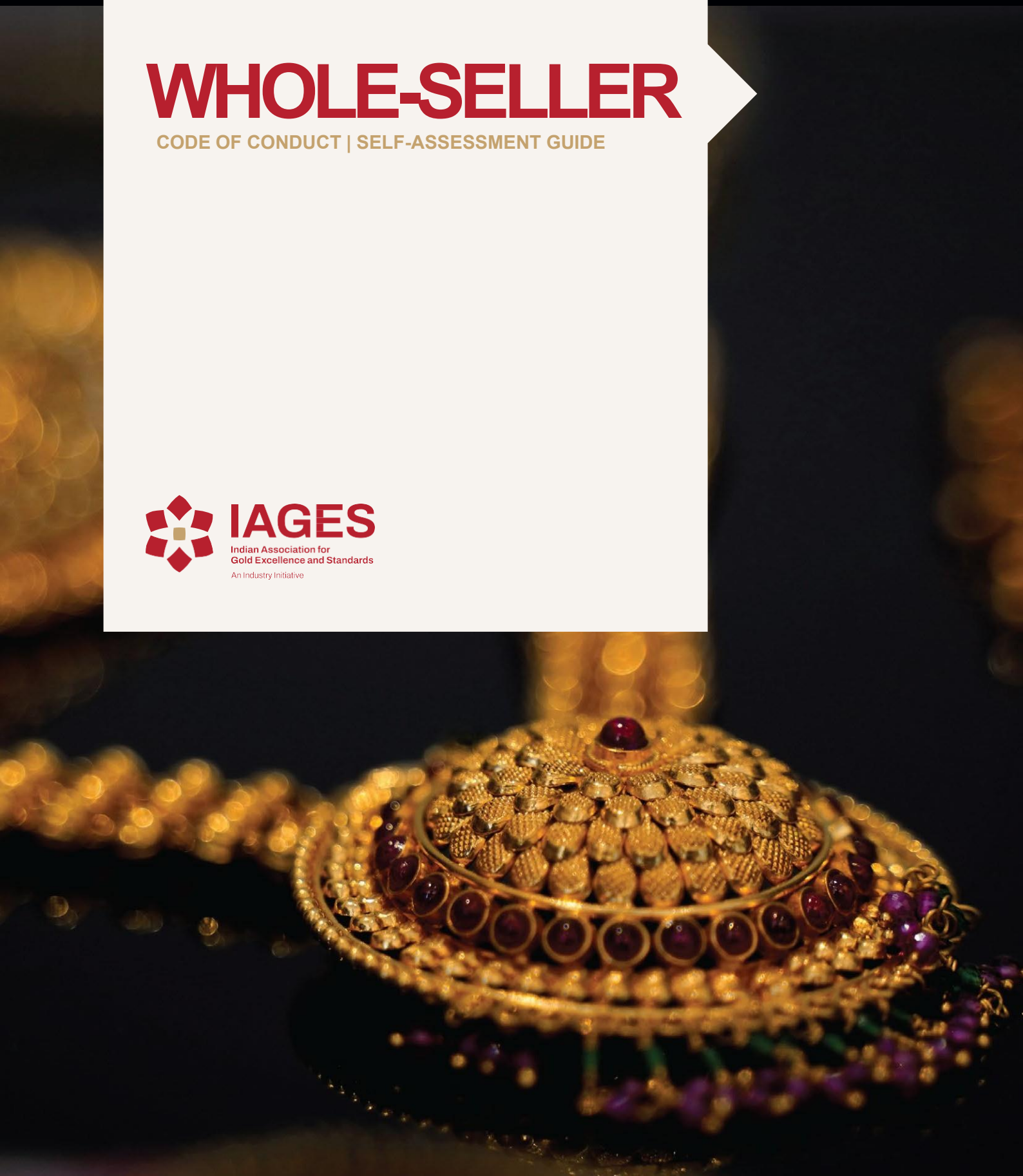
WHOLE-SELLER

CODE OF CONDUCT | SELF-ASSESSMENT GUIDE

IAGES
Indian Association for
Gold Excellence and Standards
An Industry Initiative





Welcome to the in-depth guide for Whole-seller.

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 Whole-seller. The Code of Conduct includes sound practices, additional best practices and implementation guidance for Whole-seller.

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

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

Implementation guidance offers broad steps to deploy sound practices/additional best practices in an organisation. Practical application of these practices will require a detailed guidance that is specific to the organisation.





