

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II,
SECTION 3, SUB-SECTION (i)]

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

Notification No. 40/2015-Customs

New Delhi, the 21st July, 2015

G.S.R _____ (E).- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts cut and polished diamonds falling under Chapter 71 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported (for grading or certification and re-export out of India) by the laboratories and agencies (hereinafter referred to as the said laboratories and agencies) notified in the Foreign Trade Policy and mentioned in the Table below, from the whole of the duty of customs leviable thereon which is specified in the said First Schedule, subject to fulfillment of the following conditions, namely:-

Table

S.No.	Name of laboratory/agency
1.	Gemological Institute of America (GIA), Mumbai, Maharashtra, India
2.	Indian Diamond Institute, Surat, Gujarat, India
3.	International Institute of Diamond Grading & Research India Pvt. Ltd., Surat, Gujarat, India

- (i) the said laboratories and agencies shall furnish a general bond to the satisfaction of the Assistant Commissioner/Deputy Commissioner of Customs at the port of import, undertaking to properly account for the diamonds, to follow the procedure specified in paragraph 4.75 of the Handbook of Procedures and to re-export diamonds within the period as mentioned in the said paragraph of Handbook of Procedures;
- (ii) the import shall be allowed under bill of entry having the detailed description of the diamonds, including inter alia, the dimensions, weight, colour, caratage, specification, approximate value, etc. of each piece of diamonds;
- (iii) the bill of entry should carry the endorsement "only for certification and grading";

- (iv) the said laboratories and agencies while taking the diamonds in their unit, shall allot a 'unique control number' for identification purposes and maintain a separate account for such diamonds;
- (v) after grading or certification, the diamonds shall be re-exported under a shipping bill containing the detailed description as was mentioned at the time of their import;
- (vi) cross reference of bill of entry shall be endorsed in the shipping bill;
- (vii) the said laboratories and agencies shall submit alongwith the shipping bill, a certificate to the effect that the diamonds being re-exported are the same as those imported;
- (viii) the said laboratories and agencies shall obtain Guaranteed Remittance (GR) waiver in respect of import and re-export as per the procedure laid down by the Reserve Bank of India (RBI) and realise the foreign exchange for the service charges in terms of the Reserve Bank of India (RBI) guidelines;
- (ix) the Custom Officers may visit the premises of the said laboratories and agencies for audit or checks;
- (x) the diamonds imported for certification or grading shall be re-exported within a period of three months from the date of their import;
- (xi) the said laboratories and agencies shall submit a quarterly statement by 25th of the month following the particular quarter and the statement shall reflect the bill of entry number, date, details of diamonds and details of re-export, etc.; and
- (xii) re-export shall be allowed only from the port through which import took place.

Explanation. - For the purposes of this notification, -

- (a) "Foreign Trade Policy" means the Foreign Trade Policy, 2015 - 2020 notified by the Government of India in the Ministry of Commerce and Industry, published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (ii) vide notification No. 01/2015-2020, dated the 1st April, 2015;
- (b) "Handbook of Procedures" means the Handbook of Procedures notified by the Government of India in the Ministry of Commerce and Industry, published in the Gazette of India, Extraordinary, Part-I, Section 1 vide Public Notice No. 01/2015-2020, dated the 1st April, 2015.

[F.NO.: DGEP/G&J/428/2006]

(ANAND UPADHAY)
Under Secretary to the Government of India