

## **GEMS AND JEWELLERY**

**4A** Policy relating to Gem Replenishment Authorisation, and scheme for gold/silver/platinum jewellery is given in paragraph 4A of FTP.

**4A.1**  
**Replenishment Authorisation** An application for REP Authorisation may be made in ANF 4I alongwith documents prescribed therein to RA concerned as in Appendix-1A.

**4A.1.1** Application shall be filed within six months following the month during which the export proceeds are realised. For export proceeds realised during the month, consolidated application for entire month shall be filed.

**4A.1.2** In case where payment is received in advance and exports take place subsequently, application for REP Authorisation shall be filed within six months following the month during which exports are made.

**4A.1.3** For purpose of clarity, it is again reiterated that the month in which the export has been made in case of advance payment and the month in which export proceeds have been realised in part or full after making of exports, shall be excluded while calculating period of six months for filing of application for REP Authorisation.

**4A.2**  
**Wastage Norms** Maximum wastage or manufacturing loss on gold/silver/ platinum jewellery and articles thereof is as follows:

| <i>Sl. No.</i> | <i>Item of exports</i>   | <i>Percentage of wastage by weight with reference to Gold/ Platinum/ Silver content in export item</i> |        |
|----------------|--|--|--------|
|                |  | Gold/<br>Platinum  | Silver |
| a)             | Plain jewellery and articles and ornaments like Mangalsutra containing gold and black beads/ imitation stones, | 3.5%   | 4.5%   |

|    |   |       |       |
|----|---|-------|-------|
|    | cubic zirconia diamonds, precious, semi-precious stones.                                      |       |       |
| b) | Studded jewellery and articles thereof  | 7.0%  | 7.0%  |
| c) | Mountings and findings manufactured (by non-mechanised process) indigenously                  | 3.5%  | 4.5%  |
| d) | Any jewellery/articles manufactured by a fully mechanised process and unstudded.              | 1.25% | 1.25% |
| e) | Mountings, whether imported or indigenously procured/ manufactured, used in studded jewellery | 2.5%  | 2.5%  |
| f) | Gold/silver/platinum medallions and coins (excluding coins of nature of legal tender)         | 0.25% | 0.25% |
| g) | Findings and mountings manufactured by mechanized process                                     | 1.25% | 1.25% |

#### 4A.2.1

##### Value Addition

Under scheme for export of jewellery, value addition shall be calculated as per paragraph 4A.6 of FTP. Minimum value addition shall be:

| <i>S.No.</i> | <i>Item of Export</i>   | <i>Minimum Value Addition</i> |
|--------------|---|-------------------------------|
| a)           | Plain gold / platinum / silver jewellery and Articles and ornaments like Mangalsutra containing gold and black beads / imitation stones, except in studded form of jewellery. | 3%                            |
| b)           | All types of Studded gold / platinum / silver Jewellery and articles thereof.   | 5%                            |
| c)           | Any jewellery / articles manufactured by fully mechanised process   | 1.5%                          |
| d)           | Gold / silver / platinum medallions & coins   | 1.5%                          |

|    |  |       |
|----|--|-------|
|    | (excluding coins of nature of legal tender)                                      |       |
| e) | Gold / silver / platinum findings / mountings manufactured by mechanised process | 2.25% |

**4A.2.2** Entitlement of quantity of gold / silver / platinum against the export shall be quantity of gold / silver / platinum in item of export plus admissible wastage / manufacturing loss.

**4A.3** Consignments of gem and jewellery items exported out of country and lost in transit after exports, where foreign exchange against such exports has been realised or insurance claims settled, will also be eligible for REP Authorisation.

**Loss of Gem and Jewellery**

**4A.4** Gem REP Authorisations shall be valid for import of precious stones, semi-precious and synthetic stones and pearls. In addition, Authorisation shall also be valid for import of empty jewellery boxes upto 5% of value of Authorisation within its overall CIF value. Gem REP Authorisations issued against export of studded gold / silver / platinum jewellery articles, shall also be valid for import of cut and polished precious / semi-precious stones other than emerald upto 10% of CIF value of Authorisation within its overall CIF value.

**Gem & Jewellery Replenishment Authorisations**

**4A.4.1** Gem REP Authorisation are available as per scale given in Appendix-12B.

**4A.4.2** (a) An application for Gem REP Authorisation may be given to RA concerned as given in Appendix-1A in the form given in Appendix-22-F alongwith prescribed documents.

