



RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2014-15/474
A.P. (DIR Series) Circular No.79

February 18, 2015

To
All Category - I Authorised Dealer Banks

Madam / Sir,

Guidelines on Import of Gold by Nominated Banks / Agencies

Attention of Authorised Dealer Category – I (AD Category – I) banks is invited to the provisions contained in [A.P.\(DIR Series\) Circular No.42 dated November 28, 2014](#) in terms of which the 20:80 scheme for import of gold was withdrawn in consultation with the Government .

2. The Reserve Bank of India and the Government has been receiving requests for clarification on some of the operational aspects of the guidelines on import of gold consequent upon the withdrawal of 20:80 scheme. Accordingly, in consultation with the Government, the following clarifications are issued:

- (i) The obligation to export under the 20:80 scheme will continue to apply in respect of unutilised gold imported before November 28, 2014, i.e., the date of abolition of the 20:80 scheme.
- (ii) Nominated banks are now permitted to import gold on consignment basis. All sale of gold domestically will, however, be against upfront payments. Banks are free to grant gold metal loans.
- (iii) Star and Premier Trading Houses (STH/PTH) can import gold on DP basis as per entitlement without any end use restrictions.
- (iv) While the import of gold coins and medallions will no longer be prohibited, pending further review, the restrictions on banks in selling gold coins and medallions are not being removed.

3. AD Category –I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

4. The directions contained in this circular have been issued under Section 10 (4) and Section 11 (1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,

(B. P. Kanungo)
Principal Chief General Manager