FOOD REGULATORY

FSSAI Mandates “NFG” Declaration in ICEGATE to Streamline Customs Clearance for Non-Food Grade Imports

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The Food Safety and Standards Authority of India, operating through its Trade and International Cooperation Division, has issued a significant public notice that carries important implications for the import community across the country. Dated the 10th of August, 2026, and bearing the file reference number TIC-B02/1/2026-IMPORTS-FSSAI, this notice addresses a persistent operational challenge that has been affecting the smooth flow of goods through Indian customs ports. The subject of the notice is the declaration of non-food grade items in the Bill of Entry, a matter that may appear technical on the surface but has far-reaching consequences for importers, customs brokers, and the regulatory framework governing cross-border trade in India.

The Food Safety and Standards Authority of India is a statutory body established under the Food Safety and Standards Act of 2006. It holds the mandate to regulate the import of food articles into the country, a responsibility it discharges through the Food Safety and Standards Import Regulations of 2017. These regulations form the backbone of India's food safety oversight at its borders, ensuring that only products meeting stringent safety and quality standards make their way into the domestic market. However, the Authority has identified a growing problem in the execution of this mandate, one that stems not from a lack of regulatory framework but from a classification and routing issue within the customs clearance process.

Over a considerable period, the Authority has observed that many Bills of Entry pertaining to non-food grade items are being routed to FSSAI for clearance. This phenomenon is particularly pronounced in the case of items that possess dual utility, meaning they can be used for both food and non-food purposes, and yet fall under the same Harmonised System of Nomenclature code. The HSN code system, which is used globally for classifying goods in international trade, does not always make a neat distinction between food-grade and non-food-grade variants of the same product. Consequently, when a Bill of Entry is filed for a non-food grade item that shares an HSN code with its food-grade counterpart, the system often defaults to routing the consignment to FSSAI, treating it as a food import requiring safety clearance.

This misrouting creates a cascade of inefficiencies. Non-food grade imports, which may include industrial chemicals, non-edible oils, or other materials that have no intention of entering the food chain, end up in FSSAI's queue for examination and approval. This not only delays the clearance of these consignments but also places an unnecessary administrative burden on the Authority, diverting its resources away from its core mandate of safeguarding food safety. The problem is not merely one of inconvenience; it represents a systemic friction point in India's trade facilitation efforts, where regulatory intent and operational reality have drifted apart.

To address this issue, the Authority has proposed a straightforward yet elegant solution. Importers and customs brokers are now advised to declare the qualifier "NFG" in ICEGATE, the Indian Customs Electronic Gateway, at the time of filing the Bill of Entry. The acronym NFG stands for Non-Food Grade, and its use serves as an explicit declaration of the intended end use of the imported item. By tagging a consignment with this qualifier, the importer signals to the system that the goods are not meant for food-related applications, thereby distinguishing them from food-grade imports that legitimately fall under FSSAI's regulatory purview.

The integration of this qualifier into the SWIFT system, which handles the Single Window interface for customs clearance, is expected to enable correct Participating Government Agency routing. In the Indian customs ecosystem, various government agencies are designated as PGAs depending on the nature of the goods being imported. Food items are routed to FSSAI, while other categories of goods are directed to the relevant authorities or cleared without PGA intervention. The introduction of the NFG qualifier is designed to ensure that the SWIFT system accurately identifies non-food grade items and prevents them from being referred to FSSAI, thereby closing the routing loop that has been causing the problem.

This advisory is not an isolated regulatory pronouncement but is explicitly aligned with a broader policy direction set by the Central Board of Indirect Taxes and Customs. The notice references a Customs Circular dated the 22nd of April, 2026, issued by the CBIC, which also dealt with the declaration of non-food grade items in Bills of Entry.

For the trading community, the message is clear and actionable. When filing Bills of Entry under the Single Window system for goods that are non-food grade, the qualifier NFG must be used to ensure appropriate PGA routing or non-routing, as the case may be. Failure to adopt this practice may result in continued misrouting of consignments to FSSAI, leading to delays, additional scrutiny, and potential demurrage costs. For the regulators, the measure promises a more streamlined workflow, allowing FSSAI to focus its attention and resources on genuine food imports that require its expert oversight.

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