

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3963
ANSWERED ON:20.03.2015
GOLD MONETISATION SCHEME
K. Shri Parasuraman

Will the Minister of FINANCE be pleased to state:

- (a) whether the newly introduced Gold Monetisation Scheme will replace Gold Metal Loan Scheme;
- (b) if so, the details thereof along with the salient features of the new scheme; and
- (c) the likely status of existing gold loan scheme availed by the farmers for various agricultural purposes after the implementation of the new scheme?

Answer

The Minister of State in the Ministry of Finance (SHRI JAYANT SINHA)

(a) & (b): In the Union Budget speech of 2015-16, an announcement was made and it was proposed to introduce a Gold Monetisation Scheme, which will replace both the present Gold Deposit and Gold Metal Loan Schemes. The new scheme will allow the depositors of gold to earn interest in their metal accounts and the jewellers to obtain loans in their metal account. Banks/other dealers would also be able to monetize this gold.

(c): Loan against gold for various agricultural purposes is a loan product where owner of the gold can avail loan against it. On the other hand, in Gold Monetization Scheme the owner will earn income on the deposited gold. As these are two diverse products, there seems no material impact on the existing loan against gold product of banks due to introduction of the Gold Monetization Scheme.