Scope & Objectives

Scope E Objectives

Gold is an important asset class in India with an annual demand of ~800–900 tonnes[1], making India the world's second largest consumer of gold. Gold holds a unique place in India, being culturally and socially significant[2], and is an important savings asset[3] and its consumption being driven in the form of jewellery[4].

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 manufacturing. There are similar existing Code of Conduct documents for other activities across gold value chain including refining, bullion trading, assaying and retailing. 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

Whole-seller

The process of developing the Code of Conduct has included interaction with a number of industry experts, providers and other stakeholders. We envision that the Code of Conduct guidelines will continue to evolve over time in step with global best practices and changing consumer preferences and improved awareness of consumers in India.



India Gold Market Code of Conduct – Whole-seller

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 5. I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations (Additional best practices)
Transportation and storage	6. I promise to have adequate operational protocols to safely store and transport gold, cash and precious metals
Customer complaints management	7. I promise to ensure adequate KYC processes while on-boarding new customers and update this information periodically 8. I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints
Manufacturing	9. I promise to be compliant to labour laws and I provide requisite infrastructure, benefits and training to employees 10. I promise to engage with contractors which provide a safe and healthy work environment to their workers (Additional best practices)
Selling	11. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs, using either manufacturer's or retailer's BIS Certificate - As applicable 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)
Payments	15. I promise to clearly communicate and adhere to terms, conditions and timelines of payments with every customer and supplier, consistently and impartially 16. I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customers
Risk management	17. 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	18. (When using recycled gold) I promise to use recycled gold only after its purity has been ascertained by trusted refiners/manufacturers
Compliance and audit	19. I promise to have mandatory industrial licenses/approvals as per applicable regulations 20. I promise to abide by the law of the land and disclose required information to designated statutory bodies in time



Implementation Guidance

Sourcing

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 new supplier/manufacturer

- ✓ Vendor Registration Form - Recommended
- ✓ Supplier KYC documents: GST, PAN, MSME Udyam Registration number

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. Karat meter, XRF machine) before the gold is made available for sale

- ✓ Weight (Net weight, Gross weight)
- ✓ Purity (caratage, fineness)
- ✓ Presence of trace elements/impurities
- ✓ Independent test reports: Karat Meter Report/ XRF Report/Third Party Testing Report

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

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 of relevant details such as below with suppliers for each trade

- ✓ Supplier agreements/Contract/Invoice/PO(Sensitive data can be masked)
- ✓ ERP or Order Placement process

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

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

Additional best practices

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

- ✓ Supplier Documents (If available)
- ✓ ESG initiatives
- ✓ Artisan/CSR activities
- ✓ Employee welfare
- ✓ Supplier due diligence with ESG components

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 donating small amount to a non-profit organization for each unit sold

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 protocols to safely store and transport gold, cash and precious metals

- ✓ Written procedures/policies for storage transport & safe keeping
- ✓ Vault access surveillance system – CCTV evidence
- ✓ Insurance coverage documents for stock in transit and at premises
- ✓ Security arrangements – CCTV, vault access control, and cash handling procedures
- ✓ Agreement/contract copy of Sequel/BVC/ any other registered logistic partner

Ensure adequate coverage of gold, precious metals and cash being transported to cover against loss events (such as theft, infidelity, accident, natural disaster) through insurance or capital reserves. Maintain a process to manage the storage and movement of precious metals and gold

Customer complaints management



7. I promise to ensure adequate KYC processes while on-boarding new customers and update this information periodically

- ✓ Customer Onboarding Form with KYC details (PAN, GST, business license)
- ✓ Record of annual/periodic review of customer KYC information

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

- ✓ Register of customer complaints (digital or physical)
- ✓ Evidence of resolution within defined timelines
- ✓ Customer care mail id/feedback form/ compliant box

Educating customers on their rights to raise complaints and the process to access customer support

Retailer should communicate their responsibility for specific issues, e.g. related to product quality, hallmarking, price, etc.

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 timelines. Maintain defined timelines for addressing several categories of complaints.

