TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY
(PART-1, SECTION-1)

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE&INDUSTRY

PUBLIC NOTICE NO. 40 (RE-00)/1997-2002

NEW DELHI , the 1st November, 2000

In exercise of powers conferred under Paragraph 4.11 of the Export and Import Policy 1997-2002, as notified in the Gazette of India extraordinary, Part-II-Section 3 – Sub- section (ii) vide S.O.No.283(E) dated 31.3.97, the Director General of Foreign Trade hereby makes the following amendment in Handbook (Vol.1). (RE-00), 1997-2002.

(1) The first sentence of the paragraph 8.26(a)(a) shall be amended to read as under:-

All pre and post shipment credit facilities given by the banks in terms of Dollars to diamonds importers/exporters/Private, Public Bonded Warehouses operating under DDAS shall be designated in Dollars and be reflected as borrowings in their DDAs.

(2) The first sentence of the paragraph 8.26(a)(b) shall be amended to read as under:-

DDAS eligible firms/companies and Private/Public Bonded Warehouses may be allowed to open a Diamond Dollar Account with their bankers. A maximum of two Diamond Dollar Accounts would be allowed with two separate banks.

(3) The following shall be added after the first sub-paragraph of paragraph 8.26(a)(d):

In case of rough diamonds , a disclaimer certificate may be given by the buyer of rough diamonds to the seller at seller's request to enable the latter to apply for a Replenishment Licence.

(4) The following shall be added as paragraph 8.26(a)(j):

In case of local sale of rough diamonds the amount of sale on the licence shall be endorsed by the seller duly countersigned by the concerned licensing authorities.

(5) The following shall be added as paragraph 8.26(b).

Licence for establishment of Private/Public Bonded Warehouses may be issued under paragraph 8.13 of EXIM Policy. Private/Public Bonded warehouses, in addition to the present scheme, may also operate under the Diamond Dollar Account Scheme. While making the application for Private/Public Bonded Warehouses the applicant will specifically give a declaration to this effect to the Assistant Commissioner of Customs (ACC) who will , while issuing the licence for Private/Public Bonded Warehouse, make an endorsement on this licence that payment for import of rough diamonds against Private/Public Bonded Warehouse licence shall be made from Diamond Dollar Account only. Private/Public Bonded Warehouses can sell rough diamonds against production of valid Diamond Imprest Licence/Replenishment Licence/Gem & jewellery Replenishment Licence to a buyer, who is operating under the Diamond Dollar Account

Scheme. Buyer will make payment for purchase of such rough diamonds in dollars from his Diamond Dollar Account. Private/Public Bonded Warehouses shall follow the procedure as given in paragraph 8.24 and 8.25 of Handbook (Vol.1). Private/Public Bonded Warehouses will be able to import rough diamonds by making payment from his Diamond Dollar Account and will submit Licence issued under this scheme to Customs Authorities at the time of clearance.

Private/Public Bonded Warehouses operating under DDAS are also permitted to sell to an exporter not operating under DDAS against valid Diamond Imprest Licence/Replenishment Licence/Gem & jewellery Replenishment licence but against payment in Dollar obtained from the bank by debiting exporter's Exchange Control copy of the licence, and the payment so received shall be credited to the Diamond Dollar Account of the owner of Private/Public Bonded Warehouses".

(6) The paragraph 8.41 shall be amended to read as under:-

In cased of exports through Foreign Post Office which may include export via Speed Post through Foreign Post Office, the value of the Gem & jewellery and Jewellery parcels shall not exceed US$ 50000 and 20 Kg by weight. At the time of exports, the exporter shall submit the following documents:-

(i) Shipping bill (PP Form) or invoice presented at the Foreign Post Office.

(ii) Certificate from nominated agencies indicating the price at which gold/silver/platinum was booked or given on outright sale basis or loan basis.

(iii) Three copies of invoice

(7) The first sentence of the paragraph 8.89 shall be amended to read as under:-

Personal Carriage of gems & jewellery parcels by Foreign Bound Passengers from all EPZ/SEZ/EOUs and all firms in DTA through the airports of Delhi, Mumbai, Calcutta and Chennai is permitted.

(8) The first sentence of the paragraph 8.90 shall be amended to read as under:-

Personal carriage of gems & jewellery import parcels by an Indian Importer/Foreign National including all EOUs/EPZ/SEZ units and all firms in DTA through the airports of Delhi, Mumbai, Calcutta and Chennai may be permitted.

This issues in public interest.

(N.L.Lakhanpal)
Director General of Foreign Trade

Copy to all concerned:-
By orders etc.

(Kiran Sehgal)
Dy. Director General of Foreign Trade