

PRESS NOTE

Sale of Gold Coins through Post Offices

New Delhi, October 15, 2008:

In a pioneering move, India Post in association with World Gold Council and Reliance Money has announced an innovative service under which gold coins will be sold in over 100 India Post outlets in Delhi, Tamil Nadu, Maharashtra and Gujarat. World Gold Council will help market the Swiss Medallions supplied by Reliance Money, making it available to Indian mass consumers through India Post offices in a convenient and cost effective manner.

Gold to Indians is an ultimate object of love, adornment, worship, investment and is considered to be ancestral. From mother to daughter to granddaughter and from father to son to grandson, gold has a tendency of getting passed down from generation to generation. Hence for Indians gold will never lose its sheen.

Across the world, the Post has been involved in a range of retail functions on behalf of other organizations. India Post has been selling various products under Retail Post category and there is sustained growth in the revenue from these activities. Post Offices sells UPSC applications and university applications, it retails Darjeeling Tea in West Bengal, it markets Aloe Vera products in Gujarat and it takes orders for distribution of Prasadam of various temples in Andhra Pradesh and Kerala. The present initiative to sell 24 carat gold as an agency function, is the natural extension to its existing line of products.

The gold coins will be of the denomination of 0.5 g, 1 g, 5 g and 8 g of 24 carat. Apart from enhancing the revenue of the Department, this will enable India Post to usher in a new image of India Post as a modern and relevant organization to the public in all areas of life.

The gold coins will be packed in a sealed cover with the certification from Valcambi, Switzerland. It has the benefits like internationally recognized certification, low risk of duplication, quality packaging, product standardization, numbering and assayer certificate.

The service was launched today in Delhi by Thiru A. Raja, Hon'ble Minister of Communications and IT in a glittering function held at The Metropolitan Hotel. Shri Jyotiraditya M. Scindia, Minister of State for Communications & IT was the guest of honour at the ceremony.

While launching the service, the Minister of Communications and IT announced that “the proposal is to cover 102 Post Offices in the pilot phase and gradually extend it to offices based on the response from the public for this novel venture. During Phase-II of the project, Post Offices will be selling gold coins with India Post logo”.

Shri Jyotiraditya M. Scindia, Minister of State for Communications & IT declared that this pilot project on the sale of gold coins would be a beginning of many more such retail services that India Post will undertake.

The project is done in association with World Gold Council and Reliance Money Limited. Speaking on World Gold Council's association with India Post, Ajay Mitra, Managing Director, World Gold Council, said, “Retailing gold through India Post is a ground-breaking initiative in the Indian investment sector and one of its kind in the world. We applaud this entrepreneurial initiative from India Post in providing premium quality Gold Coins to the common people”. Mr. Sudip Bandyopadhyay, Director and CEO, Reliance Money, said, “We want to take the culture of structured investments in gold to the masses through India Post and provide gold at impeccable quality, quantity and price points”.

India Post has good business opportunities, as it focuses on retail initiatives. With a high growth Indian economy, retail sector is growing at a very fast pace. This pilot project on the sale of gold coins will be a beginning of many more such retail services that India Post will undertake.

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