RETAILING

CODE OF CONDUCT | SELF-ASSESSMENT GUIDE

IAGES
Indian Association for
Gold Excellence and Standards
An Industry Initiative





Welcome to the in-depth guide for Retailing.

The first part - The Code of Conduct will help you understand and adapt to the best practices.

The second part - The Self-Assessment Guide will help you identify areas of improvement through a comprehensive questionnaire.

We hope that with this guide by your side, you can embark on a glorious journey and set a new benchmark in the gold industry

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Introduction

Introduction and structure of the Code of Conduct document

This Code of Conduct document is aimed at providing high-level guidance for retailing. The Code of Conduct includes sound practices, additional best practices and implementation guidance for retailing gold products.

Sound practices capture healthy practices which should be followed by any provider (across all sizes, complexity, etc.).

Additional best practices are aimed at larger/mature providers who wish to adhere to even higher standards of practice.

Implementation guidance offers broad steps to deploy sound practices/ additional best practices at an organisation. The guidance is directional in nature and is not exhaustive. Practical application of these practices will require detailed guidance that is specific to the organisation.





Scope & Objectives

Gold is an important asset class in India with an annual demand of ~800–900 tonnes, making India the world's second largest consumer of gold. Gold holds a unique place in India, being culturally and socially significant, and is an important savings asset with its consumption driven largely in the form of jewellery, investment bars and coins.

While Indians have a strong affinity for investment in gold, individuals seeking to invest in gold face several challenges in doing so, particularly around price transparency and quality assurance. As the market is fragmented and there is no overarching supervisory body, an industry-defined Code of Conduct is deemed to be an effective mechanism for protecting the interest of retail investors.

Effective dissemination and implementation of the Code of Conduct should enhance trust of consumers in gold products. This should, in turn, drive demand for both established and new gold products, benefitting consumers and the industry. This document is a step in that direction, and it lays out the Code of Conduct specific to retailing. There are similar existing Code of Conduct documents for other activities across gold value chain including refining, bullion trading, manufacturing and assaying. We may develop further Code of Conduct for activities such as vaulting, lending, etc. in future, as required.

Gold Jewellery Value Chain



Refining



Bullion Trading



Manufacturing



Assaying and Hallmarking



Whole Seller



Retail



Digital Investment Gold Retailing

Retailing

The process of developing the Code of Conduct has included interaction with a number of industry experts, providers and other stakeholders. We envision that



India Gold Market
Code of Conduct - Retailing

Activity	Sound Practices
Sourcing	1. I promise to record all the relevant information about my suppliers and ensure adequate "Know Your Provider" checks 2. I promise to conduct independent tests to ascertain the characteristics of gold products received from my suppliers 3. I promise to conduct business transparently by ensuring due documentation for all transactions with suppliers 4. I promise to only accept gold products which adhere to industry accepted standards and from registered suppliers (Additional best practices) 5. I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations
Transportation and Storage	6. I promise to have adequate operational processes and controls to safely store and transport valuables (gold, cash, precious metals)
Marketing	7. I promise to promote offers clearly and fairly representing key product characteristics, including potential investment risks 8. I promise to offer educational material to customers on gold products or point them to credible sources of such information 9. I promise to not proclaim or propagate any knowledge related to gold investment which can be misconstrued as professional investment advice
Selling	10. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs 11. I promise to clearly display information related to product features and price on each unit 12. I promise to charge fair prices and fees and disclose key terms and conditions to the customer 13. I promise to maintain invoice for each sale which has been generated only after ensuring required KYC 14. I promise to offer adequate training to my employees and infrastructure for seamless operations (Additional best practices)
Customer Complaints Redressal	15. I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints
Payments	16. I promise to clearly communicate and adhere to terms and timelines for settlement with suppliers 17. I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customer
Risk Management	18. I promise to maintain adequate stock of gold to cover customer liabilities arising from advances/deposits collected from customers 19. I promise to proactively identify major financial and non-financial risks to my business and take appropriate steps to mitigate / manage the risks
Risk Recycling/ Purchasing Old Gold	20. I promise to design, convey and practice a fair old gold purchase/exchange policy and collect KYC details of sellers of old gold
Audit And Compliance	21. I promise to comply with all applicable laws and regulations, maintain adequate documentation and disclose any information as required by regulatory authorities



