

International Comparative Legal Guides

Sanctions 2026

A practical cross-border resource to inform legal minds

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1 Overview

1.1 Describe your jurisdiction's sanctions regime.

Balancing its economic and sovereign interests, India maintains a focused range of economic sanctions, which can broadly be categorised as under:

- a) the United Nations Security Council ('UNSC') resolutions implemented by India towards its international obligations as a member of the United Nations ('UN'); and
- b) economic sanctions imposed by the federal government against specific countries, organisations, and individuals as part of its public policy.

Though there is no comprehensive law, these sanctions in India are primarily governed under a framework of the following federal laws:

- i) The *United Nations (Security Council) Act 1947* ('UNSC Act').
- ii) The *Foreign Trade (Development and Regulation) Act, 1992* ('FTDR Act'), read with the *Foreign Trade Policy 2023* ('FTP').
- iii) The *Unlawful Activities (Prevention) Act, 1967* ('UAPA').

The first category of sanctions listed in a) above is implemented in the following manner:

- A) UNSC Resolutions imposing economic sanctions (such as asset freeze, arms embargo, travel ban, etc.) against an individual, organisation, or country are implemented through government orders ('UNSCA Orders') issued under the UNSC Act. Illustratively, the government has issued orders to implement UNSC economic sanctions against identified individuals and organisations of Haiti,¹ Mali,² South Sudan,³ etc.
- B) The UNSC resolutions imposing an embargo on trade in goods and/or services are implemented through the FTDR Act, read with the FTP issued thereunder.⁴ Illustratively, the FTP prohibits trade in items, materials, equipment, goods, and technologies with Iran that are notified under UNSC Resolution 2231 (2015).⁵
- C) The sanctions against the unlawful associations and terrorist organisations notified by the UNSC resolutions and corresponding UNSCA Orders are enforced by the federal government under the UAPA.⁶
- D) The sanctions targeting financing of any activity concerning weapons of mass destruction and their delivery systems under the UNSC Act are governed under the *Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005* ('WMD Act').⁷

The second category of sanctions listed in b) is governed under the FTDR Act, which empowers the federal government to implement embargoes on trade in goods and/or services from any country, organisation, or individual. The government also imposes economic sanctions against international organisations and foreign nationals that are engaged in unlawful activities (i.e., activities to directly or indirectly disrupt or threaten the unity, territorial integrity, economic security, and/or sovereignty of the country, including terrorist acts) under the UAPA.⁸

1.2 What are the relevant government agencies that administer or enforce the sanctions regime?

The relevant government agencies that administer and enforce the sanctions and export control regime under respective legislations are:

- i) The Ministry of External Affairs ('MEA') is the nodal agency under the UNSC Act empowered to issue orders thereunder to enforce the UNSC resolution.⁹
- ii) The Ministry of Home Affairs ('MHA') is empowered to declare an association or organisation as unlawful under the UAPA.¹⁰ The MHA can add or remove any person or organisation to or from the list of terrorist individuals or organisations.¹¹
- iii) The Central Board of Indirect Taxes ('CBIC') under the aegis of the Department of Revenue, Ministry of Finance, is the nodal agency tasked with, *inter alia*, the administration of matters relating to cross-border trade and customs. The CBIC enforces the trade-related sanctions through its subordinate agencies, including customs offices and revenue intelligence formations.
- iv) The Directorate General of Foreign Trade ('DGFT') assists the federal government in the formulation and implementation of the FTP, including embargoes on trade in goods and/or services. The DGFT is also responsible for administering the export control regime, which includes processing applications for export licences, etc.
- v) The Financial Intelligence Unit—India ('FIU-IND') serves as the central national agency entrusted with the responsibilities of receiving, processing, analysing, and disseminating information on suspicious financial transactions. Furthermore, FIU-IND is dedicated to enhancing coordination and cooperation among national and international intelligence, investigation, and enforcement agencies to combat money laundering and the financing of terrorism.
- vi) Reserve Bank of India ('RBI') is the central bank and also acts as the nodal agency that regulates financial

transactions and monitors financial institutions (such as banks, non-banking financial institutions, etc.) in India. The RBI monitors and enforces prohibitory measures *vis-à-vis* the financial transactions with any individuals or entities that are subject to sanctions under UNSC resolutions, UNSCA orders, or the WMD Act.¹²

1.3 Have there been any significant changes or developments impacting your jurisdiction's sanctions regime over the past 12 months?

