



CIRCULAR

415/IFSCA/Consolidated Operating Guidelines/2023-24

December 13, 2023

To

Bullion Exchange in the International Financial Services Centre (IFSC)
Bullion Clearing Corporation in the IFSC
Bullion intermediaries in the IFSC
Vault Managers in the IFSC
All market participants on the Bullion Exchange in the IFSC
Entities holding TRQ allotted by DGFT under India-UAE CEPA

Dear Sir/Madam

Import of UAEGD Gold through IIBX by valid India-UAE TRQ holders

1. The Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry, Government of India, vide Notification No.44/2023 dated November 20, 2023, has, *inter alia*, amended the import policy condition for ITC(HS) Code 71081200 of Chapter 71 of ITC(HS) 2022, Schedule -I (Import Policy) stating that '*valid India-UAE TRQ holders as notified by IFSCA can import gold through IIBX against the TRQ and can obtain physical delivery of the same through IFSCA registered vaults located in SEZs as per the guidelines prescribed by the IFSCA*'.
2. The India-United Arab Emirates (UAE) Comprehensive Economic Partnership Agreement (CEPA) signed on February 18, 2022, includes, *inter alia*, the promotion of bilateral trade in bullion, and gems and jewellery sectors.
3. With a view to facilitating their participation on the India International Bullion Exchange (IIBX) for import of UAE Good Delivery (UAEGD) Gold under the India-UAE CEPA, it has been decided that the valid holders of India - UAE Tariff Rate Quota (TRQ) license / authorisation as allotted by DGFT shall now be eligible to apply for being notified as 'India-UAE TRQ holders' by the IFSCA, for the purpose of such imports.



4. After being notified by the IFSCA, such valid India-UAE TRQ holders shall be permitted to participate on IIBX, through Bullion Trading Members, for transacting in ('buying' only) UAEGD gold for import under the India-UAE CEPA, subject to the quota, and other applicable terms and conditions.
5. QJs that hold valid TRQ licence/authorization under the India-UAE CEPA shall also be permitted to import UAEGD gold through IIBX under the India-UAE CEPA. Such QJs shall not be required to apply separately for being notified as 'India-UAE TRQ holders' by the IFSCA.
6. IIBX, in co-ordination with India International Depository IFSC Limited (IIDL), shall prescribe the Standard Operating Procedures (SOPs) for the process of onboarding the valid India-UAE TRQ holders.
7. IIBX, in coordination with IIDL, shall ensure that the onboarding of valid India-UAE TRQ holders is as per the guidelines prescribed under the IFSCA (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022, as amended from time to time. The valid India-UAE TRQ holders shall also undertake to abide by the "AML CFT guidelines for dealers in precious metals and precious stones, 2023" issued by the Directorate General of Audit Indirect Taxes and Customs under the Prevention of Money Laundering Act, 2002, as amended from time to time.
8. The import by valid India-UAE TRQ holders through IIBX, under the India-UAE CEPA, shall be in accordance with the TRQ Scheme governed by the applicable guidelines and Handbook of Procedures under the extant Foreign Trade Policy prescribed by DGFT and Customs on import of gold through IIBX.
9. The valid India-UAE TRQ holders shall ensure that they undertake the import of UAEGD gold through IIBX, including the remittance of funds for the purpose, in compliance with the provisions of the 'Master Direction – Import of Goods and Services' and other relevant Circulars/Guidelines/Notifications issued by the RBI from time to time regarding the import of gold.



10. The IFSCA Circular (Ref: 415/IFSCA/Consolidated Operating Guidelines/2022-23) dated January 11, 2023, shall stand withdrawn from the date of issuance of this Circular.
11. This Circular has been issued in exercise of the power conferred under Section 12 of the International Financial Services Centres Authority Act, 2019 r/w Regulation 58 of the International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020 and in pursuance of DGFT Notification mentioned in Para 1 of this Circular.
12. A copy of this Circular is available on the website of International Financial Services Centres Authority at www.ifsca.gov.in at “Legal →Circulars”.

Yours faithfully

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