Global Company to be appointed as Vault Manager by IFSCA for IIBX at Gift City. Looking forward for your support & business as always**

**For Enquiries, contact:**  
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**Email: Chamandeep.Luthra@Brinks.Com**

# INDIA news



## Import duty hike: No gain from raising gold levies Import duty hike: No gain from raising gold levies

July 1, 2022, the Central Board of Excise hiked the import duty on gold from 7.5% to 12.5%. Gold also attracts GST and other levies, so the effective tax on gold adds up to just over 18% of its value. This

action may have been triggered by the drop in India's forex reserves over the past few months—\$16.7 billion since March. Anybody bypassing the official channel (i.e., smuggling gold) stands to make a 15.85% return for a one-time trade over a few days. Even high-flying hedge funds would be hard-pressed to match such a return. The government has just raised the incentive for gold smuggling, ignoring India's experience from the 1970s and more recent lessons from immediate neighbour Sri Lanka.

The increase in customs duty on gold is an attempt to reduce the outflow of foreign exchange. The action is understandable, as India's trade deficit has increased to \$25.6 billion for June 2022 and \$70.3 billion for Apr-June 2022. Meanwhile, the rupee has also weakened by over 5% since 2022 to Rs 79/USD. Indians are amongst the most avid consumers of gold. Gold is one of the few ways to preserve wealth across generations; unlike land, it is portable.

**Source:** <https://www.financialexpress.com>

## India's decision to hike import duty on gold to make prices more attractive in GCC, says Malabar Gold official:

The recent announcement by the Indian government to raise import duty to 12.5% from 7.5% is expected to make gold more expensive across India. This hike has increased the gold price difference between the GCC and India. The gold price in the GCC will get more attractive than in India, with a saving of 12-15%. The weakening rupee will further increase the gold rate in India.

**Source:** <https://www.gulf-times.com>



MALABAR  
GOLD & DIAMONDS



## Gold import duty will promote grey market: WGC India.

The sharp increase in gold import duty will again incentivise gold smuggling and push the trade to deal with the grey market. Though gold prices are falling globally, it has remained steady in India due to rupee depreciation against the dollar. The price difference between legal and smuggled commodities will significantly boost jewellers to source gold illegally.

**Source:** <https://www.thehindubusinessline.com>



## SBI crosses the Rs 1-trillion-mark in gold loans

In the first quarter of FY23, the bank has seen decent traction in the segment and much better growth compared to what it saw during the corresponding period in the past. At the end of March 2022, the value of SBI's outstanding gold loans to individuals stood at Rs 23,063 crore. The Rs 1-trillion portfolio, therefore, likely includes agri- loans backed by gold. The value of total outstanding gold loans to individuals in the banking sector as of May 20, 2022, stood at Rs 73,752 crore.

**Source:** <https://www.financialexpress.com>





## IDBI Bank's Gold Loan Business Crosses Rs 10,000-Crore Milestone

The bank's gold loan book has achieved a prestigious milestone and crossed the Rs 10,000 crore landmark. In the last two years, the bank's gold loan book has doubled from Rs 5,000 crores to Rs 10,000 crore. The LIC-controlled bank said its loan processing system is fully automated, which has helped in the growth of the gold loan book. Customers complete the transactions generally in 10-15 minutes, it added.

**Source:** <https://www.outlookindia.com>



## Invest in Digital Gold

Fintech startup Dinero, on July 12, launched the option to win digital gold on its app by partnering with MMTC-PAMP India Pvt. Ltd, in a bid to attract young Indians. With this launch, users stand a chance to win 999.9 per cent pure gold at any time on Dinero's application. The Dinero app encourages young people to invest in various avenues through its platform and rewards them with items, including digital gold, once they reach the investment goal.

Dinero and MMTC-PAMP create the perfect synergy, capitalizing on the digital infrastructure provided by MMTC's platform and Dinero's consumer base to reach out to the segment of young Indians, urging them to invest their money further and earn Digital Gold as a reward.

