

File No. 01/53/8/E/AM20/I-50/IC(Pt)/e-21087

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Udyog Bhawan, New Delhi
Dated the 11th May, 2020

OFFICE MEMORANDUM

Subject: Suspension of licenses issued for import of refined palm oil since 8th January, 2020

The undersigned is directed to refer to the matter of issuance of licenses for import of refined palm oil since 8th January, 2020. Since 8th January, 2020 Refined palm oil (HS Codes: 15119010, 15119020 and 15119090) has been put under restricted list of import. DGFT has issued 39 licenses to different firms as per the list attached.

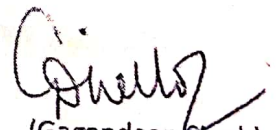
2. In the meantime, it has been observed that there has been a sharp spike in import of refined palm oil from Nepal. It has gone from NIL in 2017-18 to 45,667 MT in 2018-19 and 1,89,078 MT in 2019-20; that is more than 300% rise from the previous year. Similarly, import from Bangladesh has increased from 3,698 MT in 2018-19 to 22,151 MT in 2019-20. It may be noted that Nepal and Bangladesh are exporting these items under concessional rates of Customs duty (Zero currently) under SAFTA. But the export consignments from these countries have to adhere to the criteria of Rules of Origin under SAFTA. Similarly, export consignments from Indonesia are also to adhere RoO criteria under India-ASEAN FTA. It is suspected that export is taking place from these countries without strict adherence of RoO under SAFTA/India-ASEAN FTA.

3. The matter has been reviewed and it has been decided that all these 39 licenses (as per the list- Annexure A) for import of refined palm oil will be immediately put under suspension till a comprehensive investigation takes place by the competent authority from Government of India. Following actions shall be taken by RAs:

- a. RAs (from where these 39 licenses were issued as per the list- Annexure A) are directed to put all these licenses under suspension with immediate effect and report compliance to the headquarters by 12th May 2020.
- b. In all these 39 cases, caveat to be filed in respective High Courts immediately and report compliance to the headquarters.
- c. Further, 23 licenses which are still lying with RAs(as per the list- Annexure B) will be cancelled by RAs and a compliance report to be sent to headquarters by 12th May 2020.

This issues with the approval of the competent authority.

Encl: as above


(Gagandeep Singh)

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To

1. Head of RAs- CLA, Guwahati, Kanpur, Kolkata, Mumbai – for action on Annexure A related points
2. Head of RAs- Bengaluru, Chennai, CLA, Coimbatore, Kanpur, Kolkata, Mumbai, Varanasi – for action on Annexure B related points