
October 9, 2026

DGFT

Foreign diamond miners may sell rough diamonds in SNZs

DGFT Notification No. 42/2026-27 amends Para 4.49 of FTP 2023 to let eligible foreign entities import, auction, sell and re-export rough diamonds in SNZs.

THE DIRECTORATE GENERAL of Foreign Trade (DGFT), Department of Commerce, has issued Notification No. 42/2026-27, dated October 9, 2026, to be published in the Gazette of India Extraordinary, Part-II, Section-3, Sub-section (ii). It amends Para 4.49 of the Foreign Trade Policy, 2023, on the Special Notified Zone

(SNZ), with immediate effect. The Central Government issued it under Section 3 read with Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 and paragraph 1.02 of the Foreign Trade Policy, 2023, with the approval of the Minister of Commerce & Industry. It is signed by Lav Agarwal, Director General of Foreign Trade.

KEY FACTS**AUTHORITY**
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Until this amendment, Para 4.49 permitted the import, auction or sale and re-export of rough diamonds by entities notified under RBI Notification 116 of April 1, 2014, as amended, on consignment or outright basis, in a Special Notified Zone administered by the operator of the SNZ under the supervision of Customs. The procedure for the import, auction or sale and re-export of unsold rough diamonds was to be as specified by CBIC.

The revised paragraph permits the import of rough diamonds, and their auction, sale and re-export, by eligible foreign entities, on consignment or outright basis, in an SNZ administered by the operator of the SNZ under the supervision of Customs. Eligible foreign entities include foreign companies engaged in the business of diamond mining, sightholders of such diamond mining companies, and brokers, aggregators or tender and auction entities connected with the sale of rough diamonds, as covered under Entry 13F of Schedule IV of the Income-tax Act, 2025, subject to the conditions applicable under it.

The notification states its effect: Para 4.49 has been amended to enable eligible foreign entities covered under Entry 13F of Schedule IV of the Income-tax Act, 2025 to undertake the permitted activities. The revised paragraph no longer refers to entities notified under the RBI notification. The procedure for the import, auction or sale and re-export of unsold rough diamonds is to be as specified by CBIC from time to time.

Issued by	Directorate General of Foreign Trade, Department of Commerce
Document	Notification No. 42/2026-27
Dated	October 9, 2026
Amends	Para 4.49 of the Foreign Trade Policy, 2023, Special Notified Zone (SNZ)
Takes effect	Immediately
Applies to	Eligible foreign entities covered under Entry 13F of Schedule IV of the Income-tax Act, 2025

Permitted	Import of rough diamonds and their auction, sale and re-export, on consignment or outright basis
Procedure for unsold rough diamonds	As specified by CBIC from time to time
File number	01/94/180/067/AM27/PC-4

Para 4.49 of FTP 2023, before and after

Version Para 4.49, Special Notified Zone (SNZ)

Existing Import, auction/sale and re-export of rough diamonds by entities, as notified vide RBI Notification 116 of 1st April, 2014, as amended from time to time, on consignment or outright basis, will be permitted in Special Notified Zone (SNZ) administered by the operator of SNZ, under supervision of Customs. The procedure of import, auction/sale and re-export of rough diamonds (unsold) would be as specified by CBIC.

Revised Import of rough diamonds and their auction, sale and re-export therefrom, as the case may be, by eligible foreign entities, on consignment or outright basis, will be permitted in Special Notified Zone (SNZ) administered by the operator of SNZ, under supervision of Customs. Eligible foreign entities for the purposes of this paragraph shall include foreign companies engaged in the business of diamond mining, sightholders of such diamond mining companies, and brokers, aggregators or tender and auction entities connected with the sale of rough diamonds, as covered under Entry 13F of Schedule IV of the Income-tax Act, 2025, subject to conditions applicable thereunder. The procedure of import, auction/sale and re-export of rough diamonds (unsold) shall be as specified by CBIC from time to time.

[The notification](#) (PDF, 446 KB)

Source: [DGFT's own copy](#).

Checked against the official copy on October 20, 2026.

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