

RELIANCE

Gold

Presents



Marketing Associate



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# The Journey of Gold...

- ❖ Considered a symbol of **security** and sign of **prosperity**
- ❖ Gold is **ancestral** and passed down from generation to generation
- ❖ Most of the Gold collection generally begins in an Indian family from the "**Godbharai**" ceremony itself, to getting bracelet & anklet of black & white colored beads to protect the child against the evil eyes
- ❖ It is common for parents of a child to start collecting **gold jewellery** for the child's **security, exigency & marriage**



# The Journey of Gold...



## Significance of Jewellery in the Life of Women in India

- ❖ Gold **possession** is embedded in the customs and the traditions that carry significant importance to women
- ❖ **Ornaments**, such as mangalsutra, nath (nose ring) and toe rings, quintessential for married Indian women Jewellery gifted to women at the time of her marriage is called 'stridhan' i.e.wealth of women, which in short is symbol of wealth, power and femininity



## Gold has Traditional Values

- ❖ It is believed that buying & wearing new gold jewellery on **Akshaya Tritiya Gudi Padwa & Dhanteras**, brings prosperity & success to an individual & his family
- ❖ The festival redefines Gold in all its facets from jewellery adornment to **portfolio diversification** Indians consider occasion as an apt time to buy, wear and celebrate gold





# The Journey of Gold...

## India's Gold Offering to God

- ❖ **Tirumala** is the richest religious shrine in the world with an annual revenue of Rs.1,200 crore and gold reserves of almost 250kg that are made up of small ornaments thrown in the hundi. On an average, the temple receives about 2kg of gold in the hundi every day
- ❖ **Shirdi's Sai Baba's Gold Crown** Worth Rs.12.5 Lakhs. He resides on a throne of gold weighing 94 kgs
- ❖ **Lalbuag cha Raja** collected a record Gold offerings from devotees in 2010
- ❖ **The Golden Temple** main dome is gilded with 100 kg of pure gold





# The Journey of Gold...

## Commercial Usage of Gold

- ❖ The undying fascination towards the yellow metal is evident in its use currently for **making** watches, medals, shoes, cufflinks, tie, pins, pens cars, saries, buttons and so on
- ❖ **Collecting watches** is one of the most costly hobbies in the world but very interesting and sometimes really profitable.
- ❖ Currently, the fascination is towards real gold diamond studded **watches**
- ❖ Around 8,000 sq m of 22-carat gold leaf have been used in the **decor** of the lobby and the restaurants of Burj Al Arab



# The Journey of Gold...



## Gold is stored all over the world...

- ❖ Gold was not selected arbitrarily by **governments** to be the monetary standard
- ❖ Gold had developed for many centuries on the **free market** as the **best money**; as the commodity providing the most stable and desirable monetary medium
- ❖ Gold is **stored** all over the world in various forms



## Gold has Edible and Medicinal Values

- ❖ **Ayurveda** gifted us Suvarnaprashan to improve immunity of Child 'Suvarna' means 'Gold' & 'Prashan' means 'to lick'
- ❖ **Lasers** incorporating gold coatings are making dramatic progress in the treatment of cancers, sealing battlefield wounds in the field, emergency injury treatments in hospitals & previously inoperable heart conditions & tumors
- ❖ Today **gold flakes** and gold dust can be found in many confectioneries and dessert items throughout the world
- ❖ Gold can be **consumed** in the form of chocolates, wine, fruits etc



# The Journey of Gold...



## Gold - It's a Standard

- ❖ Great achievements are often rewarded with gold – **Olympic Gold**
- ❖ Best periods of Prosperity of Civilizations around the world are referred to as **Golden Age**
- ❖ **Best among equals gets Gold** – Golden Bat for best batsman, Golden Ball for best Bowler and Golden Boot for the best footballer







# The Journey of Gold...

## A Safe Haven Asset

- ❖ Recognized as a form of a tradable **liquid asset**
- ❖ A **hedge** against – inflation, rupee depreciation, and social insecurity
- ❖ Over 1, 3 and 5 year period Gold has been **less volatile** than all major equity indices
- ❖ Gold is less volatile than equity as an asset class and thereby helps to **stabilize portfolio returns**
- ❖ Gold has been a **consistent performer** and has given over **17%** return across time period for the given time period





# Gold investment behaviour of Indians

- ❖ Gold is viewed as **auspicious** and intrinsic to weddings
- ❖ Gold is universally recognised as a source of **wealth** and **prosperity**
- ❖ **Largest consumer of gold** but low per-capita consumption
- ❖ In India it is about “**Savings**” & “**Accumulation**” & not about “Profit Bookings”
- ❖ **Sticky consumption**
- ❖ **High awareness** of price movements
- ❖ Gold savings’ conversion to **jewellery** primarily for weddings





# Reliance My Gold Plan

Reliance Money Precious Metals (**RMPPM**) presents Reliance My Gold Plan (RMGP), in association with World Gold Council.

