

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

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Voluntary - Public

**Date:** 5/31/2019

**GAIN Report Number:** IN9048

## India

**Post:** New Delhi

### **Import License Compulsory for Biofuel (non-fuel use) Imports**

**Report Categories:**

Biofuels

Agriculture in the News

Trade Policy Monitoring

Policy and Program Announcements

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**Report Highlights:**

On May 24, 2019, the Directorate General of Foreign Trade (DGFT) under the Ministry of Commerce and Industry issued a [notification](#) that biofuel imports (non-fuel use) in India will now require an import license, subject to actual user conditions. The previous policy condition did not require an import license.

## **General Information:**

On May 24, 2019, the DGFT issued a [notification](#), requiring Indian importers of biofuels (non-fuel use) (HS Code 2207 2000, 2710 2000, 3826 0000) to obtain an import license, subject to actual user conditions. Biofuel imports for fuel use remain 'restricted'. Note: *the notification will come into effect on the date it is published in the official Gazette of India.*

## **Background**

The Ministry of Petroleum and Natural Gas, Government of India (GOI) formally notified the [National Biofuel Policy \(NBP\) 2018](#) on June 4, 2018. Target of 20 percent blending of ethanol with gasoline, and 5 percent blending of biodiesel with diesel by 2030, were proposed.

On August 21, 2018, the DGFT amended the NBP's policy for import of biofuels. The [notice](#) restricted biofuel imports (HS Code 2207 2000, 2710 2000, 3826 0000) for all purposes, except for non-fuel use, but those imports were freely importable by actual users and did not require import license.

Please see below the screen shot of the most recent notification along with a previous notice which was published in August 2018:

To be published in the Gazette of India Extraordinary Part-II, Section-3, Sub-Section (II)  
 Government of India  
 Ministry of Commerce & Industry  
 Department of Commerce  
 Directorate General of Foreign Trade

**Notification No. 6 /2015-2020**  
 New Delhi, Dated 24 May, 2019

**Subject: Amendment in import policy of biofuels.**

**S.O. (E):** In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby amends the import policy of biofuels under Chapter 22, 27 and 38 of ITC (HS), 2017, Schedule – I (Import Policy).

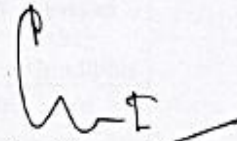
| Exim Code  | Item Description  | Present Policy | Existing Policy Condition  | Revised Policy | Revised Policy Condition |
|------------|---|----------------|--|----------------|--------------------------|
| 2207 20 00 | Ethyl alcohol and other spirits, denatured, of any strength.  | Restricted     | Import is allowed only for non-fuel purposes subject to Actual User condition. | Restricted     | --                       |
| 2710 20 00 | Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, containing biodiesel, other than waste oils. | Restricted     | Import is allowed only for non-fuel purposes subject to Actual User condition. | Restricted     | --                       |

*[Handwritten signature]*

|            |   |            |  |            |    |
|------------|---|------------|--|------------|----|
| 3826 00 00 | Biodiesel and mixtures thereof, not containing or containing less than 70 % by weight of petroleum oils and oils obtained from bituminous minerals. | Restricted | Import is allowed only for non-fuel purposes subject to Actual User condition. | Restricted | -- |
|------------|---|------------|--|------------|----|

**Effect of the Notification:** Policy condition providing for free import of bio-fuels by actual users is deleted. Import policy of bio-fuels is "restricted" for all purposes and its import will require import licence from DGFT.

This issues with the approval of Minister of Commerce & Industry.



(Alok Vardhan Chaturvedi)  
 Director General of Foreign Trade &  
 Ex-officio Addl. Secretary to the Government of India

(F.No. 01/89/180/01/AM-19/PC-2(A) / e - 11101)

**Note:** The principal notification No. 36/2015-2020, dated the 17th January, 2017 was published in the Gazette of India, Extraordinary vide number S.O. 172 (E), dated the 17th January, 2017 and amended vide notification No. 27/2015-2020, dated the 21st August, 2018 was published in the Gazette of India, Extraordinary vide number S.O. 4054 (E), dated the 21st August, 2018.

To be published in the Gazette of India Extraordinary Part-II, Section-3, Sub-Section (II)  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Foreign Trade

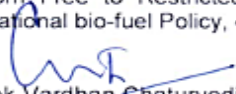
Notification No. 27/2015-2020  
New Delhi, Dated: 21 August, 2018

**Subject: Amendment in import policy of biofuels.**

**S.O. (E):** In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby amends the import policy of biofuels under Chapter 22, 27 and 38 of ITC (HS), 2017, Schedule – I (Import Policy).

| Exim Code  | Item Description  | Present Policy | Policy Conditions | Proposed Policy | Proposed Policy Conditions   |
|------------|---|----------------|-------------------|-----------------|--|
| 2207 20 00 | Ethyl alcohol and other spirits, denatured, of any strength.  | Free           | -                 | Restricted      | Import is allowed only for non-fuel purposes subject to Actual User condition. |
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| 3826 00 00 | Biodiesel and mixtures thereof, not containing or containing less than 70 % by weight of petroleum oils and oils obtained from bituminous minerals.   | Free           | -                 | Restricted      | Import is allowed only for non-fuel purposes subject to Actual User condition. |

**Effect of the Notification:** Import Policy of bio-fuels revised from 'Free' to 'Restricted' and allowed for non-fuel purpose on Actual user basis as per the National bio-fuel Policy, 4 June 2018.

  
(Alok Vardhan Chaturvedi)  
Director General of Foreign Trade &  
Ex- officio Addl. Secretary to the Government of India

(F.No. 01/89/180/01/AM-19/PC-2(A) / e – 11101)