Yes. The federal government amended the FTP to introduce a blanket prohibition on both direct and indirect import or transit of all goods originating in Pakistan with immediate effect.¹³ This is India's first autonomous trade sanction imposed on a country, besides the UNSC resolutions.

The MEA has amended the entries in the list of individuals that are covered under UNSCA orders based on the changes in the UNSC resolutions in the past 12 months.¹⁴

2 Legal Basis/Sanctions Authorities

2.1 What are the legal or administrative authorities for imposing sanctions?

The administrative and enforcement authorities enlisted in response to question 1.2 impose sanctions under respective legislations (discussed in response to question 1.1) through the following on-ground enforcement divisions, departments, and officials:

- i) United Nations Political Division at MEA issues UNSCA orders for the implementation of UNSC resolutions.
- ii) Counter-Terrorism and Counter-Radicalisation ('CTCR') Division at MHA issues a notification to declare any organisation or association as unlawful. Further, the National Investigating Agency ('NIA') conducts on-ground investigations and undertakes enforcement proceedings under UAPA.
- iii) The CBIC enforces trade-related sanctions through the on-ground customs commissionerate and revenue intelligence agency.
- iv) The DGFT administers and enforces trade-related sanctions through its subdivisions and departments.
- v) The RBI implements sanctions through financial institutions by blocking the financial transactions *vis-à-vis* sanctioned trade transactions, individuals, and entities.

2.2 Does your jurisdiction implement United Nations sanctions? Describe that process. Are there any significant ways in which your jurisdiction fails to implement United Nations sanctions?

Yes, the federal government implements the UNSC sanctions by issuing notifications, orders, and other subordinate legislative instruments under the respective legislations (discussed in response to question 1.1). From an enforcement standpoint, various government authorities (such as customs offices, revenue intelligence agencies, DGFT, and RBI (through financial institutions) give effect to the economic and/or trade sanctions by undertaking enforcement proceedings against the delinquents and imposing penalties prescribed for contravention.

The government agencies also issue guidelines and directions mandating that domestic entities and institutions must not indulge in activities or transactions with individuals and

entities that are subject to sanctions. Illustratively, the RBI has issued specific directions mandating the financial institutions to implement a robust background verification mechanism to identify if any entity or organisation is subject to sanctions and refrain from undertaking or facilitating any financial transactions with such individuals or entities.¹⁵

2.3 Is your jurisdiction a member of a regional body that issues sanctions? If so: (a) does your jurisdiction implement those sanctions? Describe that process; and (b) are there any significant ways in which your jurisdiction fails to implement these regional sanctions?

India is not a member of a regional body that issues sanctions.

2.4 Does your jurisdiction maintain any lists of sanctioned individuals and entities? How are individuals and entities: a) added to those sanctions lists; and b) removed from those sanctions lists?

Yes. As discussed in the foregoing responses, the government notifies sanctioned individuals and/or entities under different legislations (discussed in response to question 1.1). The mechanism under respective legislations applies as:

- i) *Listing under the UNSC Act:* The MEA adopts and updates the list of sanctioned individuals and entities notified under UNSC resolutions by way of issuance of UNSCA Orders under the UNSC Act. There are no procedures prescribed under the domestic laws for the removal of an individual or entity from the sanctioned list, and the delisting procedure under UNSC resolutions is discussed in response to question 2.5 below.
- ii) *Listing under the FTDR Act:* Similar to the UNSC Act, the list of sanctioned individuals, entities, or countries under the FTDR Act and FTP issued thereunder is primarily based on the UNSC resolutions. Further, the import or export transactions with specified organisations or countries are placed under restriction or prohibition in the FTP as a matter of India's public policy. As such, there is no delisting mechanism prescribed under the domestic laws. The federal government periodically reviews its policy and undertakes amendments.
- iii) *Listing under the UAPA:* The UAPA prescribes different listing mechanisms for placing any individuals or entities under sanctions:
 - a) *Declaration of entity as an unlawful organisation:* The MHA issues a notification expressing intent to declare identified entities as an unlawful association. The notification is referred to the Unlawful Activities (Prevention) Tribunal ('UAP Tribunal'), which, in consonance with the principles of natural justice, grants an opportunity to the concerned association to defend its listing as an unlawful organisation. The UAP Tribunal adjudicates and determines on listing any organisation as unlawful and imposing economic sanctions. The notifications issued by the MHA to enlist any entity as an unlawful association are valid for five years.¹⁶ The UAPA also provides that the federal government may, on its own motion, delist any entity.¹⁷
 - b) *Declaration of an individual or entity as a terrorist or terrorist organisation:* The MHA issues a notification to add an organisation or individual that may be involved in terrorism to the list of terrorists or terrorist organisations under the First and Fourth