Implementation Guidance

1. I promise to record all the relevant information about my suppliers and ensure adequate "Know Your Provider" checks

Perform due diligence and capture relevant information including below before initiating any business transaction with a supplier/manufacturer

- ✓ Vendor Registration Form
- ✓ KYC documents like GST, PAN, MSME Udyam Registration number
- ✓ Business Owner - Identity Proof

2. I promise to conduct independent tests to ascertain the characteristics of gold products received from my suppliers

Ensure independent testing of the gold products provided by the supplier for relevant details including the below using standard testing equipment (e.g. Karatmeter, XRF machine or Third Party testing report) before the gold is made available for sale

- ✓ Weight (Net weight, Gross weight)
- ✓ Purity (caratage, fineness)
- ✓ Presence of trace elements/impurities

In case the retailer does not have testing equipment, they should rely on AHC report

Any deviation from the details shared by the supplier should be shared with the supplier for requisite action and resolution

3. I promise to conduct business transparently by ensuring due documentation for all transactions with suppliers

Ensure documentation with suppliers for each trade

- ✓ Supplier agreements/Contract/PO/Invoice (Sensitive data can be masked)
- ✓ Maintain records of past transactions for a reasonable period (at least 2 years)

4. I promise to only accept gold products which adhere to industry accepted standards and from registered suppliers

Maintain a process of QC

HUID Number of Inventory to be verified on the BIS Care App

Self - Declaration to support supplier to maintain good practices

As applicable, source from suppliers who by themselves and whose upstream partners adhere to responsible gold standards, e.g. LBMA, India good delivery standards

Maintain a preferred supplier list, based on industry accepted standards

5. I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations **(Additional Best Practice)**

Conduct business with suppliers who display environmental standards e.g. use eco-friendly packaging material for products, efficient use of energy, prevention of waste, avoid use of toxic materials

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With regards to social criteria, support manufacturers that ensure safe and healthy work environment for their employees, support small artisans, and create initiatives such as donate small amount to a non-profit organisation for each unit sold

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Work with business partners committed to good governance practices (transparency, internal controls, fair policies)

Note: Retailers are not expected to conduct audit of suppliers to determine ESG compliance. They can rely on certifications that the suppliers share



Transportation, Storage and Safekeeping



6. I promise to have adequate operational processes and controls to safely store and transport valuables (gold, cash, precious metals)

Establish adequate operational procedures along with physical and system controls such as physical security/technology enabled access to vaults; physical/digital record keeping of access to protect assets against misuse, fraud or operational loss

Maintain a process to manage the movement of valuables

Priority should be given to safeguard customers' assets such as gold held on their behalf (e.g. item held for repair) or cash held before the final settlement of transaction (e.g. advance payments)

Ensure that valuables (including gold, precious metals and cash) stored are adequately covered against any loss event including loss, damage or theft through insurances or capital reserves. Valuables in transit should be adequately insured by the retailer/supplier/logistics company.

Marketing

7. I promise to promote offers clearly and fairly representing key product characteristics, including potential investment risks

Copies of marketing and promotional materials (advertisements, brochures, social media)
Customer awareness display photographs (showroom display, hallmarking details)

Disclose key applicable regulatory guidelines, risks, product attributes and requirements related to the offering and provide update to customer in case of any changes

Key risks (e.g. related to gold investment) should not be omitted, disguised or misstated

Do not misrepresent own products with regards to any comparisons made to other products or investment asset classes

8. I promise to offer educational material to customers on gold products or point them to credible sources of such information

Make customers aware to whether the company and the product is regulated (e.g. BIS registered)

Proactively educate customers to check four signs of hallmarking as mentioned in BIS guidelines

Encourage customers to check the product specifications (purity, gross weight, net weight) and price breakup (e.g. if it includes hallmarking charges)

Guide customers to credible sources of information (e.g. BIS website, LBMA standards) to help them know more about best practices in the gold industry and make informed decisions

9. I promise to not proclaim or propagate any knowledge related to gold investment which can be misconstrued as professional investment advice

When requested by customer for investment advice, clearly communicate that the knowledge provided is based on their experience of the business and should not be misconstrued as professional investment advice

Clearly layout that it's the sole responsibility of the customer to take risk based on their financial capacity

Offer educational material on gold as an asset class or guide them to credible sources of such information

Selling

10. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs

Ensure that only hallmarked products (for which hallmarking standards are available) are made available for sale

Capture relevant information such as below to ensure authenticity and credibility of AHC

- ✓ Valid BIS license

Conduct independent sample testing for the products received from AHC and check Inventory on random basis whether hall marking is available or not.

