



RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI /2009-10/274

A.P. (DIR Series) Circular No. 21

December 29, 2009

To,

All Category - I Authorised Dealers Banks

Madam / Sir,

Advance Remittance for Import of Rough Diamonds

Attention of Authorised Dealer Category –I (AD Category-I) banks is invited to [A.P.\(DIR Series\) Circular No.34](#) dated March 02, 2007, [A.P.\(DIR Series\) Circular No.3](#) dated August 4, 2008 and [A.P.\(DIR Series\) Circular No.8](#) dated August 21, 2008 in terms of which AD Category –I banks have been permitted to make advance remittance without any limit and without bank guarantee or standby letter of Credit, by an importer (other than Public Sector Company or Department / Undertaking of the Government of India /State Governments), for import of rough diamonds into India from eight mining companies, subject to certain conditions.

2. Based on the recommendations of the Gems and Jewellery Export Promotion Council (GJEPC), it has been decided to include the name of Namibia Diamond Trading Company (PTY) Ltd (NDTC) to make advance remittance without any limit and without bank guarantee or standby letter of Credit.

3. Accordingly, AD Category –I banks are now permitted to make advance remittance without any limit and without bank guarantee or standby letter of Credit, by an importer (other than Public Sector Company or Department / Undertaking of the Government of India /State Governments), for import of rough

diamonds into India from the undernoted nine mining companies, subject to certain conditions:

- i) De Beers UK Limited,
- ii) RIO TINTO, UK,
- iii) BHP Billiton, Australia,
- iv) ENDIAMA, E.P. Angola,
- v) ALROSA, Russia,
- vi) GOKHARAN, Russia,
- vii) RIO TINTO, Belgium,
- viii) BHP Billiton, Belgium and
- ix) Namibia Diamond Trading Company (PTY) Ltd (NDTC).

4. The terms and conditions mentioned in A.P. (DIR Series) Circular No.34 dated March 02, 2007, including submission of report in the format annexed to the above circular, shall remain unchanged.

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

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

Yours faithfully,

(Salim Gangadharan)
Chief General Manager-in-Charge