**Source:** <https://www.news18.com>



## MCX cautions investors against fraudulent online gold investment schemes

MCX, the country's largest commodity exchange, has warned investors not to get trapped in the fraudulent gold investment schemes run by unscrupulous online websites using its brand name. MCX has clarified that it has not associated with DBS Bank in Singapore for any wealth management activities, nor does it have any relationship with Gold-Master. Gold-Master is neither registered as a member of the exchange nor is it an 'Authorized Person' of any registered member of the Exchange.

**Source:** <https://www.thehindubusinessline.com>



## Egyptian companies inject \$8.1m investments in the gold exploration sector

Akh Gold, a subsidiary of Altus Strategies, signed a \$4.1m agreement with the Egyptian government to search for gold in nine areas in the Eastern Desert. Moreover, the Egyptian Mining and Manufacturing Company – MEDAF signed a similar agreement worth \$3m to search for gold in one area.

**Source:** <https://dailynewsegypt.com>

# INTERNATIONAL news

## Serabi mines less gold in the first half but expects to hit the 2022 target.

Serabi produced 15,480 ounces of gold in the first half of 2022, down 9.7% from the 17,135 ounces it produced a year ago. The gold grade worsened to 6.06 grammes of gold per tonne from 6.71 in the first half of 2021. In the second quarter of 2022, Serabi produced 8,418 ounces, down 7.0% from 9,048 a year ago. In the second quarter, gold grade improved by 12% to an average of 6.43 grammes of gold per tonne from 5.72 a year ago. Serabi Gold shares fell 1.5% to 39.80 pence each in London.

Source: <https://www.lse.co.uk>



## Turkey, Uzbekistan and Kazakhstan have become the world's lead buyers of gold.

Turkey became the largest precious metal buyer at the end of spring, with gold reserves replenished by 13 tons. The Central Bank of Uzbekistan scored second by buying 9 tons and increasing volumes for the second month in a row. Kazakhstan's National Bank, with additional 6 tons, became the third on the list.

Source: <https://akipress.com>



## UAE: VAT on gold-making charges may impact other businesses

The Federal Tax Authority (FTA) recently issued a public clarification - VATP029 - relating to B2B supplies of gold and products mainly consisting mainly of gold ('Gold Items'). As the clarification relates to gold-making charges, CFOs/CEOs in other businesses (especially those in Designated Zones (DZs)) have ignored its impact on their operations.

Source: <https://www.khaleejtimes.com>

## Gold an Effective Store of Value Amidst Falling Yen, Says World Gold Council

The latest market research report published by the WGC highlights gold as an effective store of value amid the falling Japanese currency. The Japanese yen has weakened significantly during the first six months of the current year. The currency has registered an 18% decline against the US dollar, dragging it to the lowest point since 1998. The interest rate spread between Japan and other key markets sharply widened. The worsening trade deficit and the country's economic declaration during the year's initial quarter weighed on the local currency.

Source: <https://www.scrapmonster.com>



## IBJA Opening & Closing Rates for Gold and Silver

(All rates in INR)

