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DIRECTORATE GENERAL OF FOREIGN TRADE

India's export policy: restricted exports, payments and 2026 changes

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YES, UNLESS A RULE says otherwise. Any goods may be exported freely unless ITC (HS), the Foreign Trade Policy or another law regulates them (FTP 2.40). Schedule II of ITC (HS) sets the export policy item by item. A free item needs no authorization, a restricted item needs DGFT's authorization, and a prohibited item can't be exported.

KEY FACTS

POLICY

Foreign Trade Policy 2023

PROCEDURES

Handbook of Procedures 2023

LAW

Foreign Trade (Development and Regulation) Act, 1992

UPDATED

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Is your product free to export?

Yes, unless a rule says otherwise. Any goods may be exported freely unless ITC (HS), the Foreign Trade Policy or another law regulates them (FTP 2.40). Schedule II of ITC (HS) sets the export policy item by item. A free item needs no authorization, a restricted item needs DGFT's authorization, and a prohibited item can't be exported.

ITC (HS) classifies goods in codes of up to eight digits, and Schedule II shows the export policy against each item (FTP 2023, Chapter 2, para 2.02(a) and (c)). An item may also be reserved for State Trading Enterprises: only the enterprise concerned may export it, unless DGFT authorizes another entity (FTP 2.01(a) and 2.21; the list is in Appendix 2J).

A free item can still carry conditions under other laws (FTP 2.01(b)). DGFT may prohibit or restrict an export by notification, on grounds the Policy lists, such as critical shortages and security (FTP 2.07). Courier and postal exports follow the same policy (FTP 9.05); see e-commerce exports from India.

See our guide to DGFT and India's foreign trade rules and, if you sell into India, DGFT import rules for foreign companies.

Dual-use items on India's SCOMET list are either prohibited or exported only under an authorization (FTP 11.50); see our SCOMET licence guide.

How do you get an export authorization for a restricted item?

To export a restricted item outside SCOMET, apply online to DGFT headquarters in form ANF 2N. The EXIM Facilitation Committee considers each application on merits (HBP 2.68), and the fee is

₹1,000 (Appendix 2K, item 2). The authorization is normally valid for 24 months, and DGFT headquarters can revalidate it on merits for up to 12 months more.

1. Check the policy line.

Find your item's eight-digit line in Schedule II. A restricted item goes out only under an authorization, or under a procedure set in a notification or public notice (FTP 2.08).

2. File ANF 2N online.

Apply to DGFT headquarters with the documents the form asks for (HBP 2023, Chapter 2, para 2.68), and pay ₹1,000 (Appendix 2K, item 2, as of its May 14, 2025 copy). Fix any gaps within 90 days, or DGFT treats the application as withdrawn (HBP 2.05(b)).

3. Expect a decision on merits.

DGFT, or a Regional Authority it authorizes, grants the authorization and may take the EXIM Facilitation Committee's advice (HBP 2.48(a)). The committee considers each application on merits (HBP 2.68). No one can claim an authorization as a right (FTP 2.13).

4. Ship within its validity.

It runs 24 months from issue, unless the EXIM Facilitation Committee approves a shorter or longer period (HBP 2.16). DGFT headquarters may revalidate it on merits, six months at a time, up to 12 months (HBP 2.20(b)).

Which export rules changed in 2026?

Wheat and wheat flour became free to export on August 24, 2026. Sugar exports were prohibited from May 13 until September 30, 2026 or further orders. Grade A and B baryte, wood pellets and wood briquettes now need an export authorization. Honey keeps a minimum export price of USD 1,400 per metric ton FOB until December 31, 2026.

Main export policy changes in 2026, by the date of each DGFT notification

Date	Goods	Change	Document	Insight
April 1, 2026	Eggs, potatoes, onions, rice, wheat flour, sugar, dal, stone aggregate and river sand, to the Maldives	Allowed in set quantities in 2026-27, exempt from any existing or future restrictions or prohibitions	Notification 01/2026-27	None

April 6, 2026	Wood pellets and wood briquettes	Pellets from prohibited to restricted, briquettes from free to restricted; both need an export authorization	Notification 04/2026-27	Wood pellets and briquettes
April 10, 2026	Natural honey	Minimum export price of USD 1,400 per metric ton FOB extended to December 31, 2026	Notification 09/2026-27	Honey's minimum export price
April 17, 2026	Grade A and Grade B baryte	From free to restricted; Grade CDW stays free	Notification 12/2026-27	Baryte grades A and B
May 13, 2026	Sugar	Prohibited until September 30, 2026 or further orders, whichever came first. Exports under EU and US quotas, Advance Authorization and government-to-government deals, and shipments already under way, were excepted	Notification 16/2026-27	None
August 24, 2026	Wheat (ITC (HS) 10011900 and 10019910) and wheat flour, maida and semolina (11010000)	From prohibited to free	Notification 34/2026-27 (wheat flour) and 35/2026-27 (wheat)	Wheat and wheat flour
September 15, 2026	Any export consignment worth up to ₹3,00,000 FOB	No RCMC (Registration-cum-Membership Certificate) needed; above that value, the rule stands wherever the Policy sets it	Notification 36/2026-27	No RCMC up to ₹3,00,000 FOB

Our DGFT tracker lists DGFT's notifications. As of October 28, 2026, neither it nor our files hold a sugar export notification after Notification 16/2026-27. Notification 16/2026-27 says sugar goes back to restricted if the ban isn't extended beyond September 30, 2026 (para 6). Dates are each notification's own; the Gazette printed Notifications 12 and 09 on May 5 and 6, 2026.