Reliance My Gold Plan (**RMGP**) lets you start buying gold for as low as Rs.1000/- per month. It lets you accumulate gold in small amounts every day over sustained periods through a ***Average Pricing Methodology (APM)***.

APM allocates each monthly Subscription amount into 20 parts thereby protecting you from the daily price fluctuations.

RMGP Accumulated gold grams can be converted into gold coins or jewellery from multiple outlets across the country.



**OWNING GOLD  
WILL NEVER BE  
THE SAME AGAIN**





# Why RMGP?

- ❖ Lack of Human **discipline** in accumulation of Gold
- ❖ Limited range of **gold investment/ savings products** available to consumers
- ❖ Issues around **Purity** and **Quality** of Gold supplied by Jewellers
- ❖ Current Gold Saving Schemes have only an option to redeem in **Jewellery**
- ❖ Concerns around **Credit Worthiness** of Jewellers
- ❖ **Scams** and other fraudulent practices in gold schemes
- ❖ Steep rise in the **price** over the past few years making bulk purchase unaffordable
- ❖ High **inflation** results in physical **security** concerns



# BENEFITS OF RMGP

## SYSTEMATIC GOLD ACCUMULATION

- A disciplined accumulation methodology under which you accumulate gold grams by making small but regular subscriptions

## AFFORDABLE

- Low entry level with a minimum payment of Rs. 1000/- and in multiples of Rs. 500/- thereafter

## PLANNING FOR SPECIAL EVENTS

- Plan for a large Gold purchase in the future for special events like daughter's wedding, your wedding anniversary or any other joyous occasions by making regular subscriptions

## DAILY COST AVERAGING

- All subscriptions made will be split into 20 daily purchases thus reducing the risk of timing the markets. More Gold Grams will be credited during falling markets and less during rising markets

## ZERO DEFAULT RISK

- An Independent trustee manages the bank accounts, ensures safekeeping of Gold and delivery of Gold to the end customers thus creating a Zero Default risk structure

## ASSURED PURITY

- 24 Karat Gold of 995 fineness or more credited to the customer's account up to 4 decimals

## ASSOCIATION

- Partnered with World Gold Council, globally recognised organisation of the gold industry, including global mining companies