In case the retailer does not have testing equipment, they can take help of AHC facility to validate the test results

11. I promise to clearly display information related to product features and price on each unit

Have a clear and standard way of displaying information on each item including but not limited to

- ✓ Product features (net weight, gross weight, purity)
- ✓ Price (including making charges)
- ✓ Bar code (if applicable)

12. I promise to charge fair prices and fees and disclose key terms and conditions to the customer

Charge fair prices and fees (local base price of gold, making charges, hallmarking charges, other fees, taxes, etc.) in line with local market practices and clearly disclose these to customers

Do treat customers consistently, e.g. offer same price to customers irrespective of their knowledge of/experience in the gold industry

Disclose key terms and conditions, return policy, risks, information on customer rights, company, etc. on the invoice, as applicable

13. I promise to maintain invoice for each sale which has been generated only after ensuring required KYC

Disclose available payment methods to the customer, e.g. digital payments, credit card or cash

Include all the relevant information on the invoice with respect to price (local base price of gold, making charges, hallmarking charges, other fees, taxes, etc.), product (purity, weight, stones), customer rights (including link to BIS website) and transaction (date and time, invoice number, etc.)

KYC details of any customer (individual, organization) should be collected (as required by law) before proceeding with the invoicing process and maintain system controls for issuing invoice after required KYC details are collected

Mention approvals on invoice and maintain records of supporting documents

14. I promise to offer adequate training to my employees and infrastructure for seamless operations

Provide safe and healthy workplace through appropriate policies and offer additional benefits such as health insurance, Employee PF. POSH policy to be implemented If applicable.

Install appropriate tools and machines for safety of employees

Offer personal and professional training such as role-specific training, ways to identify authentic products, use of testing equipment, provide customer support, etc.

Customer Complaints Redressal

15. I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints

Educate customers on their rights to raise complaints and the process to access customer support
SOP on complaint redressal procedure and turnaround time

Provide adequate training to support staff and ensure their availability during standard office hours by email and phone at a minimum

Set-up a physical/digital system for customers to file complaints or raise queries. The systems should also allow to record, track and resolve queries within the agreed upon timelines. Maintain defined timelines for addressing several categories of complaints.



Payments

16. I promise to clearly communicate and adhere to terms and timelines for settlement with suppliers
Ensure adequate communication with suppliers to understand any changes in terms and conditions

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Self - Declaration for adhering to terms and timeline for settlement with the supplier

17. I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customers
For all advance payments made by customers (for a product/towards future purchase), key terms and conditions should be made available to customers including but not limited to

- ✓ Applicable future purchase price and charges including any additional operational charges (transaction, delivery, storage, etc.)
- ✓ Associated risks and insurance arrangements
- ✓ Information on customer rights

Provide customers with transparency on settlement times and terms, such as whether they can settle before due date

Risk Management

18. I promise to maintain adequate stock of gold to cover customer liabilities arising from advances/deposits collected from customers
Self-Declaration: Stock maintained against the advance taken from the customer

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Ensure that the monies collected as customer advances are invested in gold stock which can be easily liquidated in case of a call for gold / monies by the customer

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Establish a process of placing order to maintain inventory covering the liabilities arising from advances/ deposits from customers

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Develop policies to protect customer rights. For example, in case of wind-down, special consideration should be given to returning any gold or cash held for customers

19. I promise to proactively identify major financial and non-financial risks to my business and take appropriate steps to mitigate/manage the risks
Self-Declaration: Risks are identified and mitigated as per the requirement of the organisation

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Deploy risk management practices including processes, policies, roles and responsibilities to mitigate/manage identified risks, e.g.