**Filing of Application**

(b) In case E.P Copy of Shipping Bill and Customs attested invoice is submitted to nominated agencies, exporter shall furnish a self certified photo copy of same along with a certificate from nominated agencies certifying carat / value of studdings in case of studded jewellery and excess value addition achieved in case of plain jewellery and articles.

(c) Provision of paragraph 4A.1.1 to 4A.1.3 will also be applicable for Gem REP Authorisations.

**4A.5** Exporter availing scheme of gold / silver / platinum jewellery are allowed to pay agency commission. VA shall be calculated after deducting agency commission.

**Agency**

## **Commission**

### **4A.6 Endorsement on shipping Bill and Invoice**

During export of jewellery, shipping bill and invoice presented to customs authorities shall contain description of item, its purity, weight of gold/ silver/ platinum content, wastage claimed thereon, total weight of gold/ silver/ platinum content plus wastage claimed and its equivalent quantity in terms of 0.995/0.999 fineness for gold/ silver and in terms of 0.9999 fineness for platinum and its value, FOB value of exports and value addition achieved. If purity of gold/silver/platinum used is same in respect of all or some of items made out from each of these metals for export, exporter may give total weight of gold/silver/platinum and other details of such similar items which are of same purity. In case of studded items, shipping bill shall also contain description, weight and value of precious/ semi-precious stones/diamonds/ pearls used in manufacture and weight / value of any other precious metal used for alloying gold/silver.

### **4A.7 Conditions of Exports**

Exports shall be allowed by customs authorities provided endorsement made on shipping bill and invoice are correct and value addition achieved is not below minimum prescribed in FTP.

### **4A.8 Proof of Exports**

(a) Exporter has to furnish the proof of exports, wherever required for export of gold / silver / platinum jewellery and articles thereof, by furnishing following documents:

- (i) E.P copy of the shipping bill;
- (ii) Customs attested invoice;
- (iii) Bank certificate of realisation in Appendix 22A.

(b) In case of personal carriage of jewellery by foreign buyer, following documents should be submitted by the exporter/seller as proof of exports for claiming export entitlements:

- (i) Copy of shipping bill filed by Indian Seller;
- (ii) A copy of Currency Declaration Form filed by Foreign Buyer with Customs at the time of his arrival; and
- (iii) Foreign Exchange Encashment Certificate from Bank.

(c) In addition to this, Personal Carriage on Documents Against Acceptance (DA)/ Cash On Delivery (COD) basis is also allowed. Exporter will have to furnish following documents as proof of exports for claiming export entitlements:

- (i) Copy of Shipping Bill filed by Indian Seller; and
- (ii) Bank Certificate of Export and Realisation.

Instructions issued by Customs Department in this regard should be followed mutatis mutandis.

**4A.9  
Conversion of  
Purity/Fineness**

For conversion of quantity of gold/ silver/platinum in terms of equivalent quantity in terms of fineness, following formula shall be used:

- (i) Where items of gold has been exported in terms of carats, quantity of gold shall be multiplied by number of carat of gold exported, divided by 24 and thereafter again divided by 0.995/0.999/0.900 to arrive at equivalent quantity of gold in terms of fineness of 0.995/0.999/0.900 respectively; and
- (ii) Wherever purity of item of export is expressed in terms of fineness, the quantity of gold/silver/platinum shall be multiplied by fineness of gold/silver/platinum exported and thereafter divided by 0.995 / 0.999 / 0.900 to arrive at equivalent quantity of gold/ silver/platinum in terms of 0.995 / 0.999 / 0.900 fineness respectively.

**4A.10  
Release of  
Gold/Silver/  
Platinum by  
Nominated  
Agencies**

Gold / silver / platinum shall be released to exporter of jewellery by nominated agencies/RBI authorised banks in multiples of 10 gms or in Ten Tola Bars in respect of gold. However, silver shall be released to exporters in multiples of 1 Kg only. Any balance of gold/ silver/ platinum shall be available to exporter along with his future entitlement. Gold/ silver shall be released by the nominated agencies in terms of 0.995 fineness or more and platinum in terms of 0.900 fineness or more.

