

**Import of gold against letter of authority issued by Nominated Agency
A.P.(DIR Series) Circular No. 25 (Oct 1, 2003)**

**Reserve Bank of India
Exchange Control Department
Central Office
Mumbai 400 001**

A.P.(DIR Series) Circular No. 25

October 1, 2003

To
All Authorised Dealers in Foreign Exchange

Madam / Sirs,

Import of gold against letter of authority issued by Nominated Agency

As you are aware, under the Government's Nominated Agency Scheme for import of gold, MMTC/ HHEC, STC & PEC, designated as nominated agency by Government and banks permitted by RBI are authorised to import gold for supply to exporters with an export obligation imposed thereon. Accordingly, only these nominated agencies are permitted to open Letters of Credit for import of gold under the Nominated Agency Scheme.

2. It has, however, been reported that entities other than the Nominated agencies referred to above are establishing import Letters of Credit for import of gold against a letter of authority issued by these Nominated agencies. Authorised Dealers are advised that Letters of Credit for import of gold under the Nominated Agency Scheme must be established only on behalf of the Nominated Agency themselves and under no circumstances should the Letter of Credit be issued on behalf of any other entity even if a letter of authority issued by the Nominated Agency is furnished by these entities.

3. Authorised dealers may bring the contents of this circular to the notice of their constituents 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, 1999 (42 of 1999).

Yours faithfully,

**Grace Koshie
Chief General Manager**