- ✓ Minimum/no credit for customers or no advance payments to suppliers to reduce the counterparty risk
- ✓ Define internal risk limits with regard to market risks such as positions in gold, currencies or derivatives, which could threaten the company's liquidity.
- ✓ Implement a risk limit system to ensure compliance with risk limits.
- ✓ Assign responsibilities around issues such as planning or approval of a wind-down plan
- ✓ Conduct due diligence on suppliers/customers/logistic providers/assayers and only select those who are reliable (financial stability, no involvement in unfair trade practices, etc.)
- ✓ Deploy adequate safeguards to protect the KYC information collected from suppliers, customers, logistics agencies, etc.
- ✓ Implement cyber-security best practices and be prepared for IT emergencies, including system failure

Risk Recycling/ Purchasing Old Gold

20. I promise to design, convey and practice a fair old gold purchase/exchange policy and collect KYC details of sellers of old gold

Design a fair and standardized buyback/exchange policy (applicable deductions, terms, etc.) across all product types for all its customers

For non-customers, design standard methodology to evaluate and price old gold irrespective of its original seller

Clearly communicate all aspects taken into consideration while pricing old gold – weight, purity, melting charges, safekeeping charges, melting losses, GST and other taxes (as applicable), etc.

KYC details (including below but not limited to) of any customer/non-customer (individual or organization) should be collected before proceeding with the old gold purchase process

- ✓ Address
- ✓ PAN card (if jewellery value > 2 Lakh),
- ✓ Self-declaration by customer that the gold has not been acquired illegally

Digital/physical track record of parties involved in selling old gold should be maintained

Audit And Compliance

21. I promise to comply with all applicable laws and regulations, maintain adequate documentation and disclose any information as required by regulatory authorities

Comply with all applicable laws and regulations, including PMLA (Prevention of Money Laundering Act), in the markets, in which they operate (including those where customers and potential customers are located)

Maintain all records as required. For example, a BIS registered jeweller is required to maintain all the records related to invoices of hallmarking charges paid, sale and purchase of hallmarked items for a period of five years or till the jewellery is sold, whichever is later

Document any compliance procedures for internal purposes, as well as for any legitimate requests by external parties such as regulators or business partners, such as banks

Conduct regular internal audits. Audit should include verification of gold holdings and reconciliation with retailer's records and information system

Disclose any information related to taxation, consumer protection as required by regulatory authorities



Dissemination & Application of the Code of Conduct

Dissemination & Application of the Code of Conduct

The proposed sound practices, additional best practices and implementation guidance are voluntary so, at present, there will be no audit or public endorsement. However, we believe that conforming with these practices will strongly benefit providers and customers. Over time, too, we expect stakeholders to push for implementation of the sound practices outlined in this document.

Providers are therefore encouraged to independently demonstrate compliance with the sound practices. This should strengthen trust in their offerings, facilitate customer acquisition, drive business growth and foster cooperation with external partners such as vault operators, security carriers, gold dealers and banks. Providers can demonstrate adherence to the practices through public disclosure to customers, investors and other interested parties. This can be achieved in several ways- via providers' own websites, through marketing materials or more generally online.

Providers who choose to go beyond additional best practices will be able to differentiate themselves from peers.

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Annexure A: Self-Assessment Guide

Introduction to self-assessment guide

The self-assessment guide is applicable for organisations of any size as the test is based on the practices deployed and not the volume of trade conducted. It is voluntary at present and there will be no audit or public endorsement. Providers can demonstrate adherence to the practices through public disclosure to customers, investors and other interested parties. This can be achieved in several ways – via providers' own websites, through marketing materials or more generally online.

Self-assessment guide aims to help the provider with current state assessment of their practices against corresponding Code of Conduct and entails three steps for assessment.

1. Read the corresponding Code of Conduct thoroughly before beginning this assessment.

2. Refer to guiding questions to develop conclusion for the organisation's spractices against each Code of Conduct statement – to determine the extent to which a Code of Conduct is observed by the organisation.

3. Assess current state against each Code of Conduct. The assessment is built on the gravity and urgency to address the areas of improvement.

Additional notes for classification of deviation levels:

A. Observed (O)

The provider observes the Code of Conduct in entirety.

B. Broadly Observed (BO)

The provider broadly observes the Code of Conduct. The assessment has identified one or more areas of improvement that the provider should address and follow up within a defined timeline.

C. Partly Observed (PO)

The provider partly observes the Code of Conduct. The assessment has identified one or more critical areas of improvement and should be addressed as high-priority items.

D. Not Observed (NO)

The provider does not observe the Code of Conduct.

The self-assessment guide is evolving in nature and will mature over time with inputs from the market participants.