Manufacturing

9. I promise to be compliant to labour laws and I provide requisite infrastructure, benefits and training to employees

- ✓ Proof of employee benefits provided – Like PF& ESIC – As applicable
- ✓ Identify and adhere to all the applicable laws and regulations

Offer benefits mandated by the government such as provident fund, tax deductions, labour union formation etc., to employees

Additional best practices

10. I promise to engage with contractors which provide a safe and healthy work environment to their workers

- ✓ Risk Assessment / Hazard Identification (HIRARC)
- ✓ Safety Induction Records
- ✓ Emergency Drill SOP and record
- ✓ Industrial Hygiene Reports
- ✓ Training Record
- ✓ Health Insurance, General Insurance, provision for PF – as per government norms
- ✓ POSH policy – If applicable

Support contractors through development agreements where manufacturer invests in upgrading working conditions, equipment at a contractor's workplace.

Check for evidence and engage solely with contractors which provide a safe and healthy work environment to their workers and are compliant with labour laws

Maintain transparency and ensure robust quality of gold supplied to the contractors/kaarigars for processing

Selling

11. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs, using either manufacturer's or retailer's BIS Certificate - As applicable

- ✓ BIS Certificate of the Vendor
- ✓ BIS Certificate of the VCP
- ✓ Ensure that only hallmarked products (for which hallmarking standards are available) are made available for sale

Proactively monitor products and AHCs to identify any negative changes and update information of onboarded AHCs annually or intermittently

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

- ✓ Invoice (containing detailed break up of price) including terms and conditions
- ✓ Return / exchange policy

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

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

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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

Mandatory KYC as per govt mandate

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

Additional best practices

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

- ✓ Training Record
- ✓ Safety & Workplace Policy
- ✓ Health Insurance, General Insurance, provision for PF – as per government norms
- ✓ POSH policy – If applicable
- ✓ Provide safe and healthy workplace through appropriate policies; additional benefits such as health insurance, etc.

Install appropriate tools and machines for safety of employees

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

Payments

15. I promise to clearly communicate and adhere to terms, conditions and timelines of payments with every customer and supplier, consistently and impartially

- ✓ Sample of purchase orders, invoices and contracts reflecting payment terms
- ✓ UDHYAM certificate of the Supplier and the customer

Any changes to terms and conditions is communicated to the customers and suppliers explicitly in writing (especially in case of repeat business)

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

- ✓ Advance Booking Receipts / Brochure – consisting of price lock-in terms (fixing the gold rate vs. rate at delivery), operational charges (storage/delivery), and the settlement timeline, mid term exit
- ✓ ID Proof/Address Proof before accepting high-risk advance payments (Masked copy can be collected)
- ✓ Jeweler's Block Insurance policy - to ensure that customer-funded gold or advance payment liabilities are fully covered against theft or loss.

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 include 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

17. 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

It should consist of the under mentioned details

- ✓ Financial risks (gold price risk, settlement risk, counterparty risk)
- ✓ Operational risks (risks due to error or fraud)
- ✓ Legal and compliance risk
- ✓ Wind-down

Recycling/Purchasing of old gold

18. (When using recycled gold), I promise to use recycled gold only after its purity has been ascertained by trusted refiners/manufacturers

Self-Declaration

Develop processes and practices to route the recycled gold through a trusted refinery or manufacturer and maintain traceability of recycled gold

Examples may include having a furnace and XRF machine on-site

When going for destructive testing for assessing gold purity, adopt the practice of retaining a small sample of melted gold to be given to customer for independent verification

Define the QC to be conducted for testing whether recycled products meet the commitment

Compliance and audit

19. I promise to have mandatory industrial licenses/approvals as per applicable regulations

- ✓ Municipal License/Establishment Certificate
- ✓ GST Certificate

Identify and adhere to all the applicable license requirements along with appropriate approvals in place

20. I promise to abide by the law of the land and disclose required information to designated statutory bodies in time

- ✓ List of all applicable statutory and regulatory compliances with due dates
- ✓ Copies of internal and external audit reports (statutory/industrial/labour/environmental)
- ✓ Record of regulatory queries, show-cause notices and their resolution
- ✓ Disclosure of compliance to statutory authorities, if applicable

- ✓ Identify, adhere, and disclose requirements, as per the applicable laws and regulations, including