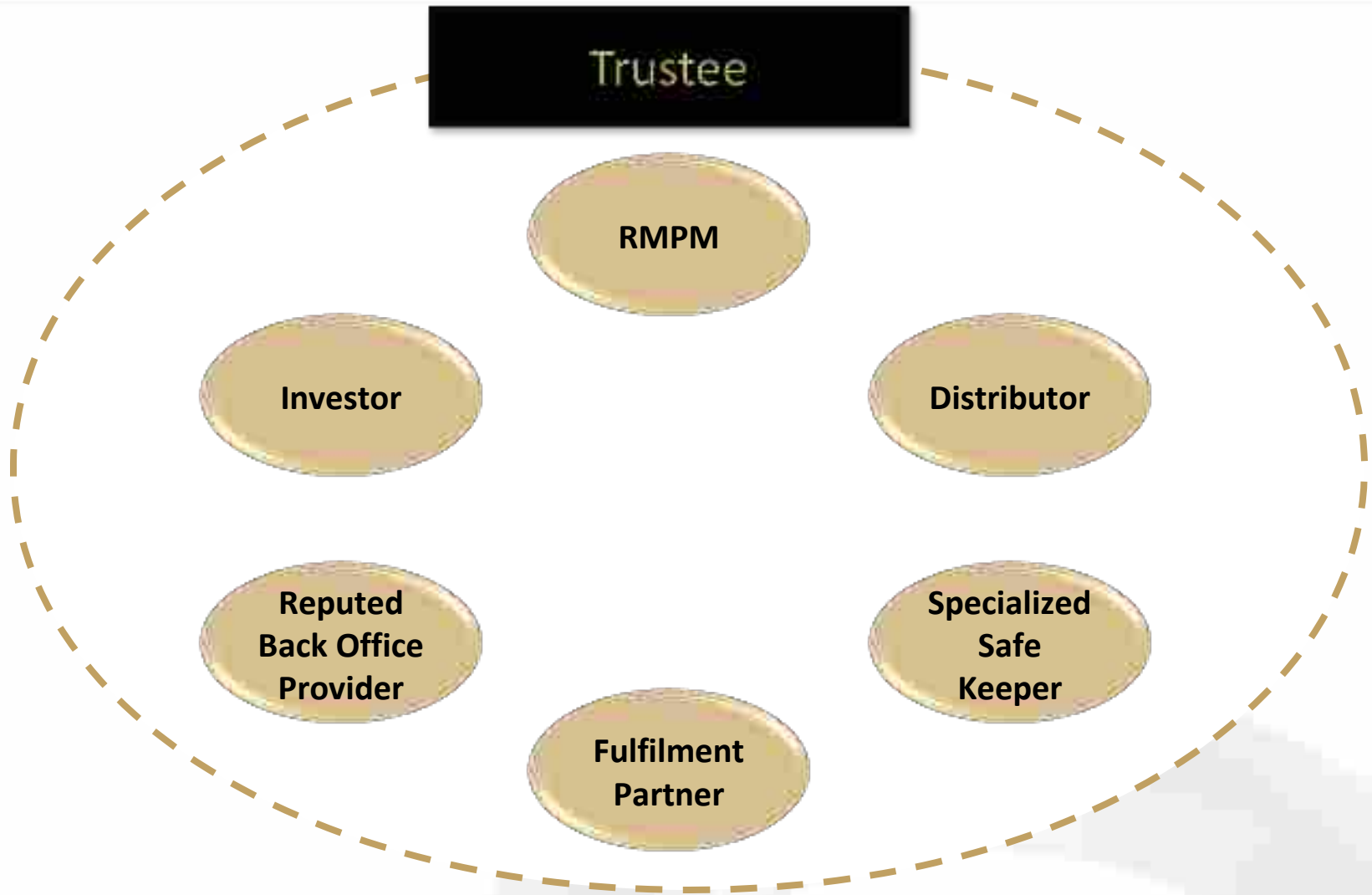
# R-MGP verses other Jeweller Schemes

Features	Reliance My Gold Plan	Gold ETF	Gold Savings Fund	Jeweller
<b>Backed by Physical Gold</b>	Yes	Yes	No	No
<b>Fulfilment Mode</b>	Gold Coins/Jewellery*	Cash	Cash	Own Jewellery only
<b>Allotment</b>	Price of Gold at each Subscription	Net Asset Value	Net Asset Value	Price of Gold at the <u>end of the tenure</u>
<b>Mode of Subscription</b>	Cheque / DD / ECS / Direct Debit	Stock Exchanges	ECS / Cheque / DD	Cash
<b>Average Pricing Methodology</b>	Yes	No	No	No
<b>Impurity Risk</b>	No	Not Applicable	Not Applicable	Yes
<b>Default Risk</b>	No	No	No	Yes
<b>Flexibility to buy gold from other Jewellers</b>	Yes	Not Applicable	Not Applicable	No
<b>Fulfilment Centres</b>	Across India	Not Applicable	Not Applicable	At his outlet

