

# Rise of Digital Gold in India

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**The digital gold sector has recently accelerated, especially among millennials and Gen Z—65% of users fall in this demographic, reflecting a generational shift toward digital-first investing.**

## What is Digital Gold

Digital gold is an online investment option that allows individuals to buy, sell, and hold gold electronically, without owning or storing physical gold themselves.

### Key points about digital gold:

- **Fractional Ownership:** You can invest in very small amounts, making it accessible for anyone—even for as little as 1 rupee
- **Security:** The gold you own digitally is backed by physical gold stored securely by trusted suppliers
- **Liquidity & Convenience:** You can buy or sell your digital gold instantly through various apps (e.g., Paytm, Google Pay, PhonePe) or have it converted into physical coins or bars as needed.
- **Transparency:** Platforms offer real-time updates on gold prices, ensuring transparent pricing based on the current market value
- **No Storage Hassles:** You don't need to worry about the physical security, purity, or insurance of the gold, as these are handled by the provider
- **Transferability:** Some platforms also allow gifting or transferring digital gold to others

### Growth of Digital Gold Participants

Assuming 2022 as the baseline year—when the digital gold investor base in India was approximately 30–40 million—there has been a remarkable and steady increase in participation. Since 2022, the number of digital gold investors has surged by an impressive 300%, reaching around 120 million investors today.

### Several factors fuel this trend:

- **Ultra-low minimum investment:** Platforms let users start with as little as ₹1–₹10, democratizing gold ownership
- **Purity assurance:** Most are backed by LBMA certified 24K gold vaults (99.9–99.99%), reassuring investors
- **No storage hassles:** Digital vaults eliminate locker fees; gold is fully insured
- **Live pricing & liquidity:** Real time rates enable instant buy/sell anytime, improving convenience
- **Festival gift ability & delivery:** Some platforms allow gifting gold or converting digital units into coins or jewellery

In 2024, gold investments in India were over US \$18 billion, with ~10% being digital, signalling a major shift. Experts predict digital gold adoption will double in 3 years

### Key Players: Who is leading?

#### MMTC PAMP

- **Credentials:** A joint venture between government-owned MMTC and PAMP (Switzerland). The only LBMA-accredited refinery in India
- **USP:**
  - 99.99% purity with transparency and security.
  - Options: redeem digital gold for bars/coins, gift to others, sell anytime
  - Free storage for up to five years

#### SafeGold

- **Credentials:** SafeGold is backed by Digital Gold India Private Ltd, with minority investment by the World Gold Council
- **USP:**
  - 24K 995+ purity in LBMA "good delivery" bars
  - Strong brand trust via Tanishq (Tata), offering physical redemption at 350+ stores
  - Secure, regulated by DGIPL compliance

### Augmont

- **Credentials:** A fintech-backed gold platform preparing for a ₹1,000 crore IPO
- **USP:**
  - Rivals established players with digital trust.
  - Strong backend credibility as it seeks public funding and scale

### Jupiter Money

- **Credentials:** Neo bank app partnered with MMTC PAMP
- **USP:**
  - Offers automatic and SIP investments, instant redemption, and secure wallet

### Paytm Digital Gold

- **Credentials:** Integrated into Paytm/Paytm Money; sources MMTC PAMP gold
- **USP:**
  - Allows purchases from ₹1 with guaranteed 99.99% purity.
  - Seamless mobile experience, live price tracking

### Google Pay & PhonePe

- **Credentials:** Integrations via MMTC PAMP (GPay) and SafeGold (PhonePe)
- **USP:**
  - Built into widely-used UPI apps; highly accessible for mass audiences.

### Jar, Digital Sonar, Milli Gold, and others

- **Credentials:** Startups offering unique savings features
- **USP:**
  - Jar: round-off savings; auto top-ups.
  - Sonar & Milli Gold: savings plans, buybacks and physical redeem options.

## What Sets Them Apart?

Platform	Minimum Buy-in	Purity & Vaulting	Redemption/Gifting	Unique Feature
MMTC PAMP	₹1	99.99%, LBMA-certified, insured vaults	Bars/coins delivery, gifting, sell anytime	Govt-backed, high trust & transparency
SafeGold / Tanishq	₹100	24K, 995+ purity, tie-up with Tanishq/Caratlane for leasing option	24/7 sell, convert to jewellery at Tanishq stores	Tata-backed, jewellery redemption option
Augmont	₹1+?	Same as above plus larger number of jewellers tie-up plus competitive pricing	Coins, jewellery, sell-back	Fintech backed, raising major capital
Paytm Money	₹1	99.99%, MMTC PAMP-backed	Digital sell, live price, integrated in app	Ubiquitous UPI wallet integration
Jupiter	₹1	99.9%, MMTC PAMP-partnered	Instant redemption, auto-SIP	Neo-bank experience
Google Pay / PhonePe	₹1	Via MMTC PAMP / SafeGold	Digital sell, gifting	Seamless within everyday UPI apps
Jar / Sonar / Others	₹10+	24K purity, insured storage	Physical options, savings automations	Round-offs, savings features

### Final Word

India's digital gold market offers a compelling blend of security, simplicity, and sophistication. Whether you prioritize trust, convenience, or savings discipline, there's a platform tailored to your needs. As digital adoption deepens, expect product innovations-like micro gold gifts, loyalty-linked gold, or portfolio integration-further blending tradition with modern finance.