Can you export samples, gifts or through a third party?

Yes. Trade and technical samples of a freely exportable item go without limit (FTP 2.43(a)). Gifts worth up to ₹5,00,000 in a licensing year may go too, but a restricted item needs an authorization (FTP 2.44). A manufacturer may also export through a third party, with both names on the shipping bill (FTP 2.42).

- **Samples and gifts.** Samples must be bona fide, and the item freely exportable. Edible items may go as gifts. A licensing year runs from April 1 to March 31 (FTP 11.29).

- **Third-party exports.** The e-BRC, the export order and the invoice must be in the third-party exporter's name (FTP 2.42). Deemed exports can't use this route.

In which currency can you invoice and be paid?

Since August 20, 2026, export contracts and invoices may be in a foreign currency or in rupees, and you may be paid in any foreign currency or in rupees. Notification 30/2026-27 rewrote FTP paragraphs 2.52 and 2.53 to say so. Asian Clearing Union contracts have their own rules, and rupee proceeds into a non-resident's rupee account count for FTP benefits.

- **Buyers outside the Asian Clearing Union.** Any foreign currency or rupees, for the contract and for the proceeds (revised FTP 2.52(a)).
- **Nepal and Bhutan.** Contracts in rupees, or as RBI directs (revised FTP 2.52(c)).
- **Lines of credit.** Exports under EXIM Bank or Government of India lines of credit may also be invoiced in rupees (revised FTP 2.52(c)).

Exports paid in rupees into the rupee accounts of non-residents count for FTP benefits and export obligations at par with foreign currency (revised FTP 2.53). That doesn't cover Nepal and Bhutan, and exports to Iran must also meet paragraph 2.19.

DGFT's compiled Chapter 2 of July 30, 2026 still prints the old text: proceeds in freely convertible currency, and rupee trade through Special Vostro accounts. Go by Notification 30/2026-27, dated August 20, 2026, not August 24 as one news report had it. See our insight: export proceeds may be realized in any foreign currency or rupees.

How long do you have to realize export proceeds?

RBI's main rule gives you nine months to realize export proceeds, not fifteen. RBI cut it in its 2015 regulations from June 5, 2026, and in its 2026 regulations from October 1, 2026. Miss the limit, and you're liable to return the FTP benefits on those exports and to action under the Foreign Trade (Development and Regulation) Act (FTP 2.54(a)).

- **Write-off.** If reasons beyond your control stop payment, you may ask RBI to write off the unpaid amount (FTP 2.54(b)). After a write-off by RBI or a bank it authorizes, the Policy stops asking for the proceeds if you show a certificate from India's mission abroad that the buyer didn't pay. A write-off you make yourself doesn't count (HBP 2.72).
- **Insurance.** Proceeds received through an ECGC insurance claim count for FTP benefits (HBP 2.71(I)).
- **RoDTEP.** The rebate is treated as never given if the proceeds don't arrive within the time FEMA allows (FTP 4.54(viii)); see how the RoDTEP scheme works.

RBI's notifications are FEMA 23(R)/(8)/2026-RB of June 5, 2026 and FEMA 23(R)/(1)/2026-RB of September 22, 2026. The second also cuts a longer period in a proviso of the 2026 regulations from eighteen months to twelve (para 2(b)). Our insights explain both: the June 5 cut and nine months from October 1.

What is an e-BRC?

An e-BRC, or "Electronic Bank Realisation Certificate", is the record of your export proceeds that DGFT receives from banks electronically (FTP 1.17(a)). Since January 13, 2026, each e-BRC also carries the exporter's GSTIN and the GST invoice number and date. Public Notice 42/2025-26 added those fields.

Public Notice 42/2025-26, dated January 9, 2026, made the change in the e-BRC's format, Appendix 2U of the Handbook of Procedures.

Is merchanting trade allowed?

Yes. Merchanting trade, where an Indian intermediary arranges a shipment from one foreign country to another without the goods touching Indian ports, or within one foreign country, is allowed subject to RBI's guidelines (FTP 2.39). Goods under CITES, the convention on trade in endangered species, and goods on India's SCOMET list are excluded.

See our insight: merchanting trade is allowed, except for SCOMET and CITES goods.

