

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DIRECTORATE GENERAL OF FOREIGN TRADE
VANILYA BHAWAN, NEW DELHI

Policy Circular No. *19*/2025-26

Dated: *06.02.2026*

To,

1. All Custom Authorities
2. All Regional Authorities of DGFT
3. All Stakeholders

Subject: Clarification on the Warehousing of Chemicals under Para 2.36(a) of Foreign Trade Policy (FTP) 2023 – reg.

Para 2.36 of Foreign Trade Policy (FTP), 2023 states as under:

"(a) Private/ Public bonded warehouses may be set up in DTA as per rules, regulations and notifications issued under the Customs Act, 1962. Any person may import goods except prohibited items, arms and ammunition, hazardous waste and chemicals and warehouse them in such bonded warehouses.

(b) Such goods may be cleared for home consumption in accordance with provisions of FTP and against Authorisation, wherever required. Customs duty as applicable shall be paid at the time of clearance of such goods.

(c) The clearance of the warehoused goods shall be as per the provisions of the Customs Act, 1962."

2. Representations have been received from various stakeholders concerning the interpretation of **Para 2.36 of FTP, 2023**. The industry has highlighted that hazardous chemicals such as industrial raw materials, intermediates, speciality chemicals, petrochemicals, and pharmaceutical inputs play a significant role in the value chain of India's external trade.

3. Further, stakeholders have argued that the current exclusion of "hazardous chemicals" under Para 2.36(a) creates a lack of uniformity, as the handling and storage of such cargo are already operationally permitted at various ports and Container Freight Stations (CFS) under established regulatory frameworks. It was represented that permitting these chemicals in bonded warehouses is critical for ensuring continuity in supply chains, industrial productivity, and trade competitiveness.

4. In order to address the issues raised above, in exercise of powers conferred under Para 2.58 of the FTP 2023, it is hereby clarified that the exclusion of "hazardous chemicals" in Para 2.36(a) was primarily intended to restrict the unregulated warehousing of hazardous waste and chemicals along with other prohibited items mentioned therein.

5. Further, to facilitate trade in the true spirit of Para 2.36 of FTP 2023, read with the relevant rules and regulations under the Customs Act, 1962 (as amended), it is clarified that warehousing of industrial chemicals is permitted in public and private bonded warehouses under Para 2.36(a) of FTP, 2023, provided the following conditions are met:

- i. The facility shall comply with all applicable domestic laws, rules, and regulations governing the safe storage and handling of chemicals. The authority competent to approve and/or license such facilities under the Customs Act, 1962, and the rules and regulations framed thereunder, shall ensure due compliance with the said requirements in respect of the storage and handling of such chemicals.

ii.

The chemicals proposed to be warehoused shall comply with all applicable conditions prescribed under the Import and Export Policy notified pursuant to the Foreign Trade (Development and Regulation) Act, 1992, as well as the relevant provisions of the Customs Act, 1962, and the rules and regulations made thereunder, as amended from time to time.

iii.

Further, all other provisions of Paragraph 2.36 of the Foreign Trade Policy, 2023, shall be duly complied with.

This is issued with the approval of the Competent Authority.



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