

12TH INDIA INTERNATIONAL
GOLD CONVENTION - 2015



ROLE OF BIS IN GOLD MONETIZATION SCHEME OF INDIA

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BACKGROUND OF BIS

- Formerly know as “Indian Standards Institution”
- Established on 06 Jan 1947 as Registered Society
- Became “Bureau of Indian Standards” on 1 Apr 1986 under the BIS Act, 1986
- Working under Ministry of Consumer Affairs, Food & Public Distribution

BIS – Locations

HQs – Delhi
5 Regional
Offices

32 Branch
Offices in 27
locations

8 Testing and
Calibration
centres





CORE ACTIVITIES

- Standardization
- Conformity Assessment (Certification)
- Hallmarking
- Management System Certification
- Consumer Protection & Awareness



BIS AT A GLANCE (As on June 2015)

Formulate need based standards as per National Priority

▪ Standards in force	19301
▪ Harmonized with ISO/IEC Standards	5093
▪ Committees working	over 350
▪ Experts in Technical Committees	10254
▪ Certification	
▪ Products under Certification	944
▪ Products under Mandatory Compliance	122
▪ Product Licences	29801
▪ Registration of Electronic Products	1814
▪ Management System Licences	1286



BIS AT A GLANCE (contd)

Laboratories

BIS Labs	08
Recognized Outside Laboratories (OSLs)	151

Training Institute located at NOIDA, U.P.

Programs for Industry, Govt, Consumers, BIS Employees

International Training Programmes



HALLMARKING OF JEWELLERY

- Launched in 2000 (Gold); 2005 (Silver)
 - Grant Licence to Jewellers
 - Grant Recognition to Assaying & Hallmarking Centres
- Scheme is voluntary
- Jeweller's licences in operation – 14326 (as on June 2015)
- BIS recognized A&H Centres - 343 (as on June 2015)
- New Schemes underway:
 - Hallmarking of Indian Gold Coins
 - Recognition of collection & Purity Verification Centre
 - Hallmarking of Indian Gold bullion



GOLD MONETIZATION SCHEME(GMS)

Finance Minister in the Union Budget 2015-16 made an announcement

“Introduce a Gold Monetisation Scheme, which will replace both the present Gold Deposit and Gold Metal Loan Scheme. The new scheme will allow the depositors of gold to earn interest in their metal accounts and the jewellers to obtain loans in their metal account. Banks/other dealers would also be able to monetize this gold”



GMS (OBJECTIVES)

- To Mobilize Gold
 - in Households
 - Institutions
- To provide fillip to Gems & Jewellery Sector
 - Gold as RM available on loan from Banks
- To reduce reliance on import of Gold



GMS (COMPONENTS)

- Purity Verification & deposit of Gold
- Opening of Gold Savings Accounts with Banks
- Transfer of Gold to Refiners
- Utilization of deposited Gold
- Lending of Gold to Jewellers
- MoU between Banks, Refiners and Purity Testing Centres



GMS (BIS ROLE)

- Lay requirement & Verify ‘Assaying & Hallmarking Centre’s facilities of “Purity Testing Centre”
- Certify “Purity of Gold Bullion”



GMS (BIS ROLE)

Criteria for Purity Testing Centres

- Study of Requirements
- Consultation with Stakeholders
- Firm up Criteria for Recognition
- Visit to A & HMCs who wish to participate in GMS
- Recognize Facilities as per BIS Criteria



GMS (BIS ROLE)

Certification of Gold Bullion

- Make IS 1417 amenable to Certification of Gold Bullion
- Understanding of India Refineries
- Drafting Scheme of Testing & Inspection
- Laying down additional requirements
- Scrutiny of Applications
- Visit to Refinery
 - Verification of necessary infrastructure/facilities for refining to desired purity
 - Competence of Assay personnel
 - Capability to refine and test to desired purity
- Grant of Licence based on onsite-testing of product



INDIAN GOLD COIN (IGC)

- Annual demand - 800 – 1000 tonnes
about 30% gold used as investments
- Presently Coins/bars are imported (minted in
Switzerland by LBMA Certified Refiners)
- Minting proposed Initially through IGM, later
Third Party Refineries/Mints e.g., MMTC-PAMP
Marketing proposed through Post office,
Bullion Banks, Cooperative Banks,
Jewellery Channels



IGC (OBJECTIVES)

- Creation of National Brand Coins (Ashok Chakra)
- Uniform Quality (999 fineness 5g, 10g)
- Uniform Price (intrinsic value & international price)
- Trust in buying & selling of Gold
- Save Foreign Exchange on minting cost from Overseas Refiners
- Utilise Capacity of Indian Refineries
- Proposed Launch date 2 Oct 2015



IGC (BIS ROLE)

Certification of Gold Coins as per IS 1417

- Make IS 1417 amenable to certification of gold coins
- Drafting Scheme of Testing and Inspection
- Scrutiny of Applications
- Visit to IGM, Mumbai
 - Verification of necessary infrastructure/facilities for refining to desired purity
 - Competence of Assay personnel
 - Capability to refine and test to desired purity
- Grant of Licence based on onsite-testing of product



THANK YOU

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