For origin, an authorized agency may issue a back-to-back non-preferential certificate of origin for foreign goods re-exported, transshipped or sold in merchanting trade, stating the foreign country of origin (HBP 2.93(f)). See India's free trade agreements and certificates of origin.

Which documents does an export need?

An export from India needs three documents: a bill of lading or airway bill (or a lorry, railway or postal receipt), a commercial invoice cum packing list, and a shipping bill or bill of export (FTP 2.06(a)). A regulator may notify more for restricted or regulated goods, and ask for more in a specific case (FTP 2.06(c) and (d)).

The shipping bill also fixes the date of export, and the export policy on that date decides whether the goods may leave (FTP 1.05(b)). For benefits under the Policy, the Let Export Order (LEO) date is the date of export (HBP 2.17(b)).

How IndusDesk helps with India's export policy

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Frequently asked questions

If DGFT restricts your product after you sign a contract, can you still ship it?

Exports made before the change aren't affected, and later ones may still go within the balance of an irrevocable letter of credit opened before it. You must register that letter of credit with the Regional Authority within 15 days of the change (FTP 1.05(b)). A notification can switch this off, as DGFT's April 1, 2026 restriction on jewelry imports did; see India's import policy.

Can you re-export imported goods without an export authorization?

Yes, if they go out in the same or substantially the same form and the item isn't restricted for import or export in the ITC (HS) schedules (FTP 2.46, 1(a)). Re-exports of imported goods don't earn RoDTEP (FTP 4.55(i)).

Can DGFT help if a foreign buyer doesn't pay?

Yes, by conciliation. DGFT's Committees on Quality Complaints and Trade Disputes take up complaints between an Indian and a foreign party, non-payment included, and aim to resolve each within three months (FTP 8.01(c) and 8.04(c)). The Department of Commerce takes up a complaint against a foreign buyer through India's mission abroad, and either side may still take legal action (FTP 8.05 and 8.07(c)).

Sources

- FTP 2023, Chapter 2: General Provisions regarding Imports and Exports, paras 2.01, 2.02, 2.06 to 2.08, 2.13, 2.21, 2.39 to 2.46 and 2.54 (compiled July 30, 2026; paras 2.52 and 2.53 as revised by Notification 30/2026-27) (PDF, 873 KB)
- Notification 30/2026-27, August 20, 2026: revised paras 2.52 and 2.53 of FTP 2023 (PDF, 602 KB)
- Notification 01/2026-27, April 1, 2026: essential commodities to the Maldives in 2026-27 (PDF, 1.1 MB)

- Notification 04/2026-27, April 6, 2026: export policy of wood pellets and wood briquettes (PDF, 1.1 MB)
- Notification 09/2026-27, April 10, 2026: minimum export price on natural honey (PDF, 579 KB)
- Notification 12/2026-27, April 17, 2026: export policy of baryte, by grade (PDF, 650 KB)
- Notification 16/2026-27, May 13, 2026: export policy of sugar (paras 2 to 6) (PDF, 698 KB)
- Notification 34/2026-27, August 24, 2026: export policy of wheat or meslin flour, maida and semolina (11010000) (PDF, 1.1 MB)
- Notification 35/2026-27, August 24, 2026: export policy of wheat (10011900 and 10019910) (PDF, 1.1 MB)
- Notification 36/2026-27, September 15, 2026: new para 2.57(c), no RCMC up to ₹3,00,000 FOB (PDF, 658 KB)
- Public Notice 42/2025-26, January 9, 2026: GST fields in the e-BRC (Appendix 2U) (PDF, 794 KB)
- RBI Notification FEMA 23(R)/(8)/2026-RB, June 5, 2026: nine months in the 2015 export regulations (PDF, 579 KB)
- RBI Notification FEMA 23(R)/(1)/2026-RB, September 22, 2026: nine months in the 2026 regulations from October 1, 2026 (PDF, 562 KB)
- FTP 2023, Chapter 1, paras 1.05(b) and 1.17(a) (compiled July 30, 2026)
- FTP 2023, Chapter 4, paras 4.54(viii) and 4.55(i) (compiled August 17, 2026)
- FTP 2023, Chapter 8: Quality Complaints and Trade Disputes, paras 8.00, 8.01(c), 8.04(c), 8.05 and 8.07(c) (compiled July 30, 2026)
- FTP 2023, Chapter 9, para 9.05 (compiled August 6, 2026)
- FTP 2023, Chapter 11, definitions: Free (11.23), Licensing Year (11.29), Prohibited (11.41), Restricted (11.48), SCOMET (11.50)
- Handbook of Procedures 2023, Chapter 2, paras 2.05(b), 2.16, 2.17(b), 2.20(b), 2.48(a), 2.68, 2.71, 2.72 and 2.93(f)
- Appendix 2K: Scale of Application Fee, item 2 (the copy of May 14, 2025)

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