



PR No.19/2021

SEBI seeks public comments on the Consultation Paper on the proposed framework for Gold Exchange in India and draft SEBI (Vault Managers) Regulations, 2021

Hon'ble Finance Minister, Ms Nirmala Sitharaman, in her budget speech for FY 2021-22 has announced that SEBI will be the regulator for gold exchange and WDRA will be strengthened to set up the commodity market ecosystem. Para 71 of the budget speech stating the same is as under:

"In the budget of 2018-19, Government had announced its intent to establish a system of regulated gold exchanges in the country. For the purpose, SEBI will be notified as the regulator and Warehousing Development and Regulatory Authority will be strengthened to set up a commodity market eco system arrangement including vaulting, assaying, logistics etc. in addition to warehousing."

Post the budget announcement, following a discussion between the Ministry of Finance and SEBI, it has been decided that SEBI would regulate the entire ecosystem of the proposed gold exchange and SEBI would be the sole regulator for gold exchange including for vaulting, assaying and gold quality and delivery standards.

To implement the aforesaid budget announcement, SEBI constituted two working groups involving the stakeholders in the proposed gold exchange framework.

Taking into consideration the recommendations of the two working groups, SEBI has proposed a framework for setting up of the Gold Exchange in India. Accordingly, a Consultation Paper detailing the proposed framework for the Gold Exchange in India and the draft SEBI (Vault Managers) Regulations, 2021 for regulating the gold exchange related business of the Vault Managers has been issued by SEBI today for public comments.

The Consultation Paper is open for public comments till June 18, 2021 and can be accessed on the SEBI website www.sebi.gov.in at:

https://www.sebi.gov.in/reports-and-statistics/reports/may-2021/consultation-paper-on-proposed-framework-for-gold-exchange-in-india-and-draft-sebi-vault-managers-regulations-2021_50154.html

Mumbai
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