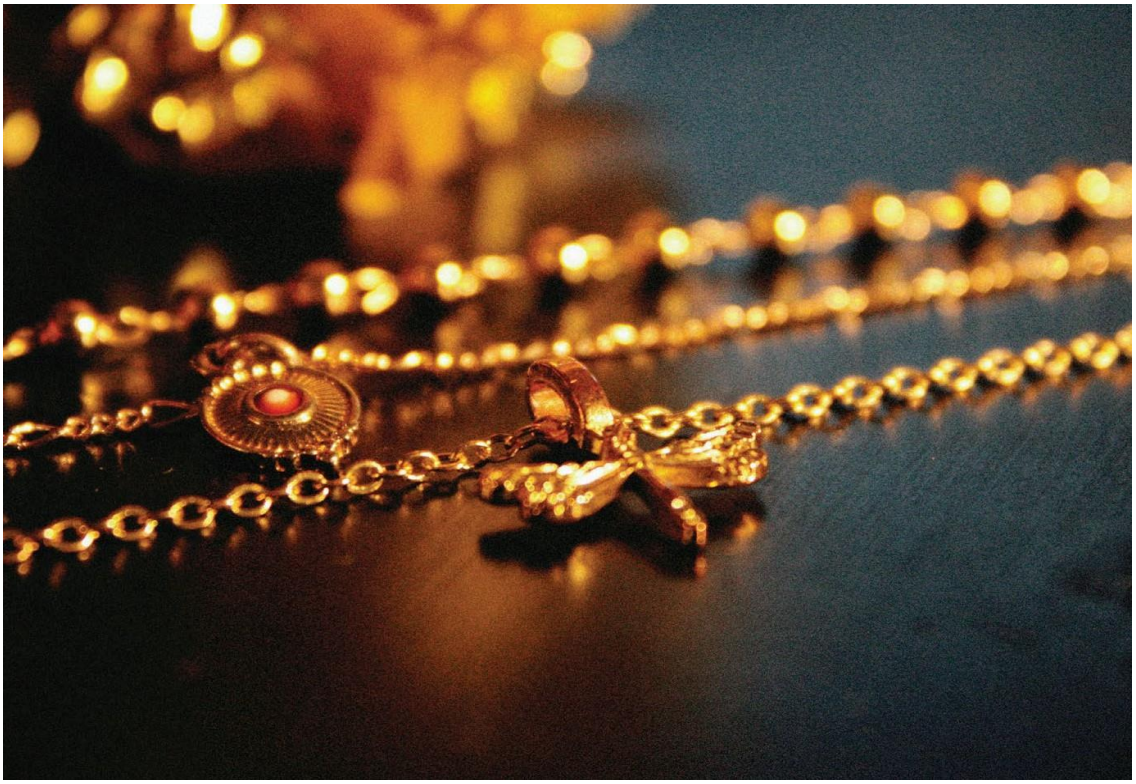
  PMLA (Prevention of Money Laundering Act)

Hire professional auditors without any conflict of interest in conducting audits (as applicable to the business)

Audit to include verification of gold holdings and reconciliation with manufacturer's records and information system

Audit also include any inspection mandated by the government including industrial, waste management, labour laws, compliance, etc.

Audit results can be published on the company website and/or made available to investor community to build trust and credibility



Sample Scenario

Recently I have extended my business. I am covering multiple markets within and outside the city. What all points should I keep under consideration for their transportation?



Potential Response

As Whole-seller, you would need to ensure safe and secure transportation of your logistics

- You should have a written Standard Policy/Procedures for storage, transport and safe keeping
- Vault should be under surveillance and desirable security arrangements
- You should have an Insurance Policy for stock in transit
- You should also have a valid agreement/contract with your logistics partner



Dissemination & Application

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 to 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 organizations 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 practices 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 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 products received? Do you test 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 organization?
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 protocols to safely store and transport gold, cash and precious metals

Current state:

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

Key questions to consider:

1. Do you deploy adequate safety measures (e.g. physical security, access control) to store and transport gold, cash and precious metals?
2. Do you have adequate insurance or capital buffers to cover against loss events?
3. Do you conduct due diligence/"Know Your Provider" checks to evaluate logistics agencies before empanelling them?

Assessment notes:

Area(s) of improvement:

7 I promise to ensure adequate KYC processes while on-boarding new customers and update this information periodically

Current state:

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

Key questions to consider:

1. Do you conduct due diligence/KYC checks to evaluate customers before initiating business with them?
2. Do you conduct business with customers even if they are unable to fulfill the KYC requirements?
3. Do you update this information periodically?

Assessment notes:

Area(s) of improvement:

8 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:

9 I promise to be compliant with labour laws and I provide requisite infrastructure, benefits and training to employees

Current state:

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

Key questions to consider:

1. Do you ensure compliance with all applicable labour laws?
2. Do you have adequate workplace policies and benefits to provide a safe and healthy workplace to employees?
3. Do you offer regular training to employees, as required?
4. Do you have the high-end infrastructure (e.g. barcoding and ERP system) to ensure 100% traceability?

