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Sub.: Gold Card Scheme for Exporters

Dear Members,

This is in reference to the queries being received from members with respect to information on “Gold Card Scheme for Exporters”. RBI has reiterated that the instructions relating to the Gold Card Scheme for Exporters as contained in [Master Circular DBR No.DIR.BC.14/04.02.002/2015-16 dated July 01, 2015](#) shall be strictly implemented and the branch level functionaries shall be suitably sensitised in this regard.

The salient features of the Scheme are as under:

- i. All creditworthy exporters, including those in small and medium sectors, with good track record would be eligible for issue of Gold Card by individual banks as per the criteria to be laid down by the latter.
- ii. Gold Card under the Scheme may be issued to all eligible exporters including those in the small and medium sectors who satisfy the laid down conditions.
- iii. The scheme will not be applicable for exporters blacklisted by ECGC or having overdue bills in excess of 10% of the previous year's turnover.
- iv. Gold Card holder exporters, depending on their track record and credit worthiness, will be granted better terms of credit including rates of interest than those extended to other exporters by the banks.
- v. Applications for credit will be processed at norms simpler and under a process faster than for other exporters.
- vi. Banks would clearly specify the benefits they would be offering to Gold Card holders.
- vii. The charges schedule and fee-structure in respect of services provided by banks to exporters under the Scheme will be relatively lower than those provided to other exporters.
- viii. The sanction and renewal of the limits under the Scheme will be based on a simplified procedure to be decided by the banks. Taking into account the anticipated export turnover and track record of the exporter the banks may determine need-based finance with a liberal approach.
- ix. 'In-principle' limits will be sanctioned for a period of 3 years with a provision for automatic renewal subject to fulfillment of the terms and conditions of sanction.
- x. A stand-by limit of not less than 20 per cent of the assessed limit may be additionally made available to facilitate urgent credit needs for executing sudden orders. In the case of exporters of seasonal commodities, the peak and off-peak levels may be appropriately specified.

- xi. In case of unanticipated export orders, norms for inventory may be relaxed, taking into account the size and nature of the export order.
- xii. Requests from card holders would be processed quickly by banks within 25 days / 15 days and 7 days for fresh applications / renewal of limits and ad hoc limits, respectively.
- xiii. Gold Card holders would be given preference in the matter of granting of packing credit in foreign currency.
- xiv. Banks would consider waiver of collaterals and exemption from ECGC guarantee schemes on the basis of card holder's creditworthiness and track record.
- xv. The facility of further value addition to their cards through supplementary services like ATM, Internet banking, International debit / credit cards may be decided by the issuing banks.
- xvi. The applicable rate of interest to be charged under the Gold Card Scheme will not be more than the general rate for export credit in the respective bank. In keeping with the spirit of the Scheme, banks will endeavour to provide the best rates possible to Gold Card holders on the basis of their rating and past performance.
- xvii. Gold Card holders, on the basis of their track record of timely realization of export bills, will be considered for issuance of foreign currency credit cards for meeting urgent payment obligations, etc.
- xviii. Banks may ensure that the PCFC requirements of the Gold Card holders are met by giving them priority over non-export borrowers with regard to granting loans out of their FCNR (B) funds, etc.
- xix. Banks will consider granting term loans in foreign currency in deserving cases out of their FCNR (B), RFC, etc. funds. (Banks may not grant such loans from their overseas borrowings under the 25 per cent window of overseas borrowings.)

This is for your kind information please.

With regards,

Dr. L.B. Singhal
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AEPC