



RBI CIRCULAR

-COPY OF-

A.P. (DIR Series) Circular No.34

Dated 24th September, 2012

To

All Category-I Authorised Dealer Banks

Foreign Exchange Management Act, 1999-Import of gold in any form including jewellery made of gold/precious metals or/and studded with diamonds/semi precious/precious stones - clarification

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to the provisions contained in A.P. (DIR Series) Circular No.59 dated May 6, 2011, in terms of which, AD Category-I banks have been permitted to approve Suppliers' and Buyers' credit (trade credit) including the usance period of Letters of Credit for import of rough, cut and polished diamonds, for a period not exceeding 90 days, from the date of shipment.

2. It is clarified that Suppliers' and Buyers' credit (trade credit) including the usance period of Letters of Credit opened for import of gold in any form including jewellery made of gold/precious metals or/and studded with diamonds/semi precious/precious stones should not exceed 90 days, from the date of shipment.

3. All the instructions issued for direct import of gold, vide A.P. (DIR Series) Circular No.2 dated July 9, 2004; import of Platinum/Palladium/Rhodium/Silver vide A.P. (DIR Series) Circular No.12 dated August 28, 2008; advance remittance for import of rough diamonds, vide A.P. (DIR Series) Circular No.21 dated December 29, 2009 and import of rough, cut and polished diamonds, vide A.P. (DIR Series) Circular No.59 dated May 6, 2011, shall remain unchanged.

4. AD Category-I banks may bring the contents of this circular to the notice of their constituents and customers concerned.

5. The directions contained in this circular have been issued under Section 10 (4) and Section 11 (1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

Sd/-
(Rashmi Fauzdar)
Chief General Manager

Issued by:
Reserve Bank of India
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