Assessment notes:

Area(s) of improvement:

10 I promise to engage with contractors which provide a safe and healthy work environment to their workers

Current state:

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

Key questions to consider:

1. Do you consider working conditions and safety aspects at a contractor's factory/workshop while empaneling a contractor? Do you engage solely with contractors who provide a safe and healthy work environment for their workers?
2. Do you support contractors in providing a better workplace to their employees?
3. Do you maintain transparency and supply robust quality gold to contractors/karigars for processing?

Assessment notes:

Area(s) of improvement:

11 I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs, using either manufacturer's or retailer's BIS Certificate - As applicable

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:

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 by your organisation?

Assessment notes:

Area(s) of improvement:

14 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 for 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 clearly communicate and adhere to terms, conditions and timelines of payments with every customer and supplier, consistently and impartially

Current state:

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

Key questions to consider:

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

Assessment notes:

Area(s) of improvement:

16 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:

17 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 and governance in place to mitigate/manage these risks?

Assessment notes:

Area(s) of improvement:

18 (When using recycled gold), I promise to use recycled gold only after its purity has been ascertained by trusted refiners/manufacturers

Current state:

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

Key questions to consider:

1. Do you sell products made of recycled gold? If yes, do you have adequate practices and process to ascertain the purity of recycled gold before further use?
2. Do you route the recycled gold through a trusted refinery/manufacturer?

Assessment notes:

Area(s) of improvement:

19 I promise to have mandatory industrial licenses/approvals as per applicable regulations

Current state:

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

Key questions to consider:

1. Do you ensure compliance with all applicable industrial licenses/approvals for your organisation (factories/workshops)?
2. Do you maintain records of cases of non-compliance, queries from regulator along with actions taken to resolve them?
3. Do you have adequate processes to ensure timely renewal of licenses?

Assessment notes:

Area(s) of improvement:

20 I promise to abide by the law of the land and disclose required information to designated statutory bodies in time

Current state:

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

Key questions to consider:

1. Do you comply with all applicable laws and regulations applicable to your business operations in India?
2. Do you maintain records and documentation for all compliance and audit procedures? Does it include details of audit findings, queries from regulator, events of non-compliance and corresponding actions taken?
3. Do you conduct internal audits and record its findings for reasonable period? Do you hire professional auditors without any conflict of interest to conduct external audits?
4. Do you disclose this information to customer or regulatory authorities when requested? Do you also publish audit results 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	O / BO / PO / NO
	5. I promise to engage with suppliers that integrate ESG (Environment, Social and Governance) criteria in business operations (Additional best practices)	O / BO / PO / NO
Transportation and storage	6. I promise to have adequate operational protocols to safely store and transport gold, cash and precious metals	O / BO / PO / NO
Customer complaints management	7. I promise to ensure adequate KYC processes while on-boarding new customers and update this information periodically	O / BO / PO / NO
	8. I promise to implement adequate systems and mechanisms to receive, record and redress customer queries and complaints	O / BO / PO / NO
Manufacturing	9. I promise to be compliant to labour laws and I provide requisite infrastructure, benefits and training to employees	O / BO / PO / NO
	10. I promise to engage with contractors which provide a safe and healthy work environment to their workers (Additional best practices)	O / BO / PO / NO
Selling	11. I promise to take responsibility of selling only hallmarked products (for which hallmarking standards are available) from BIS certified AHCs, using either manufacturer's or retailer's BIS Certificate - As applicable	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

Activity	Sound Practices	Rating
Payments	15. I promise to clearly communicate and adhere to terms, conditions and timelines of payments with every customer and supplier, consistently and impartially	O / BO / PO / NO
	16. I promise to ensure customer rights and communicate key terms and conditions for the advance payments/deposits made by customers	O / BO / PO / NO
Risk management	17. 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
Risk recycling/ purchasing old gold	18. (When using recycled gold) I promise to use recycled gold only after its purity has been ascertained by trusted refiners/manufacturers	O / BO / PO / NO
Compliance and audit	19. I promise to have mandatory industrial licenses/approvals as per applicable regulations	O / BO / PO / NO
	20. I promise to abide by the law of the land and disclose required information to designated statutory bodies in time	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_Whole-seller_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 G 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 G trade and ensure commercial prudence

Indian Association for Gold Excellence and Standards (IAGES)
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