Date	Gold 999		Gold 995		Gold 916		Gold 750		Gold 585		Silver 999	
	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)
	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	1 Kg	1 Kg
07-01-2022	51849	51791	51641	51584	47494	47441	38887	38843	30332	30298	58400	57773
07-04-2022	52339	52218	52129	52009	47943	47832	39254	39164	30618	30548	58013	58123
07-05-2022	52339	52218	52129	52009	47943	47832	39254	39164	30618	30548	58013	58123
07-06-2022	51581	51298	51374	51093	47248	46989	38686	38474	30175	30009	56081	56449
07-07-2022	50871	50883	50667	50679	46598	46609	38153	38162	29760	29767	56583	56881
07-08-2022	50877	50853	50673	50649	46603	46581	38158	38140	29763	29749	56626	56427
07-11-2022	50924	50877	50720	50673	46646	46603	38193	38158	29791	29763	56466	56745
07-12-2022	50770	50878	50567	50674	46505	46604	38078	38159	29700	29764	56046	56097
07-13-2022	50656	50800	50453	50597	46401	46533	37992	38100	29634	29718	55888	56074
07-14-2022	50804	50565	50601	50363	46536	46318	38103	37924	29720	29581	56317	55685
07-15-2022	50386	50403	50184	50201	46154	46169	37790	37802	29476	29486	54560	54767
07-18-2022	50629	50667	50426	50464	46376	46411	37972	38000	29618	29640	55574	55614
07-19-2022	50629	50667	50426	50464	46376	46411	37972	38000	29618	29640	55574	55614
07-20-2022	50477	50553	50275	50351	46237	46307	37858	37915	29529	29574	55230	55367
07-21-2022	50182	49972	49981	49772	45967	45774	37637	37479	29356	29234	54737	53907
07-22-2022	50677	50816	50474	50613	46420	46547	38008	38112	29646	29727	55085	55009
07-25-2022	50803	50911	50600	50707	46536	46634	38102	38183	29720	29783	54402	54727
07-26-2022	50822	50760	50619	50557	46553	46496	38117	38070	29731	29695	54106	54155
07-27-2022	50780	50842	50577	50638	46514	46571	38085	38132	29706	29743	54411	54840
07-28-2022	51174	51222	50969	51017	46875	46919	38381	38417	29937	29965	55844	55972
07-29-2022	51623	51466	51416	51260	47287	47143	38717	38600	30199	30108	57912	57553

The above rates are exclusive of GST/VAT

## Bullion - Data & Statistics

Gold Spot Market International (Per Troy Ounce)				Silver Spot Market International (Per Troy Ounce)			
Spot Gold	01 <sup>st</sup> July	29 <sup>th</sup> July	% Change	Spot Silver	01 <sup>st</sup> July	29 <sup>th</sup> July	% Change
Australia (AUD)	2651.29	2529.79	-4.58	Australia (AUD)	29.06	28.97	-0.31
Britain (GBP)	1494.84	1451.01	-2.93	Britain (GBP)	16.38	16.61	1.4
Canada (CAD)	2325.22	2261.95	-2.72	Canada (CAD)	25.48	25.90	1.65
Europe (Euro)	1731.62	1730.42	-0.07	Europe (Euro)	18.98	19.81	4.37
Japan (Yen)	243673.00	235235.00	-3.46	Japan (Yen)	2670.00	2695.00	0.94
Switzerland (CHF)	1732.02	1681.61	-2.91	Switzerland (CHF)	18.98	19.26	1.48
USA (USD)	1811.2	1766.94	-2.44	USA (USD)	19.89	20.36	2.36

Monthly Exchange Data (Gold) (From July 01-29)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
COMEX <sup>2</sup>	Gold Oct 22	1814.80	1823.90	1686.20	1771.50	-2.47
SHANGHAI –SHFE <sup>4</sup>	Gold Oct 22	381.00	395.00	369.32	391.62	-0.66
MCX <sup>1</sup>	Gold Oct 22	51500.00	52650.00	49795.00	51626.00	1.65
TOCOM <sup>3</sup>	Gold Oct 22	7930.00	7964.00	7483.00	7527.00	-5.20

1- Rs/10 gms, 2- \$/oz, 3- Jpy/gm 4 (RMB) Yuan/gram 5 - \$/gram

Monthly Exchange Data (Silver) (From July 01-29)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
COMEX <sup>2</sup>	Silver Dec 22	20.34	20.49	18.18	20.34	-0.79
MCX <sup>1</sup>	Silver Dec 22	59524.00	60438.00	55313.00	59436.00	-0.77
TOCOM <sup>3</sup>	Silver Dec 22	85.00	85.60	76.00	78.60	-12.57

1- Rs/kg, 2- \$/oz, 3- Jpy 0.1/gm

Gold Spot Market, India			Rs/10gm
Spot Gold	01 <sup>st</sup> July	29 <sup>th</sup> July	% chg
Ahmedabad	50699.00	51301.00	1.19
Bangalore	51538.00	50836.00	-1.36
Chennai	50275.00	50498.00	0.44
Delhi	51517.00	50842.00	-1.31
Mumbai	51000.00	51260.00	0.51
Hyderabad	50269.00	50528.00	0.52
Kolkata	51953.00	51317.00	-1.22