**4A.11  
Terms  
of  
payment**

Export of gold / silver / platinum jewellery and articles thereof shall be against irrevocable letter of credit, payment of cash on delivery basis, Documents Against Acceptance (DA) basis or advance payment in foreign exchange.

**4A.12  
Port of Export**

Exports under schemes of gold /silver/platinum jewellery and articles thereof shall be allowed by airfreight and Foreign Post Office through the Customs House at Mumbai, Calcutta, Chennai, Delhi, Jaipur, Bangalore, Kochi, Coimbatore, Ahmedabad, Dabolin Airport, Goa, Hyderabad and Surat (Surat Hira Bourse). Export by courier shall also be allowed through Custom Houses at Mumbai, Calcutta, Chennai, Kochi, Coimbatore, Delhi, Jaipur, Bangalore, Ahmedabad and Hyderabad upto FOB value of Rs.20 lakhs per consignment.

**4A.13**  
**Export by Post**

Policy for export of gems and jewellery parcel by post is in paragraph 4A.16 of FTP. At the time of exports, exporter shall submit following documents:

- (i) Shipping bills or invoice presented at foreign Post Office;
- (ii) Certificate from nominated agencies indicating price at which gold/silver/platinum was booked or given on outright sale basis or loan basis;
- (iii) Three copies of invoice.

**4A.14**  
**Import of**  
**Diamonds for**  
**Certification/**  
**Grading & re-**  
**export**

(a) This facility has been stated in Paragraph 4A.2 of FTP. At the time of imports of diamonds, the bill of entry shall have the detailed description, including the dimensions /specifications of the diamonds. At the time of re-export after grading/certification, the Bill of Entry details should be endorsed in the shipping bill, so far as the dimensions and other specifications/ details of the diamonds are concerned, so as to establish a clear correlation between the imported diamonds and the diamonds being re-exported. In addition, a separate self certificate shall be attached by GIA (or any other approved agency) along with the shipping bill at the time of shipment, for matching of the imports to that of the exports as per the documents and GIA (or any other approved agency) certificate.

(b) GIA (or any other agency approved in this regard) shall obtain GR waiver as per the procedure laid down by RBI, in all such cases.

(c) Re-export of the imported diamonds shall be completed within a maximum time period of 3 months from the date of import(s). At the time of import, the agency shall give an undertaking to the customs to this effect. GIA (or any other agency approved in this regard) shall furnish a quarterly report to the customs authority at the port of import by 25th of the month, succeeding the end of the quarterly period, to ensure that the exports are effected within the stipulated time period.

**4A.15**  
**Export Against**  
**Supply By**  
**Foreign Buyer**

(a) Before clearance of each consignment of import supplied by foreign buyer, nominated agency shall execute a bond with Customs, undertaking to export within stipulated period in contract, gold/silver/platinum jewellery or articles equivalent to entire import quantity of gold/silver/platinum, mountings and findings etc excluding admissible wastage.

(b) In case of direct supply of gold/silver/platinum, alloys, findings and mountings of gold/silver/platinum and plain semi-finished gold/silver/platinum jewellery to status holder/ exporter, Status Holder/exporter shall furnish a Bank Guarantee/LUT, as per Customs Rules and regulations to Customs equivalent to Customs Duty leviable on imported gold/ silver/ platinum, alloys, findings and

mountings of gold/ silver/ platinum and plain semi-finished gold/ silver/ platinum jewellery etc.

(c) BG /LUT, executed with Customs shall be valid for one year. In case of direct supply to Status Holder/exporter, exports shall be completed within 90 days. In case of non-fulfillment of EO / non-achievement of stipulated value addition, Customs Authority shall proceed to recover custom duty alongwith interest which may include enforcement of BG/LUT. Besides, importer will be liable to penal action under Customs Act.

**4A.15.1** Nominated agency/Status Holder/exporter shall be liable to pay customs duty leviable on that quantity which is proved to have been not exported.

**4A.15.2** Goods shall be cleared through Customs by nominated agency/ Status Holder/exporter. Even where export order is received by an Associate, goods shall be cleared through Customs by nominated agency only and not Associate. Associate shall, in such cases, authorise nominated agency to act as its agent to file Bill of Entry and shipping bill.