Schedules of the UAPA, respectively.¹⁸ Such notifications are laid before the Parliament¹⁹ and are finalised upon the parliamentary approval procedure.²⁰

2.5 Is there a mechanism for an individual or entity to challenge its addition to a sanctions list?

The delisting mechanism under the relevant statutes (discussed in response to question 2.4) can be understood as under:

- i) *Delisting under UNSC Act*: There is no mechanism for an individual or entity to challenge the addition to the sanctions list under the UNSC Act. Delisting, if any, can be requested to UNSC either through the focal point process prescribed under the UNSC Resolution 1730 (2006): Annex to the resolution and relevant guidelines issued by the UNSC, or through the country of citizenship. Further, an individual, group, undertaking, or entity inscribed on the list related to ISIL (Da'esh) and Al-Qaida is required to submit its application for de-listing before the UN Office of the Ombudsperson established by the UNSC. The UNSC Orders are updated based on changes in UNSC resolutions and ensuing lists.
- ii) *Delisting under UAPA*: An individual or an organisation declared as unlawful may apply to the MHA to seek cancellation of the relevant notification. Notably, any individual or entity enlisted as a terrorist or terrorist organisation may apply for delisting to the MHA. Such an application, if rejected, can be requested to be reviewed by applying to the review committee constituted under the UAPA under the chairmanship of a judicial officer, seeking re-examination of its listing as a terrorist or terrorist organisation.²¹

2.6 How does the public access those lists?

The sanctions issued under the UNSC Act and UAPA are notified in the official gazette, which is publicly accessible at the government portal – eGazette Home ([https://egazette.gov.in/\(S\(jhyzabg5umiw2wk3ygizei02\)\)/default.aspx](https://egazette.gov.in/(S(jhyzabg5umiw2wk3ygizei02))/default.aspx)). Similarly, the actions taken under the FTDR Act are publicly accessible at its portal – DGFT (<https://www.dgft.gov.in/CP/?opt=ft-policy>).

2.7 Does your jurisdiction maintain any comprehensive sanctions or embargoes against countries or regions?

India has implemented the UNSC sanctions related to Iraq, Somalia, Democratic People's Republic of Korea, Iran, Haiti, Mali, Libya, Lebanon, Sudan, Congo, Yemen, and Guinea-Bissau, and recently imposed comprehensive sanctions on the import of any goods originating from Pakistan.

2.8 Does your jurisdiction maintain any other sanctions?

Please refer to the response to question 1.1 above.

2.9 What is the process for lifting sanctions?

Please refer to questions 2.4 and 2.5 above.

2.10 Does your jurisdiction have an export control regime that is distinct from sanctions?

Yes. India is a participant in the Wassenaar Arrangement ("WA") – a multilateral export control regime which aims to monitor and promote transparency concerning the transfer of conventional arms and dual-use goods and technologies (having both civil and military use). As such, the export policy notified under the FTP provides a list of dual-use goods and technologies, referred to as the Special Chemicals, Organisms, Materials, Equipment, and Technologies list ("SCOMET List") which are subject to a specific prior authorisation. In addition to the above, the FTP also has catch-all control provisions to regulate the export of items which are not specifically covered under the SCOMET List but are covered either under the provisions of the WMD Act or have military end use. Similar to the SCOMET framework, articles covered under the catch-all regime are also subject to prior authorisation from the relevant agency.

2.11 Does your jurisdiction have blocking statutes or other restrictions that prohibit adherence to other jurisdictions' sanctions or embargoes?

