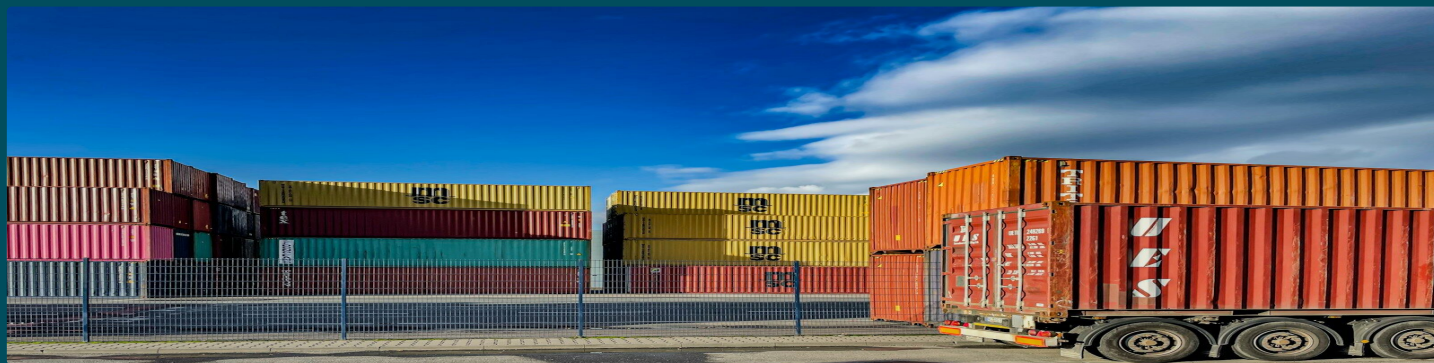




REGULATORY

India's Supply Chain Sentinel: The Legal and Policy Implications of the IMG Framework

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I. Introduction

On 03 March 2026, the Directorate General of Foreign Trade (“DGFT”), functioning under the aegis of the Department of Commerce, Ministry of Commerce and Industry, Government of India, issued Trade Notice No. 30/2025-26. This notice formally operationalises an Inter-Ministerial Group (“IMG”) for Supply Chain Resilience a significant institutional development in India’s trade governance architecture. The measure is a direct legislative and administrative response to the accelerating impact of geopolitical developments on India’s export ecosystem and critical import dependencies.

II. Background and Regulatory Context

The genesis of the IMG lies in a high-level meeting convened on 02 March 2026, chaired by the Special Secretary, Department of Commerce, and the Director General of Foreign Trade. The mandate of that meeting was to assess disruptions to India’s supply chains arising from ongoing geopolitical flux including shifting trade alliances, logistical bottlenecks, and export restrictions in key global markets. The speed at which the Trade Notice was issued within 24 hours of the aforesaid meeting highlights the urgency with which the Government of India views the prevailing international trade environment.

III. Constitution and Mandate of the IMG

The IMG has been constituted formally under the Department of Commerce and is vested with a broad and consequential mandate. It is charged with the continuous monitoring of global developments that bear upon international supply chains, including logistics, raw material availability, and geopolitical developments affecting trade corridors. Furthermore, the IMG is tasked with conducting sector-wise assessments of export vulnerabilities and identifying critical import dependencies that may pose systemic risks to the Indian economy.

In addition to its monitoring and assessment functions, the IMG is empowered to enable inter-agency coordination among relevant Ministries and Departments of the Government of India. It shall also engage substantively with sectoral stakeholders, including Export Promotion Councils, whose participation is essential to ensure that ground-level trade intelligence informs policy deliberation. Crucially, the IMG is authorised to recommend appropriate mitigation measures, thereby equipping the Government with an institutionalised mechanism to respond to supply chain shocks in a timely and calibrated manner.

IV. Internal Coordination Mechanism at DGFT

In parallel with the constitution of the IMG, the Trade Notice records the establishment of an internal coordination mechanism within the DGFT, designed to enable real-time tracking of supply chain issues and to enable inter-agency coordination at the operational level. This mechanism represents a structural enhancement of DGFT’s administrative capacity and signals a shift toward a more proactive, intelligence-driven regulatory posture. From a compliance standpoint, this development is significant as it suggests that the DGFT will be better positioned to issue rapid advisories and policy directions as supply chain conditions evolve.

V. Stakeholder Participation and Industry Obligations

Trade Notice No. 30/2025-26 explicitly invites trade and industry stakeholders to bring specific supply chain disruption issues to the attention of the Government. Stakeholders are directed to submit such concerns to adg1-dgft@gov.in for examination and appropriate coordination. While this mechanism is presently voluntary in nature, it carries important practical implications for exporters, importers, and trade intermediaries. Proactive engagement with the IMG framework may enable businesses to flag sector-specific vulnerabilities at an early stage, thereby influencing policy interventions that could directly affect their operational and legal interests.

VI. Legal and Compliance Implications for Trade Stakeholders

The operationalisation of the IMG introduces a new layer of institutional oversight within India’s trade regulatory framework. Enterprises engaged in international trade must cognise that the IMG’s sector-wise vulnerability assessments may eventually form the basis for regulatory notifications, export restrictions, import licensing requirements, or other trade control measures under the Foreign Trade (Development and Regulation) Act, 1992, and associated policy instruments. Legal and compliance teams within trading entities should, therefore, monitor the IMG’s deliberations closely and ensure that their supply chain strategies are aligned with emerging governmental guidance.

VII. Conclusion

Trade Notice No. 30/2025-26 represents a considered and significant institutional response by the Government of India to the challenges posed by global supply chain disruptions. By operationalising the IMG for Supply Chain Resilience, the Government has created a structured, multi-stakeholder mechanism capable of providing coordinated and evidence-based policy responses. For legal and compliance practitioners, the establishment of this framework is a development that warrants careful attention, as its outputs are likely to have material consequences for trade regulation, export policy, and sectoral compliance obligations in the near and medium term.

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