Detailed assessment guidance

1 I promise to record all the relevant information about my suppliers and ensure adequate "Know Your Provider" checks

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you conduct due diligence/"Know Your Provider" checks to evaluate suppliers before initiating business with them?
2. Do you conduct business with the suppliers if they can't fulfil the minimum requirements?
3. Do you maintain record of the information and documents collected? Do you update the information collected on an ongoing basis?
4. Do you ensure that the above processes are followed at your organisation?

Assessment notes:

Area(s) of improvement:

2 I promise to conduct independent tests to ascertain the characteristics of gold products received from my suppliers

Current state:

☐ Observed ☐ Broadly observed

☐ Partly observed ☐ Not observed

Key questions to consider:

1. Do you conduct independent tests for the received products? Do you test for all the relevant characteristics (such as weight, purity etc.)?
2. Do you have equipment and skills to perform the tests on site? If you do not have the testing facility, do you visit another facility (e.g. AHC) to validate test results?
3. Do you use complaint and resolution mechanisms of supplier in case of any deviations?

Assessment notes:

Area(s) of improvement:

3 I promise to conduct business transparently by ensuring due documentation for all transactions with suppliers

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you document all information (such as weight, purity, etc.) related to the trade in purchase orders/ other documents?
   Do you maintain the records of past transactions for reasonable period (at least 2 years)?
2. Do you ensure that the documentation is completed for all trades, irrespective of volume and nature of relationship with supplier?

Assessment notes:

Area(s) of improvement:

4 I promise to only accept gold products which adhere to industry accepted standards and from registered suppliers

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you have a criterion to only accept gold products supplied by manufacturers that adhere to industry accepted standards? If yes, do you have adequate processes to ensure its implementation at your organisation?
2. Do you procure gold from registered manufacturers only?

Assessment notes:

Area(s) of improvement:

5 I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you consider environmental standards, beyond the applicable laws (e.g. eco-friendly packaging material, zero waste) while selecting a supplier?

2. Do you consider other social (e.g. support small artisans, child labor free) and governance (e.g. transparency) criteria?

Assessment notes:

Area(s) of improvement:

6 I promise to have adequate operational processes and controls to safely store and transport valuables (gold, cash, precious metals)

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you deploy safety measures for storage and transportation of gold, cash and precious metals?
2. Do you have adequate insurance or capital buffers to cover against any event of loss?
3. Do you conduct due diligence/have internal processes to evaluate logistics agencies before empanelling them? Do you collect all the requisite documents from the agencies as part of "Know Your Providers" checks?

Assessment notes:

Area(s) of improvement:

7 I promise to promote offers clearly and fairly representing key product characteristics, including potential investment risks

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you offer information regarding the product characteristics in promotional material?
2. Do you disclose applicable regulatory guidelines applicable to product to customer? Do you state potential investment risks objectively?
3. Do you offer objective and fair information without impacting industry perception while differentiating your jewellery against other competing retailers in marketing material?

Assessment notes:

Area(s) of improvement:

8 I promise to offer educational material to customers on gold products or point them to credible sources of such information

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Have you developed any educational material for customers? Do you include details on products, pricing, hallmarking, etc. in such materials? Do you train sales staff to use this material to educate customers?
2. In absence of in-house materials, do you point customers to other external sources of information? Are these credible sources?

Assessment notes:

Area(s) of improvement:

9 I promise to not proclaim or propagate any knowledge related to gold investment which can be misconstrued as professional investment advice

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you provide investment advice to customer to promote gold products?
2. Do you train staff at point of sale to delineate facts from opinion while providing information to customers and guide them to credible sources of information?

Assessment notes:

Area(s) of improvement:

10 I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs[6]

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you ensure that only hallmarked products (for which hallmarking standards are available) are made available for sale?
2. Do you perform adequate checks (valid BIS license, history of temporary license suspension, pending complaints in public domain, instances of malpractice etc.) and collect relevant documents (valid BIS license etc.) from AHC? Do you validate the assaying results with independent sample testing?
3. Do you ensure that the above processes are followed at your organization for all AHCs and each product?

Assessment notes:

Area(s) of improvement:

11 I promise to clearly display information related to product features and price on each unit

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you have standard way of displaying product information on each item at point of sale? Do you include information related to product, price, unique identification, etc.?
2. Do you provide additional information to the customer, if requested, to improve credibility?