**4A.15.3** At time of export, shipping bill presented to Customs shall also contain the following:

- (i) Name and address of associate/Status Holder/exporter;
- (ii) An endorsement by nominated agency that export is made against an order received by concerned associate, its date of registration with nominated agency. In case of exports by Status Holder/exporter, a Self Declaration shall be provided to this effect;
- (iii) Name of Customs House through which gold/ silver/platinum/plain semi-finished gold/ silver/ platinum jewellery was imported and corresponding Bill of Entry No. and date and date of import.

**4A.15.4** Each shipping bill shall be valid for exports only through Customs House located at the place where office of nominated agency/Status Holder/ exporter concerned is situated. It shall be valid for shipment for a period of seven days including the date on which endorsement was made by nominated agency in case of exports through nominated agency. If exports cannot be made within this period, exporter shall file a fresh shipping bill.

- 4A.15.5** (a) At the time of export, exporter shall submit following documents:
- (i) Shipping bill with two extra copies where exports are made from a Customs House other than Customs House through which corresponding import of gold/ silver/ platinum/plain semi-finished gold/silver/ platinum jewellery was effected. In other cases, shipping bill with an extra copy;
  - (ii) Three copies of invoice;
  - (iii) Certificate from nominated agency indicating quantity and value of items supplied by foreign buyer.
- 4A.15.6** Customs authorities shall return two copies of shipping bill and connected invoice duly attested. One copy shall be sent to person who presented documents and the other copy shall be sent by Customs to office of nominated agency/Status holder/ exporter.
- 4A.15.7** In case of exports through nominated agency, exporter shall submit proof of exports to nominated agency within 15 days of exports, who shall, after verifying documents, release admissible quantity of the gold/ silver/ platinum etc. to exporter.
- 4A.15.8** Exporter may also obtain, in advance, gold/ silver/ platinum etc. supplied by foreign buyer by furnishing a BG /LUT for an amount equal to international price of such items plus customs duty payable thereon. BG /LUT shall be redeemed only when the exporter has furnished proof of exports to nominated agency and accounted for the use of items supplied in advance in export product.
- 4A.15.9** For redemption of bond/ BG /LUT executed with Customs, nominated agency/Status Holder/exporter shall furnish a statement indicating items, its quantity and value supplied by foreign buyer, corresponding Bill of Entry number and date, number of each of shipping bills against which corresponding exports was made.
- 4A.16**  
**Maintenance of**  
**Accounts**
- Nominated agency shall maintain complete account, consignment-wise, of the gold, silver, platinum, mountings, findings/ plain semi-finished gold/silver/ platinum jewellery etc. imported for execution of each export order, exports effected and quantity of gold, silver, platinum mountings, findings etc. released against such exports. For direct exports, similar accounts shall also be maintained by Status Holder. Such accounts shall be maintained for a minimum period of three years from date of exports.



**4A.17  
Export Through  
Exhibitions /  
Export  
Promotion Tours  
/ Export of  
Branded  
Jewellery**

(a) Nominated agencies shall produce to Customs Authorities letter in original or its certified copy, containing Government's approval for holding exhibition/export of branded jewellery. Any other person shall produce to Asst. Commissioner, customs letter in original or its certified copy containing GJEPC's approval for holding exhibitions/ export promotion tour/export of branded jewellery.

(b) In case of re-import, such items, on arrival, shall be verified alongwith export documents before clearance.

**4A.18**

(a) Exports under this scheme shall be subject to following conditions for following modes of export:

(i) Export of Gems and Jewellery for holding/participating in overseas exhibition.

a) Items not sold abroad shall be re-imported within 60 days of close of exhibition. However in case exporter is participating in more than one exhibition within 45 days of close of first exhibition, then 60 days shall be counted from date of close of last exhibition. In case of exhibition in USA, the time period shall be 90 days instead of 60 days mentioned above. In case of personal carriage of gems and jewellery for holding /participating in overseas exhibitions, value of such gems and jewellery shall not exceed US \$ 5 million. Gold/ silver/ platinum content on items sold in such exhibitions may be imported as replenishment.

b) Exporter shall take replenishment from nominated agency within 120 days from the close of the exhibition gold /silver / platinum for replenishment content against items sold abroad in exhibition.

