

e-Gold Violative of Indian Rules : RBI
October 21, 2002

It has been brought to the notice of the Reserve Bank of India that an impression is sought to be created among the members of public by some agencies/persons that transactions involving “e-gold”, purportedly an electronic currency, are freely permitted in India and that “e-gold” has the status of a foreign currency. The Reserve Bank has also come across a recent pamphlet on the subject, circulated along with a newspaper, which states that non-resident Indians use “e-gold” to send remittances into India.

The Reserve Bank clarifies for the information of public that “e-gold” is not a currency of any sovereign state. Use of “e-gold” in any transaction is violative of current regulations in force in India. Members of the public, banks, money changers and other financial institutions are, therefore, cautioned against the use of “e-gold” as a currency in their transactions.

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