Currency Change (Monthly)		
	01 <sup>st</sup> July	29 <sup>th</sup> July
EUR/USD	1.0428	1.0218
USD/AUD	1.4671	1.4312
USD/GBP	1.2094	1.2166
USD/INR	78.93	79.34
USD/JPY	135.19	133.19

Silver Spot Market, India			Rs/kg
Spot Silver	01 <sup>st</sup> July	29 <sup>th</sup> July	% chg
Mumbai	62076.00	57553.00	-7.29

## Bullion - Data & Statistics

### LBMA Gold & Silver Price (Per Troy Ounce)

GOLD AM			GOLD PM			SILVER				
DATE	USD AM	GBP AM	EUR AM	USD PM	GBP PM	EUR PM	DATE	USD	GBP	EUR
07-01-2022	1795.65	1486.44	1716.82	1797.45	1499.43	1731.12	07-01-2022	19.73	16.36	18.87
07-04-2022	1807.05	1491.72	1730.97	1808.40	1489.22	1731.18	07-04-2022	19.86	16.36	19.00
07-05-2022	1804.40	1498.37	1750.27	1772.00	1482.46	1728.05	07-05-2022	19.84	16.50	19.27
07-06-2022	1766.65	1479.92	1727.08	1754.30	1473.96	1724.13	07-06-2022	19.22	16.13	18.85
07-07-2022	1743.45	1455.96	1711.20	1747.95	1456.04	1716.84	07-07-2022	19.43	16.20	19.06
07-08-2022	1737.05	1454.08	1717.42	1738.20	1451.57	1714.56	07-08-2022	19.20	16.02	18.93
07-11-2022	1737.40	1452.99	1717.25	1740.00	1462.82	1728.34	07-11-2022	19.21	16.07	19.00
07-12-2022	1734.35	1466.39	1733.66	1730.70	1457.60	1722.05	07-12-2022	18.87	15.93	18.83
07-13-2022	1728.90	1454.70	1723.02	1724.60	1452.63	1718.56	07-13-2022	18.96	15.91	18.84
07-14-2022	1716.15	1447.06	1710.66	1700.70	1441.51	1705.46	07-14-2022	18.76	15.87	18.74
07-15-2022	1702.55	1439.85	1696.08	1706.15	1438.63	1693.87	07-15-2022	18.46	15.59	18.35
07-18-2022	1723.65	1442.01	1699.00	1719.05	1432.48	1692.40	07-18-2022	18.88	15.76	18.59
07-19-2022	1712.95	1426.37	1674.58	1713.05	1425.77	1673.14	07-19-2022	18.90	15.72	18.43
07-20-2022	1712.65	1423.90	1671.89	1709.30	1426.41	1672.89	07-20-2022	18.78	15.67	18.42
07-21-2022	1686.55	1413.50	1657.37	1705.10	1428.36	1669.80	07-21-2022	18.27	15.27	17.92
07-22-2022	1725.00	1443.31	1699.30	1736.95	1442.19	1696.31	07-22-2022	18.81	15.74	18.50
07-25-2022	1731.95	1437.69	1690.90	1718.90	1424.11	1677.30	07-25-2022	18.76	15.56	18.33
07-26-2022	1719.85	1431.60	1688.72	1720.05	1431.08	1695.45	07-26-2022	18.54	15.45	18.27
07-27-2022	1723.95	1427.95	1699.47	1714.05	1422.32	1690.57	07-27-2022	18.77	15.56	18.48
07-28-2022	1746.60	1436.23	1713.07	1753.50	1445.94	1728.07	07-28-2022	19.33	15.95	19.07
07-29-2022	1758.90	1447.40	1724.07	1753.40	1451.64	1725.70	07-29-2022	20.07	16.47	19.60

**Disclaimer:** All references to LBMA Gold Price are used with the permission of ICE Benchmark Administration Limited and have been provided for informational purposes only. ICE Benchmark Administration Limited accepts no liability or responsibility for the accuracy of the prices or the underlying product to which the prices may be referenced.

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