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DIRECTORATE GENERAL OF FOREIGN TRADE

Import second-hand machinery into India: the DGFT rules

You can usually import second-hand machinery into India without a DGFT authorization. Paragraph 2.31 of the Foreign Trade Policy makes most second-hand capital goods free, with no age limit or residual-life condition. Used desktop computers, refurbished PC and laptop spares, air conditioners and diesel generating sets are restricted. Refurbished spares of capital goods need a Chartered Engineer's certificate.

YES, IN MOST CASES. Row I(d) of paragraph 2.31 of the Foreign Trade Policy (FTP) makes all second-hand capital goods free to import, other than those in rows I(a) to I(c). A free item needs no authorization from DGFT (FTP 11.23). Row I(d) sets no age limit and no residual-life condition.

KEY FACTS

POLICY

Foreign Trade Policy 2023

PROCEDURES

Handbook of Procedures 2023

LAW

Foreign Trade (Development and Regulation) Act, 1992

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Can you import second-hand machinery into India?

Yes, in most cases. Row I(d) of paragraph 2.31 of the Foreign Trade Policy (FTP) makes all second-hand capital goods free to import, other than those in rows I(a) to I(c). A free item needs no authorization from DGFT (FTP 11.23). Row I(d) sets no age limit and no residual-life condition.

Used goods have their own import policy under DGFT's foreign trade rules. Schedule I of ITC (HS), which sets India's import policy, covers new goods unless it clearly says otherwise. Second-hand goods follow paragraph 2.31 instead (FTP 2023, Chapter 2, para 2.02(c) and (d)).

Some guides say used machines need five years of residual life, or must be under a certain age. Row I(d), which covers most used machinery, sets neither condition.

For machines moving from a group plant abroad, see DGFT import rules for foreign companies.

Which second-hand goods are restricted or prohibited?

Paragraph 2.31 restricts used desktop computers, refurbished PC and laptop spares, air conditioners and diesel generating sets. It also restricts electronics and IT goods under India's 2021 compulsory registration order, used IT assets leaving a Special Economic Zone unless row I(e)'s conditions are met, and second-hand goods that aren't capital goods. Unregistered or non-compliant goods under that order are prohibited.

FTP paragraph 2.31, rows I(a) to I(e), II and III (compiled July 30, 2026)

Second-hand goods	Import policy	Condition in paragraph 2.31	Row
Desktop computers; refurbished or reconditioned spares of refurbished PC and laptop parts; air conditioners; diesel generating sets	Restricted	Importable against an authorization	Row I(a)
All electronics and IT goods notified under the Electronics and IT Goods (Requirements of Compulsory Registration) Order, 2021	Restricted; prohibited if unregistered or non-compliant	Importable against a restricted import authorization, on that order's conditions	Row I(b)
Refurbished or reconditioned spares of capital goods	Free	Chartered Engineer's certificate of at least 80% residual life of the original spare	Row I(c)
All other second-hand capital goods	Free	None	Row I(d)
Used IT assets (laptops, desktops, monitors, printers) moved from a Special Economic Zone (SEZ) into the Domestic Tariff Area (DTA), the part of India outside SEZs, export-oriented units and technology parks (FTP 11.16)	Restricted; free on the row's conditions	Free in two cases. One: used in the SEZ for at least 2 years, no more than 5 years from manufacture, and moving only for further use in the unit's own DTA operations. Two: no more than 5 years from manufacture, when the unit closes and moves to the DTA, unless the assets entered the SEZ used and were used there for under 2 years. Either way, no regulatory exemption (the row names CRO, WPC and RoHS) was used when they entered the SEZ. Otherwise, an authorization is needed.	Row I(e)
Second-hand goods other than capital goods	Restricted	Importable against an authorization	Row II
Second-hand goods imported for repair, refurbishing, reconditioning or re-engineering	Free	Waste treated under Indian law; the item re-exported as the Customs notification requires	Row III

When do you need a Chartered Engineer's certificate?

Paragraph 2.31 asks for a Chartered Engineer's certificate in one case: refurbished or reconditioned spares of capital goods. Those spares are free to import if the certificate says they have at least 80% residual life of the original spare (row I(c)). Paragraph 2.31 sets no form for the certificate.

Row I(d), which covers most used machines, asks for no certificate at all.