(ii) Personal Carriage of gems & jewellery or export through airfreight/post parcel route for Export Promotion Tours/photo shoots/fashion shows overseas.

a) Personal carriage/export through airfreight/post parcel route of gold/silver/ platinum jewellery, cut and polished diamonds, precious, semi-precious stones, beads and articles as samples upto US\$ 1 Million for export promotion tours/photo

shoots/fashion shows and temporary display/ sale abroad is also permitted with approval of Gem & Jewellery EPC subject to the condition that promoter would bring back jewellery / goods or repatriate sale proceeds within 45 days from date of departure through normal banking channel. In case of personal carriage for export promotion tours, exporter shall declare personal carriage of such samples to Customs while leaving country and obtain necessary endorsement on Export Certificate issued by Jewellery Appraiser of Customs. In such cases exporter shall book with nominated agency, within 120 days after export promotion tour or expiry of stipulated period of 45 days, whichever is earlier, gold/silver/platinum for replenishment content against items sold abroad.

(iii) Export of branded jewellery.

a) Export of branded jewellery is also permitted with approval of Gem & Jewellery EPC for display/sale in permitted shops set up abroad or in showroom of their distributors/ agents. Items not sold abroad within 365 days shall be re-imported. Exporter shall book with nominated agency within 120 days after the end of stipulated period of 365 days, gold/silver/platinum for replenishment content against items sold abroad.

b) Following documents shall be submitted for claiming such replenishment:

- (i) Customs attested invoice;
- (ii) Copy of the approval letter issued by Government/ GJEPC;
- (iii) Certificate from nominated agency/ GJEPC as in Appendix-22F.

In case of exhibitions organised by nominated agencies, gold/silver/ platinum shall be imported as replenishment by nominated agencies within 60 days from close of exhibition.

**4A.19**

Nominated agencies shall maintain a complete account of exports made, goods sold abroad, goods re-imported, and metals purchased abroad and imported into India. Such account shall be maintained for a minimum period of three years from date of close of exhibition.

**4A.20**  
**Export Against**  
**Supply By**  
**Nominated**  
**Agencies**

Exporter may obtain gold/silver/ platinum on following basis:

- (i) Replenishment basis after completion of exports;
- (ii) Outright purchase basis in advance;
- (iii) Loan basis.

**4A.21**  
**Replenishment**  
**Basis**

Exporter may apply to nominated agency for booking of precious metal gold/silver/platinum. Quantity of precious metal booked with nominated agency shall be equivalent to precious metal content in the export product and admissible wastage.

**4A.21.1**

Applicant shall at the time of booking deposit an earnest money for a minimum amount of 20% of notional price of precious metal, which shall be adjusted at actual sale.

**4A.21.2**

Exporter may also export jewellery on a notional rate based on certificate provided by Bank. Exporter must fix price within credit terms allowed to buyer and realise proceeds within the due date of the credit terms or 180 days, whichever is earlier. Exporter exporting on a notional basis under Replenishment Scheme must book the same quantity of gold with Nominated Agency on same rate that he may have booked with buyer. Nominated agencies shall purchase precious metal on behalf of exporter at the rate so fixed and thereafter issue a purchase certificate bearing a serial number to exporter indicating quantity of gold/ silver/platinum and CIF value, in dollars including the Rupee equivalent. Price shall be actual price at which gold/silver/platinum is purchased by nominated agencies plus permitted service charges levied by nominated agencies shall be included with the price of gold/ silver/ platinum for value addition. Duplicate and triplicate copies of exporter's application together with copies of purchase certificate for exporter shall be sent by nominated agencies to concerned Custom House as well as to the negotiating bank who will confirm realization at which gold has been purchased. Exporter exporting under notional rate will get replenishment only after proceeds are realised.

**4A.21.3**

Exports shall be effected within a period of 120 days from date of booking and drawal of precious metal shall be completed within a period of 150 days from date of booking or within 30 days from date of export whichever is later.