No, presently, there are no blocking statutes or restrictions prohibiting adherence to other jurisdictions' sanctions or embargoes.

2.12 Does your jurisdiction impose any prohibitions or threaten any sanctions consequences for transactions that do not have a connection to that jurisdiction (sometimes referred to as "secondary sanctions")?

No, India does not have secondary sanctions.

3 Implementation of Sanctions Laws and Regulations

3.1 What parties and transactions are subject to your jurisdiction's sanctions laws and regulations? For example, do sanctions restrictions apply based on the nationality of the parties involved? Or the location where the transactions take place?

The UNSC sanctions, which are adopted by India, are enforced against all individuals, entities, or transactions that are within the scope of the UNSC resolutions.

The sanctions imposed under the UAPA, FTDR Act, and WMD Act are specific to the individual, organisation, or country, as the case may be. Given the nature of statutes and the objective sought to be achieved, these restrictions are neither based on the nationality of the parties involved nor do they depend on the situs of the transaction.

3.2 Are parties required to block or freeze funds or other property that violate sanctions prohibitions?

The UNSC Act and the UAPA empower the government to, *inter alia*, freeze, seize or attach funds, financial assets, or economic resources ('Assets') of sanctioned individuals or organisations or of persons or entities holding such Assets on behalf of such sanctioned individuals or organisations.

Further, any person or entity that holds the Assets of a sanctioned individual or organisation is required to freeze such Assets or stop transacting with such individual or organisation. For example, the financial institutions are mandated to freeze the bank accounts of a sanctioned individual or organisation.

3.3 Are there licences available that would authorise activities otherwise prohibited by sanctions?

No. There are no licences or authorisations that could authorise the prohibited activities.

Regarding import controls or prohibition, the same may be permitted by the government upon a prior approval basis, only in exceptional circumstances.

For completeness, note that there are licensing requirements prescribed for the goods that are covered under the export control regime (please refer to the response to question 2.10).

3.4 Are there any sanctions-related reporting requirements? When must reports be filed, and what information must be reported?

There are no specific sanctions-related reporting obligations prescribed under the UNSC Act and FTDR Act. However, the RBI mandates all the regulated financial institutions including banks, stock exchanges/depositories, intermediaries and insurance companies to immediately inform the particulars of the funds, financial assets or economic resources held by the individuals or entities covered in the UNSCA Orders as well as details of the accounts resembling such individuals or entities to FIU-IND, UAPA Nodal Officers of respective states or union territories and other financial regulators including RBI, Insurance Regulatory and Development Authority of India and Securities and Exchange Board of India.²² Secondly, the RBI has also enforced financial reporting requirements for foreign exchange and closely monitors all financial remittances, both inward and outward.

3.5 How does the government convey its compliance expectations? Are certain entities required to maintain compliance programmes? What are the elements of a compliance programme required (or recommended) by the competent regulator(s)?

The compliance programmes are implemented on a self-assessment basis. As such, there are no specific compliance programmes, but the entities are expected to comply with the extant laws, including those enforcing sanctions discussed in the foregoing sections. Typically, the Indian entities are expected to conduct due diligence to ensure that they do not transact with sanctioned individuals or organisations or facilitate the sanctioned activities.

Further, the RBI, as a financial sector regulator, has issued directions mandating financial reporting requirements for foreign exchange and closely monitors all financial remittances, both inward and outward. Please refer to the response to questions 2.2 and 3.4 for discussion on the reporting requirements.

Regarding the export control in respect of SCOMET list items, there is a requirement to formulate and maintain an internal compliance programme ('ICP') which is prescribed. The DGFT has issued a Handbook on India's Strategic Trade Control System ('Handbook') that outlines the compliance expectations in line with best practices guidelines on ICP issued under WA.²³ In terms thereof, an entity is expected

to structure the ICP around eight core elements: (i) management commitment to compliance; (ii) organisation structure, responsibility and resources; (iii) training and awareness; (iv) classification and screening procedure; (v) record keeping; (vi) physical and technical security; (vii) reporting and corrective action; and (viii) performance review and audit. The Handbook also contains an indicative checklist that may be referred to by the industry while instituting ICPs. Notably, an ICP is required to obtain the requisite export licences or authorisations.