Assessment notes:

Area(s) of improvement:

12 I promise to charge fair prices and fees and disclose key terms and conditions to the customer

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you charge standard prices and fees to the customers irrespective of your relationship with them? Do you disclose pricing components to the customer?
2. Do you clearly disclose key terms and conditions (such as return policy, risks, etc.) to customers? Do you ensure that these terms are being adhered to?

Assessment notes:

Area(s) of improvement:

13 I promise to maintain invoice for each sale which has been generated only after ensuring required KYC

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you maintain invoice for all transactions? Do you include all the information related to price, product, customer rights and transaction on the invoice?
2. Do you collect requisite documents from customers for KYC checks? Do you conduct business with the customers if they can't fulfil the KYC requirements?
3. Do you have systems in place to ensure that the above processes are followed at your organisation?

Assessment notes:

Area(s) of improvement:

13 I promise to offer adequate training to my employees and infrastructure for seamless operations

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you have adequate workplace policies and benefits for employees? Are these sufficient to provide a safe and healthy workplace to employees?
2. Do you offer adequate training to employees, as required?
3. Do you have high-end infrastructure (e.g. barcoding and ERP system) to ensure 100% traceability?

Assessment notes:

Area(s) of improvement:

15 I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you have systems in place to receive customer complaints? Do you commit a timeline to customers to resolve complaints?
2. Do you maintain records of the customer complaints? If yes, for how long?

Assessment notes:

Area(s) of improvement:

16 I promise to clearly communicate and adhere to terms and timelines for settlement with suppliers

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you communicate and clearly align on key terms of payment before finalising trade with suppliers?
2. Do you ensure that you as well as the suppliers adhere to the terms? Do you have mechanisms in place for events where any one party violates the terms?

Assessment notes:

Area(s) of improvement:

17 I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customers

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you collect payments in advance from your customers?
2. Do you disclose the key terms and conditions such as price and risks to customers opting for advance payments?
3. Do you provide customers visibility on settlement times and terms that would be applicable upon their future purchase and settlement?

Assessment notes:

Area(s) of improvement:

18 I promise to maintain adequate stock of gold to cover customer liabilities arising from advances/deposits collected from customers

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you put aside adequate financial resources to service all future liabilities and cover any risks that arise due to regular operations?
2. Do you invest customer advances in gold stock that can easily be liquidated upon customer request or as planned?
3. Do you ensure adequate coverage against customer liabilities arising from advances/deposits collected?
4. Do you have adequate policies to protect customer rights e.g. in case of wind-down?

Assessment notes:

Area(s) of improvement:

19 I promise to proactively identify major financial and non-financial risks to my business and take appropriate steps to mitigate/manage the risks

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you identify, measure and monitor major financial and non-financial risks to business?
2. Do you have appropriate risk management practices including policies, governance in place to mitigate/manage these risks?

Assessment notes:

Area(s) of improvement:

20 I promise to design, convey and practice a fair policy for old gold purchase and collect KYC details of sellers of old gold

Current state:

- ☐ Observed
- ☐ Broadly observed
- ☐ Partly observed
- ☐ Not observed

Key questions to consider:

1. Do you have a standard buyback/exchange policy for customers and non-customers?
2. Do you clearly communicate all aspects taken into consideration while pricing old gold (purity, melting charges, melting losses, GST and other taxes (as applicable) etc.) to all customers, consistently and impartially? Do you state key risks objectively?
3. Do you collect KYC details of sellers of old gold? Do you purchase gold if the seller does not meet KYC requirements?

Assessment notes:

Area(s) of improvement:

21 I promise to comply with all applicable laws and regulations, maintain adequate documentation and disclose any information as required by regulatory authorities

Current state:

☐ Observed ☐ Broadly observed

☐ Partly observed ☐ Not observed

Key questions to consider:

1. Do you ensure compliance with all laws/regulations are applicable to your organisation?
2. Do you maintain records and documentation for all compliance and audit procedures?
3. Do you conduct internal audits? Are the audit results shared in public domain to enhance credibility of your practices?

