

F. No. 01/91/180/21/AM18/EC
Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Udyog Bhawan, New Delhi
Dated 31st January, 2019

TRADE NOTICE No. 44 / 2018-19

To

1. Members of Trade
2. All Customs Commissioners
3. Federation of Indian Export Organisations
4. All Regional Authorities of DGFT

Subject: Export Policy of Bio-fuels – Export of bio fuels from EOU/ SEZ / DTA regarding.

Reference is invited to the DGFT Notification No. 29 dated 28.08.2018 wherein export of bio fuels have been kept under 'restricted' category and export is permitted under license only for non-fuel purposes. This would imply that while export license would be granted for non-fuel purposes, no license would be granted for fuel purposes.

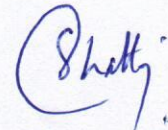
2. Subsequently, representations / applications have been received from various exporters operating from Special Economic Zone (SEZ) or Export Oriented Units (EOU). It has been informed that the SEZ units have been granted LOA for export of bio fuels and EOU units have EPCG obligations to fulfil. Para 6.01 of Foreign Trade Policy (FTP) which deals with export from EOU and Rule 26 of SEZ Rules, 2006 for SEZ units have been cited by the industry.

3. Considering the hardship faced by the trade community and the fact that production of bio-fuels in EOU/ SEZ would be from imported feedstock, therefore, it would not impact upon the domestic production / consumption. Hence, the restriction as applicable to DTA may not be extended to EOU / SEZ.

4. In view of the above, members of trade and industry are informed that export of bio fuels for non-fuel purposes from EOU/ SEZ will be regulated as under:-

- (i) The export would be in accordance of the para 6.01 of FTP for EOU and / or Rule 26 of SEZ Rules, 2006 (for SEZ units);
- (ii) The feedstock for production of bio-fuel for export from EOU/ SEZ should be from the imported sources;
- (iii) However, any transaction between SEZ and DTA would be in accordance with the DGFT Notification No. 29 dated 28.08.2018.

5. This issues with the approval of competent authority.



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Copy to:

1. PS to Hon'ble CIM
2. PS to Hon'ble MoS
3. PSO to Commerce Secretary
4. PPS to DGFT
5. Sr. PPS to Addl. DG(NKS) DGFT