What about used computers and electronics?

Used desktop computers and refurbished spares of PC and laptop parts are restricted, so you need a DGFT authorization to import them (row I(a)). Second-hand electronics and IT goods notified under the 2021 compulsory registration order need a restricted import authorization and must meet that order's conditions. Unregistered or non-compliant ones are prohibited (row I(b)).

Laptops, tablets, all-in-one PCs, ultra small form factor computers and servers under HSN 8471 are restricted. For 2026, importers apply for an authorization in DGFT's Import Management System (Policy Circular 08/2025-26, December 17, 2025). The circular doesn't say whether it covers used units. See how a DGFT import authorization works.

Used laptops, desktops, monitors and printers moving out of an SEZ have a row of their own, I(e), in the paragraph 2.31 table above.

Can you bring goods in for repair, or import a prototype?

Yes. Second-hand goods brought in for repair, refurbishing, reconditioning or re-engineering are free, if the waste is treated under Indian law and the goods are re-exported as the Customs notification requires (row III). An actual user (industrial) may import a new or second-hand prototype, or a second-hand sample, on payment of duty and without an authorization (FTP 2.30).

The prototype route is for an actual user (industrial) that makes the item, or holds an industrial licence or a letter of intent for research in it. The importer gives Customs a self-declaration that the prototype is for product development or research, and Customs must be satisfied with it.

Capital goods sent from India for repair, testing or upgrading can come back without an authorization, unless ITC (HS) restricts them (FTP 2.28).

What do you need to import a restricted second-hand item?

You need an authorization from DGFT, unless DGFT has notified another procedure for the item (FTP 2.08). Applications for a restricted import go online to DGFT headquarters in form ANF 2M (Handbook of Procedures, para 2.47(a)). An import authorization for a restricted item is valid for 18 months from issue, unless DGFT sets another period (HBP 2.16).

Where an authorization is needed, only the actual user of the goods may import them, unless DGFT waives that condition (FTP 2.09). See the DGFT import authorization guide for fees and revalidation.

Do other Indian laws still apply?

Yes. An item that's free under DGFT's policy can still carry conditions under other laws (FTP 2.01(b)). Indian laws, technical rules and environmental, safety and health norms for goods made in India apply to imports too, unless the goods are exempted (FTP 2.03(a)). That includes used machinery that's free under paragraph 2.31.

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Frequently asked questions

Can you import refurbished or used goods that aren't capital goods?

Usually only with a DGFT authorization: row II of paragraph 2.31 of the Foreign Trade Policy restricts second-hand goods other than capital goods. Row III makes goods brought in for repair or refurbishing free, if they're re-exported and the waste is treated under Indian law. An actual user (industrial) may also import a second-hand sample on payment of duty (FTP 2.30).

Can a restricted used item be cleared if it lands before its authorization?

Only if DGFT specifically allows it. FTP 2.12 lets early arrivals be warehoused and cleared against a later authorization, but not restricted items, unless DGFT allows it.

Does EPCG cover machinery bought in India?

Yes, if an Indian manufacturer supplies it. An Export Promotion Capital Goods (EPCG) authorization holder may source capital goods from a domestic manufacturer, and the specific export obligation is then 25% lower (FTP 5.01(a), 5.04(d) and 5.07). See the EPCG scheme and its export obligation.

Sources

- Foreign Trade Policy 2023, Chapter 2: General Provisions regarding Imports and Exports (compiled July 30, 2026), paras 2.01(b), 2.02(c) and (d), 2.03(a), 2.08, 2.09, 2.12, 2.28, 2.30 and 2.31 (PDF, 873 KB)
- Foreign Trade Policy 2023, Chapter 11: Definitions (compiled July 30, 2026), paras 11.16, 11.23, 11.41 and 11.48
- Handbook of Procedures 2023, Chapter 2: General Provisions regarding Imports and Exports (compiled July 30, 2026), paras 2.16 and 2.47(a)

- Foreign Trade Policy 2023, Chapter 5: Export Promotion Capital Goods (EPCG) Scheme (compiled July 30, 2026), paras 5.01(a), 5.04(d) and 5.07
- DGFT Policy Circular No. 08/2025-26, dated December 17, 2025: Import Management System for restricted IT hardware in 2026, paras 1 and 2(I) and (II)

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