**4A.22**  
**Outright**  
**Purchase Basis in**

Exporter may obtain required quantity of precious metal in advance on outright purchase basis subject to furnishing of BG / LUT to nominated agencies for an amount as may be prescribed by nominated agency. On failure to effect exports

|  |   |
|--|---|
| <b>Advance</b>   | within period prescribed, the nominated agencies shall enforce BG / LUT, as the case may be.  |
| <b>4A.22.1</b>   | Exports shall be effected within a maximum period of 90 days from date of outright purchase of precious metal.  |
| <b>4A.23<br/>Loan Basis</b>                                    | Exporter may obtain required quantity of precious metal on loan basis subject to furnishing of BG / LUT, for customs duty to nominated agencies for an amount as may be prescribed by nominated agencies. On failure to effect exports within the period prescribed, the nominated agencies shall enforce the BG / LUT.   |
| <b>4A.23.1</b>   | Exporter has to pay interest on gold taken on loan basis at the rate as may be specified.   |
| <b>4A.23.2</b>   | Export has to be completed within a maximum period of 90 days from date of release of gold on loan basis. No extension for fulfillment of <i>EO</i> shall be allowed.   |
| <b>4A.23.3</b>   | <p>(a) Exporter shall be permitted to export jewellery on the basis of a notional rate certificate to be issued by nominated agency / GJEPC. This rate will be based on prevailing Gold/US\$ rate and the US\$/INR rate in notional rate certificate. Certificate issued by nominated agency/GJEPC should not be older than 7 working days of date of shipment.</p> <p>(b) VA will have to be achieved on rate as may be got fixed with buyer and Nominated Agency.</p> <p>(c) Exporter shall have flexibility to fix the price and repay Gold Loan within 180 days from date of export. This price shall be communicated to nominated agencies who will issue a certificate showing final confirmation of the rate to the bank negotiating documents, to ensure export proceeds are realized at this rate.</p> |
| <b>4A.24</b>   | Nominated agencies may accept payment in dollars towards cost of import of precious metal from EEFC account of exporter.  |
| <b>4A.25<br/>Exports against<br/>Advance<br/>Authorisation</b> | Procedure applicable to Advance Authorisations under Chapter 4 of HBP v1 shall generally apply to this scheme except norms for value addition, EO period and regularization of default. Value addition for Gems and Jewellery items shall be as per paragraph 4A.2.1 of this Handbook.  |
| <b>4A.25.1</b>   | EO will be required to be fulfilled within 120 days from date of import of each   |

consignment against Authorisation. However EO period shall be 180 days from date of import of findings, mountings made of gold, platinum and silver and export of jewellery. No further extension in EO period will be allowed. Advance Authorisation holder may also import gold as replenishment after completion of exports.

**4A.26** Advance Authorisation holder may obtain gold /silver / platinum from nominated agencies in lieu of direct imports. In such a case, nominated agency shall make, both exchange control copy and customs purpose copy of Authorisation invalid for direct imports.

**4A.27**  
**Regularisation of Bonafide Default** Cases of bonafide default in fulfillment of EO by an exporter who has obtained precious metals from nominated agencies may be regularised provided exporter has paid customs duty alongwith interest thereon as notified by Customs. However, for the customs duty component, the authorisation holder has the option to furnish valid duty credit scrips issued under Chapter 3 of FTP and DEPB. Further, in case of Advance Authorisation, the provisions as given in paragraph 4.28 above shall apply. This shall be without prejudice to any action that may be taken against exporter under FT(D&R) Act, Order or Rules issued thereunder.

**4A.28**  
**Replenishment Authorisation for Import of Consumables etc.** A replenishment authorization for duty free import of Consumables, Tools and other items namely, Tags and labels, Security censor on card, Staple wire, Poly bag (as notified by Customs) for Jewellery made out of precious metals (other than Gold & Platinum) equal to 2% and for Cut and Polished Diamonds and Jewellery made out of Gold and Platinum equal to 1% of FOB value of exports of the preceding year, may be issued on production of Chartered Accountant Certificate indicating the export performance. However, in case of Rhodium finished Silver jewellery, entitlement will be 3% of FOB value of exports of such jewellery. This Authorisation shall be non-transferable and subject to actual user condition.

Application for import of consumables etc., as given above, may be made to the concerned RA in ANF 4I.

**4A.29**  
**Personal Carriage of Gems & Jewellery Export Parcels** (a) Personal Carriage of gems & jewellery parcels by Foreign Bound Passengers from all EOU/SEZ units and all firms in DTA through Airports in Delhi, Mumbai, Kolkata, Chennai, Kochi, Coimbatore, Bangalore, Hyderabad, Jaipur is permitted. Procedure for Personal Carriage of exports shall be as prescribed by Customs. Export proceeds shall, however, be realised through normal banking channel.