4 Enforcement

4.1 Are there criminal penalties for violating economic sanctions laws and/or regulations?

Yes, there are criminal implications prescribed for violations of economic sanctions under respective laws, which are discussed below:

S. No.	Statute	Contravention	Criminal Penalty
(i)	UAPA	Being a member of an unlawful association.	Death or imprisonment for life, along with a fine (Section 10 of the UAPA).
	UAPA	Dealing with funds of an unlawful association.	Imprisonment for a term which may extend to three years and/or fine (Section 11 of the UAPA).
	UAPA	Contravention of an order made in respect of a place notified as an unlawful place.	Imprisonment for a term which may extend to one year, along with a fine (Section 12 of the UAPA).
	UAPA	Indulging in unlawful activities.	Imprisonment for a term which may extend up to five years and/or fine (Section 13 of the UAPA).
	UAPA	For terrorist acts (including raising funds for terrorist acts, conspiracy, organising terrorist camps, recruiting persons for terrorist acts, harboring, holding proceeds of terrorism, threatening witnesses).	Death sentence or imprisonment for life along with a fine (maximum penalty) (Sections 16, 17, 18, 18-A, 18-B, 19, 20, 21, 22 of the UAPA).

	UAPA	For support given to or transacting with a terrorist organisation (including the organisations notified under the UN Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Order, 2007 ('UNSCA 2007 Order') issued under the UNSC Act.)	Imprisonment for a term of up to 10 years and/or fine (Section 39 of the UAPA).
	UAPA	For raising funds for a terrorist organisation (including the organisations notified under UNSCA 2007 Order).	Imprisonment for a term of up to 14 years and/or fine (Section 40 of the UAPA).
(ii)	Prevention of Money Laundering Act 2002 ('PMLA')	Concealment, possession, acquisition, use of any proceeds (money or property) from any unlawful activity or terrorist acts (as defined under UAPA, which includes offences committed concerning the organisations notified under the UNSC Act); or projecting such proceeds as untainted in any manner whatsoever.	Rigorous imprisonment for three years, which may extend up to seven years, along with a fine (Section 4 of the PMLA).

(iii)	FTDR Act	Violation of provisions of the FTDR, FTP, or procedures concerning sanctions on trade in goods and/or services.	There are no criminal liabilities prescribed for violations of trade sanctions except for violations relating to the export control regime, which are prescribed under the WMD Act (Section 14E of the FTDR Act).
(iv)	WMD Act	Trade in prohibited goods and financing the prohibited activities (including activities prohibited under the UNSC resolutions enforced vide UNSCA Orders) prescribed under the WMD Act.	Imprisonment for a term of five years, which may extend up to imprisonment for life, along with a fine (Sections 14, 15, and 17 of the WMD Act).
(v)	Customs Act 1962 ('Customs Act')	Goods imported or exported in contravention of any prohibition imposed under the Customs Act or any other regulatory law concerning the import or export of goods.	Any person who knowingly makes false declarations, statements, or documents in the transaction of any business relating to the Customs Act is punishable with imprisonment for a term which may extend to two years, or with a fine, or with both (Section 132 of the Customs Act).

4.2 Which government authorities are responsible for investigating and prosecuting criminal economic sanctions offences?

The following authorities are responsible for undertaking investigations and prosecuting criminal economic sanctions offences:

S. No.	Statute	Relevant Authority
(i)	UAPA	NIA
(ii)	PMLA	Director, FIU-IND – for contraventions by banking companies, financial institutions, and intermediaries. ²⁴ Director of Enforcement ('ED') – for money laundering cases. ²⁵ Principal Additional Director General (Audit)/Additional Director General (Audit) – for contraventions by dealers in precious metals and precious stones and real estate agents. ²⁶
(iii)	FTDR Act	Customs, Directorate of Revenue Intelligence ('DRI'), DGFT
(iv)	WMD	Customs, DRI, DGFT
(v)	Customs Act	Customs, DRI

Further, these authorities may seek assistance from the police machinery for investigating and acting against the offenders. The accused are subjected to criminal trials by the public prosecutors in accordance with the code of criminal procedure prescribed for criminal cases.