\*Work in progress



# Structure of RMGP...



# Structure of RMGP



Trustee



**IDBI Trustee Services Ltd.**

**IDBI Trustee Services Ltd.**

**Asian Building, Ground Floor,  
17, R. Kamani Marg,  
Ballard Estate,  
Mumbai - 400 001**

**Maharashtra**

**Tel. No. - +91 22**

**40807000, Fax No. - +91**

**22 66311776**

**Website:**

**<http://www.idbitrustee.co.in>**

Safe Keeper

**LEMUIR GROUP**  
Precious Metals & Jewellery

**Lemuir Secure Logistics Pvt. Ltd.**

**Oricon House,  
12, K. Dubash Marg,  
Mumbai - 400 023**

**Maharashtra**

**Website:**

**<http://www.lemuirexpress.com>**

Product Manager

**RELIANCE**

**Gold**

**Reliance Money Precious Metals**

**11h Floor, R-Tech Park,  
Nirlon Compound,  
Western Express Highway,  
Mumbai - 400063.**

**Maharashtra.**

**Landmark - Near Hub,  
Behind Oracle Building  
Goregaon (East),**

**Website:**

**[www.mygoldplan.co.in](http://www.mygoldplan.co.in)**



# PRODUCT DETAILS



<b>Eligibility</b>	(1) Adult Resident Indian Individuals (2) Non – resident Indians (3) Minors wherein Parents / Lawful guardians are applying on behalf of minors (4) Hindu Undivided Families (HUFs) in the name of HUF or Karta
<b>Daily Cost Averaging</b>	Clear funds from Monthly and Additional Subscriptions shall be split into 20 equal tranches which shall be utilized over 20 successive business days for allotment of Gold Grams as per the Daily Gold Price.
<b>Monthly Subscription Amount</b>	Rs. 1000/- and in multiples of Rs. 500/- thereafter
<b>Additional Subscription Amount</b>	Rs. 1000/- and in multiples of Rs. 500/- thereafter
<b>Tenure</b>	12 / 24 / 36 / 48 / 60 months
<b>Daily Gold Price</b>	Daily Gold Price (up to 2 decimal points) in Rupees per gram for 24 Carat Gold of 995 fineness shall be declared by RMPM on or before 11:00 am for all business days. The Daily Gold Price will be uploaded on <a href="http://www.mygoldplan.co.in">www.mygoldplan.co.in</a> .
<b>Gold Grams Allotment</b>	Gold Grams of 24 Carat Gold of 995 fineness and up to 4 decimal points rounded down shall be allotted to the customers under the R-MGP Plan
<b>Lock-in Period</b>	6 months from the date of initial subscription. Fulfillment of Gold Grams shall not be permitted during the Lock-in period
<b>Fulfillment Options</b>	24 Carat Gold of 995 fineness or more available in Gold Coins of denominations of 0.5 / 1 / 5 / 8/ 10 / 20 / 50 grams.
<b>Payment Modes</b>	Cheque/DD/Pay order/ECS/Direct Debit



# CHARGES & FEES

<b>Administrative Charge</b>	Administrative charge shall be levied by effecting a mark up of 1.5% on the Daily Gold Price. This charge shall be levied on a daily basis at the time of Gold Grams Allotment . This is a non-refundable fee paid towards setup/ administration costs
<b>Pre-Termination Charge</b>	2.5% Pre-Termination charges on cumulative subscription amount paid shall be charged if Gold grams are fulfilled pre-maturely (i.e. post lock-in period but before deemed maturity date)
<b>Safekeeping Charge</b>	0.5% per annum Safe Keeping Charges on the total subscription amount. The charge is applicable Only in case the customer does not take delivery of Gold Coins within 60 days from the date of issue of Fulfillment Voucher or the date of completion of chosen tenure whichever is earlier
<b>Fulfillment related Payments</b>	The customer will have to make the following payments at the time of Fulfillment <ul style="list-style-type: none"><li>■ Rounding off to the nearest incremental 0.5 grams at the prevailing Daily Gold Price</li><li>■ Coin making charges.</li><li>■ Taxes such as VAT and any other applicable State taxes</li></ul>

# Process Flow



Customer /  
Distributor/  
POS

•A/C Opening Form  
•KYC Documents  
•Initial Subscription  
•Subsequent Subscription

Verifies information and  
enters in Online Portal  
and banking of  
Instrument

Scan and submit relevant  
document to Back office  
Service Provider

Back Office  
Provider

•Monthly Statement of  
Holding on a monthly  
basis to Customer  
•Other Communication

Allocate Subscription  
into 20 equal parts and  
inform RMPM 1/20<sup>th</sup> part  
daily for purchase of  
Gold

Fund Credit  
Identification and  
reconciliation

•Customer Adoption  
•Creation of Customer ID  
•Dispatch of Welcome Kit

Bullion Trader  
& Custodian

RMPM book gold gram  
with Bullion trader

Store Gold with Safe  
Keeper

On Redemption  
instructions of RMPM  
gold grams to be  
released

Fulfillment  
partner

Gold Coin

Jewellery

# SAMPLE ACCOUNT STATEMENT



Adobe Acrobat  
Document



Thank You