(b) For claiming Replenishment in case of Personal Carriage of Exports by Foreign Bound passenger, documents shall be same as mentioned under paragraph 4A.21.2 above. Authorised Courier Companies are also permitted to operate on the above lines.

- 4A.30**  
**Personal Carriage of Gems & Jewellery Import Parcels** Personal carriage of gems & jewellery import parcels by an Indian importer/ Foreign National may be permitted into all EOUs/SEZ units and all firms in DTA through airports in Delhi, Mumbai, Kolkata, Chennai, Bangalore, Hyderabad Jaipur. Procedure will be same as for import of goods by air-freight except that parcels shall be brought to Customs by Importer / Foreign National for examination and release. Clearance of imports under this scheme shall be as per normal customs clearance procedure.
- 4A.31**  
**Duty free import of samples** Duty free import of gems and jewellery samples upto Rs 3 lakhs or 0.25% of the average of last three years export turnover of gems and jewellery items, whichever is lower, shall be allowed in a financial year as per Customs notification.
- 4A.32**  
**Re-import of rejected jewellery** An exporter of plain/ studded precious metal jewellery shall be allowed to re-import duty free jewellery rejected and returned by buyer upto 2% of FOB value of exports in preceding licencing year (based on CA certified copy of export of preceding year) with refund of any duty exemption/refund/replenishment benefit availed on inputs used as per customs rules and regulations.
- 4A.33**  
**Diamond & Jewellery Dollar Accounts** Policy for Diamond and Jewellery Dollar Accounts is given in paragraph 4A.17 of FTP. Detailed procedure for its operation will be notified separately.
- 4A.34**  
**Export and import of Diamond, Gemstone & Jewellery on consignment basis** (a) Policy for export and import of diamond, gemstone and jewellery on consignment basis is given in paragraph 4A.20 of FTP.  
(b) Detailed procedure in this regard shall be governed as per the relevant Customs Rules & Regulations. Re-import of these items (either in complete or partial lot) exported on consignment basis shall be subject to condition that exporter follows prescribed provisions of relevant customs notification to establish that goods are the same which were exported.

**4A.35  
Guidelines/  
Monitoring for  
import of  
precious metal by  
the Nominated  
Agencies**

The consolidated guidelines on import of precious metal by the nominated agencies and the system of monitoring are as under:

- (i) For the Premier Trading Houses and the Star Trading Houses (only for Gems & Jewellery exporters), the Certificate Holder shall be required to request to the concerned RA (who had issued the Status Certificate / the Registered office is located) enclosing therewith a self-attested copy of the valid Status Certificate. RA, in turn, shall issue a Certificate to the Status Certificate Holder in the format as given in ANF 4 K. This Certificate shall be valid for one year starting from 1<sup>st</sup> day of the Financial Year of filing application. This Certificate shall be renewed every year based on the validity of the Status Certificate, the performance of the Nominated Agency on annual basis and their submission of regular returns prescribed in the following paragraph.
- (ii) Monitoring Mechanism: The following guidelines for monitoring the import of precious metal and its distribution and / or own use by the Nominated Agencies will be observed (other than the designated banks nominated by RBI) :
  - (a) All these Nominated Agencies are required to maintain records of imports of precious metal (both quantity and value) and its distribution for the purpose of exports of value added product as well as for the purpose of domestic consumption as per the format given in ANF 4 L.
  - (b) All the Nominated Agencies shall {other than the Premier Trading Houses and Star Trading Houses(only for Gems & Jewellery exporters)} file a half yearly return as per format given in ANF 4L to the Gems & Jewellery EPC, at Mumbai. The Premier Trading Houses and the Star Trading Houses (only for Gems & Jewellery exporters) shall file this return to the concerned RA which has issued the Certificate. These returns shall be filed within 15 days from the period of reporting.
  - (c) G&J EPC and the concerned RA shall compile the figures and forward it to DGFT (Hqrs.) by 15<sup>th</sup> of the subsequent month. G&J EPC and concerned RA will also inform DGFT which agency has not filed the return, so that appropriate action for

delisting of the agency can be taken.

The performance of these agencies will be reviewed on annual basis by DGFT (HQs) in consultation with G&J EPC.