Assessment notes:

Area(s) of improvement:

Activity	Sound Practices	Rating
Sourcing	1. I promise to record all the relevant information about my suppliers and ensure adequate "Know Your Provider" checks	O / BO / PO / NO
	2. I promise to conduct independent tests to ascertain the characteristics of gold products received from my suppliers	O / BO / PO / NO
	3. I promise to conduct business transparently by ensuring due documentation for all transactions with suppliers	O / BO / PO / NO
	4. I promise to only accept gold products which adhere to industry accepted standards and from registered suppliers (Additional best practices)	O / BO / PO / NO
	5. I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations	O / BO / PO / NO
Transportation and storage	6. I promise to have adequate operational processes and controls to safely store and transport valuables (gold, cash, precious metals)	O / BO / PO / NO
Marketing	7. I promise to promote offers clearly and fairly representing key product characteristics, including potential investment risks	O / BO / PO / NO
	8. I promise to offer educational material to customers on gold products or point them to credible sources of such information	O / BO / PO / NO
	9. I promise to not proclaim or propagate any knowledge related to gold investment which can be misconstrued as professional investment advice	O / BO / PO / NO
Selling	10. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs	O / BO / PO / NO
	11. I promise to clearly display information related to product features and price on each unit	O / BO / PO / NO
	12. I promise to charge fair prices and fees and disclose key terms and conditions to the customer	O / BO / PO / NO
	13. I promise to maintain invoice for each sale which has been generated only after ensuring required KYC	O / BO / PO / NO
	14. I promise to offer adequate training to my employees and infrastructure for seamless operations (Additional best practices)	O / BO / PO / NO
Customer and Complaints Management	15. I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints	O / BO / PO / NO
Payments	16. I promise to clearly communicate and adhere to terms and timelines for settlement with suppliers	O / BO / PO / NO
	17. I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customers	O / BO / PO / NO

Activity	Sound Practices	Rating
Risk Management	18. I promise to maintain adequate stock of gold to cover customer liabilities arising from advances/deposits collected from customers	O / BO / PO / NO
	19. I promise to proactively identify major financial and non-financial risks to my business and take appropriate steps to mitigate/manage the risks	O / BO / PO / NO
Recycling/ purchasing old gold	20. I promise to design, convey and practice a fair policy for old gold purchase and collect KYC details of sellers of old gold	O / BO / PO / NO
Audit & Compliance	21. I promise to comply with all applicable laws and regulations, maintain adequate documentation and disclose any information as required by regulatory authorities	O / BO / PO / NO

Self- Assessment Declaration

By signing below, I/we, hereby declare and affirm the following:

1. I/We have thoroughly reviewed and understood the Code of Conduct established by IAGES.
2. The information provided in this self-assessment is true, accurate, and complete to the best of my/our knowledge and belief.
3. I/We acknowledge that this self-assessment is a continuous improvement process, and we shall address any identified gaps and implement necessary corrective actions to enhance our compliance with the IAGES Code of Conduct.

Name of Organisation/Company/Firm:

Full Correspondence Address:

Contact Person:

Designation:

Contact Number:

Email Address:

Signature:

Name:

Date:

Official Stamp/Seal (if applicable):



Annexure B: Version control

Annexure B: Version control

The Code of Conduct is a continuously evolving document intended to incorporate latest and best practices in the industry. The below table reflects the history of updates and latest version of the document

Sr.No.	Version Number	Timeline
1.	Code of Conduct_Retailing_vOct2026	Oct, 2026

Notes



IAGES
Indian Association for Gold Excellence and Standards
An Industry Initiative

IAGES is a Self-Regulatory Organization (SRO) created by the Indian gold industry, for the Indian gold industry.

IAGES aims to foster consumer confidence and trust in the Indian gold industry by encouraging fair, transparent and sustainable practices, regulatory compliance, and establishing codes of conduct. It has developed an accreditation framework, and this sets out how its members should assess their organization's conformance with the established Code of Conduct.

The vision of IAGES is to "promote organized growth of the industry and enhance consumer trust in Gold by raising overall standards and adopt best practices across the value chain" comprising of Retailing, Manufacturing, Refining, Assaying and Hallmarking, Bullion Trading, Digital Investment Gold Retailing. The accreditation framework will serve as an enabler to achieve the vision.

Objectives of IAGES

Trust

Enhance and build consumer trust through fair & transparent practices with a focus on client protection

Credibility

Build market credibility through adoption of responsible and best practices

Compliance

Drive professionalism and regulatory compliance through policy advocacy and code of conduct

Capability Development

Enhance industry capability to serve customers responsibly

Market Development

Identify opportunities for the industry to promote business & trade and ensure commercial prudence

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