



329/IFSCA/Bullion MIIs/2024-25/02

May 01, 2024

To

Bullion MIIs in the International Financial Services Centre (IFSC)
Bullion intermediaries in the IFSC
Vault Managers in the IFSC
All market participants on the Bullion Exchange in the IFSC

Dear Sir / Madam

‘Qualified Suppliers’ for supply of bullion on India International Bullion Exchange IFSC Limited (IIBX)

Please refer to the IFSCA Circulars 415/IFSCA/Consolidated Operating Guidelines/2021-22 dated August 18, 2022 and F.No 329/IFSCA/Bullion MIIs/2023-24/03 dated December 11, 2023 on the captioned matter.

2. To facilitate supply of bullion at IIBX, eligible overseas entities have been enabled to become a Qualified Supplier on the IIBX, either as a client (QS-Client) of a Bullion Trading Member or as a Qualified Supplier – ‘Special Category’ Clients (QS-SCC). With a view to widen the scope of participation of IFSC entities and pool of suppliers on the IIBX, it is hereby decided to permit eligible units set up in the IFSC to supply bullion at IIBX, i.e. they shall be eligible to apply to become a Qualified Supplier on IIBX (as QS-IFSC), subject to compliance with various Regulations, Guidelines, Circulars, etc. issued by the IFSCA from time to time, as applicable to them. While any entity registered with the IFSCA as bullion market intermediary shall be eligible to become a Qualified Supplier, other entities shall request a No Objection from the IFSCA for this purpose.



3. QS-IFSC, unless a Bullion Trading Member, shall participate on IIBX only as a client through a Bullion Trading Member.
4. QS-IFSC may bring their bullion into any of the IIDIL empaneled Vaults operated by IFSCA registered Vault Managers – in GIFT IFSC or in other SEZs. Bullion supplied at IIBX shall be sourced by such QS-IFSC directly from an LBMA-accredited refiner or a UAE Good Delivery – accredited refiner or an entity which is a member of at least one of the below mentioned associations/exchanges/jurisdictions, for a cumulative and contiguous period of five years:
 - a) London Bullion Market Association (LBMA)
 - b) CME Group (COMEX)
 - c) Shanghai Gold Exchange International (SGEI)
 - d) Dubai Gold & Commodities Exchange (DGEX)
 - e) Dubai Multi Commodities Centre (DMCC)
 - f) Borsa Istanbul (BIST)
 - g) Or any other association / exchange as may be specified by the IFSCA from time to time.
5. QS-IFSC shall intimate IIDIL and the IFSCA registered Vault Manager about the supply of the bullion in the IIDIL empaneled Vault adhering to the good delivery standards prescribed by IIBX for the creation of Bullion Depository Receipts (BDRs).
6. Bullion being supplied by QS-IFSC in the IIDIL empaneled Vaults for trading on the IIBX shall adhere to *OECD Due Diligence Guidance for Responsible Supply Chain of Minerals from Conflict Affected and High-Risk Areas* for establishing supply chain integrity.



7. IIDIL shall prescribe the Standard Operating Procedures (SOP) for ensuring that the bullion being supplied on the IIBX by QS-IFSC is in compliance with the conditions, including the supply chain integrity, mentioned in the above paragraphs of this Circular. IIDIL and / or IIBX may seek any additional documents wherever considered necessary, including any clarifications from QS-IFSC to satisfy the said conditions.

8. This Circular is issued in exercise of the power conferred under Section 12 of the International Financial Services Centres Authority Act, 2019 r/w Regulation 58 of the International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020.

9. A copy of this Circular is available on the website of International Financial Services Centres Authority at www.ifsc.gov.in at “Legal →Circulars”.

Yours faithfully

(Ramaneesh Goyal)
Deputy General Manager
Market Regulation Division
Department of Metals and Commodities
email: ramaneesh.goyal@ifsc.gov.in
Tel: +91 79 6180 9886