Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade
Udyog Bhavan, New Delhi-110011

Dated: 19th August, 2011

Policy Circular No. 39 (RE-2010)/2009-14

To

All Regional Authorities (RAs);
All Commissioners of Customs;
Exporting Community.

Subject: Consolidated Guidelines for import of precious metal by the Nominated Agencies. – Reg.

Attention is invited to para 4A.4 of the FTP and the DGFT Policy Circular No.14(RE-2010)/2009-14 dated 1.2.2011. Agencies/ entities notified by the Department of Commerce for import of precious metal are given in paragraph 4A.4 of FTP.

2. The consolidated guidelines on import of precious metal by the nominated agencies and the system of monitoring are issued hereunder:-

(i) For the Premier Trading Houses and the Star Trading Houses (only for Gems & Jewellery exporters), the Certificate Holder shall be required to request to the concerned Regional Authority (RA) (who had issued the Status Certificate / the Registered office is located) enclosing therewith a self-attested copy of the valid Status Certificate. RA, in turn, shall issue a Certificate to the Status Certificate Holder in the format appended to this Policy Circular as Annexure I. This Certificate shall be valid for one year starting from 1st day of the Financial Year of filing application. This Certificate shall be renewed every year based on the validity of the Status Certificate, the performance of the Nominated Agency on annual basis and their submission of regular returns prescribed in the following paragraph.

(ii) Monitoring Mechanism:- The following guidelines for monitoring the import of precious metal and its distribution and / or own use by the Nominated Agencies will be observed (other than the designated banks nominated by RBI) :

(a) All these Nominated agencies are required to maintain records of imports of precious metal (both quantity and value) and its distribution for the purpose of exports of value added product as well as for the purpose of domestic consumption as per the format appended to this Policy Circular as Annexure II.

(b) All the Nominated Agencies shall {other than the Premier Trading Houses and Star Trading Houses(only for Gems & Jewellery exporters)} file a half yearly return (as in Annexure II) to the Gems & Jewellery EPC Registered Office at Mumbai, G&J EPC. The Premier Trading Houses and the Star Trading Houses (only for Gems & Jewellery exporters) shall file this return to the concerned RA which has issued the Certificate. These returns shall be filed within 15 days from the period of reporting.

(c) G&J EPC and the concerned RA shall compile the figures and forward it to DGFT (Hqrs.) by 15th of the subsequent month. G&J EPC and concerned RA will also inform DGFT which agency has not filed the return, so that appropriate action for delisting of the agency can be taken.

(d) The performance of these agencies will be reviewed on annual basis by DGFT (HQs) in consultation with G&J EPC.

4. The Policy and Procedure for import of precious metal shall be as per the guidelines stated in Foreign Trade Policy (FTP) and the relevant RBI Guidelines.

5. Clearance of import consignment shall be allowed by the Customs Authority as per the Procedure laid down by them for the Nominated Agencies by way of Customs Notification and / or Circular issued by them from time to time.

6. Since the Policy Circular No.14 (RE-2010)/2009-14 dated 1.2.2011 had withdrawn all other Circulars issued earlier on the subject, these guidelines will be effective from 1.2.2011.

7. Any difficulty in operation of the aforesaid provisions shall be brought to the notice of this Directorate immediately.

This issues with the approval of the Competent Authority.

Sd/-

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(Issued from F.No. 01/94/180/88 /AM11/PC-4)

ANNEXURE I

Appended to Policy Circular No.   dated ___ _ ___.

Certificate for Import of Precious Metal by Nominated Agencies

This is to certify that M/s ________________________, holder of a Valid _____________ (mention the category of Status certificate Holder) Certificate bearing Number ______________________Dated__________ issued by Regional Authority _________ (Mention the name of the Regional Authority) and having Importer - Exporter Code ________________, has been designated as Nominated Agency under Paragraph 4A.4 of Foreign Trade Policy (RE 2008), as amended from time to time for the purpose of Direct Import of Precious Metal. This is subject to provisions of FTP and the Procedure laid thereunder, RBI Guidelines and the Customs Rules and Regulations.

This permission shall be valid from ________________to ______________ (Mention specific Date).

Name of RA:
Date:

(S I G N A T U R E)
Asstt. Director General of Foreign Trade /
Foreign Trade Development Officer

(OFFICE SEAL)

ANNEXURE II
Appended to Policy Circular No.   dated___ ____.

Statement of Precious Metal for the period April to September………./Oct. – March……

Name of the Nominated Agency (Other than Designated Banks) in terms of paragraph 4A.4 of FTP:

Date of Statement:

Name of Precious Metal: Gold / Silver / Platinum (Strike which is not applicable and give the details in separate sheets for different metals)

		Number of Transaction	**Value of Gold Imported**		**Quantity of Gold Imported**	**Opening Stock (in Quantity)**	**Utilization**						
							Own use		**Supply to exporter**		**Supply to domestic units**		**Balance in stock**
			(US D million)	**(Rs. Crore)**	**Kg.**	**Kg.**	**Value (Rs. Crore)**	**Qty (Kg.)**	**Value (Rs. Crore)**	**Qty. (Kg.)**	**Value (Rs. Crore)**	**Qty. (Kg.)**	**Quantity (Kg.)**
Sl. No.	**Mode of Import**												
(i)	Delivery Against Payment Basis												
(ii)	Supplier's Credit Basis												
(iii)	Consignment Basis												
(iv)	Unfixed Price Basis												

Note:

1. Full details of transactions may be provided in cases where the number of transactions in respect of a single importer exceeds ten transactions in a month or the aggregate value of imports exceeds US Dollar 50 million.

2. Details of EOUs / Units in SEZ and Nominated Agencies should be given separately.

3. Separate statement in the aforesaid format shall also be furnished for other precious metal as well (i.e. silver, platinum etc.).

4. Nominated Agencies may refer the RBI Guidelines as stated in A.P. (DIR Series) Circular No. 2 Dated July 9, 2004, Paragraph B 15 of part III of Master Circular of RBI, as amended from time to time.