4.3 Is there both corporate and personal criminal liability?

Yes, Indian sanction laws prescribe the criminal implications for offences by companies. In case any contravention by a corporate entity qualifies as an offence entailing criminal liability, then the government authorities can proceed against the person who is in charge of such entity at the time when the offence is committed and is responsible for the conduct of its operations. To impose criminal penalties, it needs to be established that the offence was committed with the consent, connivance, or attributable to any negligence of the person in charge as part of the corporate entity. These persons can mitigate their liability if it can be established that the offence was committed without their knowledge or that all the due diligence was exercised on their part to prevent the commission of such an offence.

4.4 What are the maximum financial penalties applicable to individuals and legal entities convicted of criminal sanctions violations?

Please refer to the response to question 4.1 for the maximum financial penalties. Further, some offences prescribed in context under the relevant statute do not provide a specific threshold of the financial penalties (or fines) prescribed for criminal offences.

4.5 Are there other potential consequences from a criminal law perspective?

The individuals or entities that are subject to criminal punishment could face consequences such as forfeiture of proceeds earned through sanction violations, restriction on movement within and outside India, increased scrutiny of import/export operations, limitations/restrictions on raising finance, restrictions on obtaining business licences, participation in government contracts, grants, or subsidies, etc. depending on the nature of the offence and the legislations invoked.

4.6 Are there civil penalties for violating economic sanctions laws and/or regulations?

Yes, there are civil penalties prescribed for violations of economic sanctions under respective laws, which are discussed below:

S. No.	Statute	Contravention	Civil Penalty
(i)	UNSC Act	Indulging in any activity or transaction violating UNSCA orders.	Ban on travel/entry into or transit through Indian territory. Freezing of funds, financial assets, and other economic resources. Embargo on business transactions with the offender.
(ii)	PMLA	Concealment, possession, acquisition, use of any proceeds (money or property) from any unlawful activity or terrorist acts (as defined under UAPA, which includes offences committed concerning the organisations notified under the UNSC Act); or projecting such proceeds as untainted in any manner whatsoever.	Seizure and attachment of any proceeds emanating from transactions violating economic sanctions (Section 5 of PMLA).

(iii)	FTDR Act	Violation of provisions of the FTDR, FTP, or procedures concerning sanctions on trade in goods and/or services.	Suspension or cancellation of the certificate of importer– exporter code (i.e., authorisation required for undertaking cross-border trade) (Section 8 of FTDR Act). Penalty of INR 10,000, which may extend up to five times the value of the goods or services or technology in respect of which contravention or attempt thereto is made. (Section 11 of the FTDR Act). Penalty prescribed under the WMD Act for any violations concerning goods and technology covered under the export control regime.
(iv)	WMD Act	Trade in prohibited goods and financing the prohibited activities (including activities prohibited under the UNSC resolutions enforced vide UNSCA Orders) prescribed under the WMD Act.	Freezing and attachment of funds, financial assets, or economic resources owned or controlled by the offender (Section 12A of the WMD Act).
(v)	Customs Act	Goods imported or exported in contravention of any prohibition imposed under the Customs Act or any other regulatory law.	Imports: Monetary penalty of INR 5,000 or equivalent to the value of the goods, whichever is higher. (Section 112 of the Customs Act). Exports: Penalty up to three times the value of the goods as declared by the exporter or the value determined under the Customs Act, whichever is the greater (Section 114 of the Customs Act).

(vi)	Foreign Exchange Management Act, 1999 ('FEMA')	For violation of requirements prescribed by the RBI concerning the implementation of economic sanctions.	Penalty of up to three times the sum involved in such contravention, where such amount is quantified, or up to INR 200,000 where the amount is not quantified. In case of continuing contravention, a further penalty which may extend to INR 5,000 (India Rupees Five thousand) for every day after the first day during which the contravention continues (Section 13 of the FEMA).
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4.7 Which government authorities are responsible for investigating and enforcing civil economic sanctions violations?

The following authorities are responsible for undertaking investigations and prosecuting civil economic sanctions offences:

S. No.	Statute	Relevant Authority
(i)	UNSC Act	The United Nations Political Division at MEA and the government authorities under the respective sanction laws discussed below.
(ii)	PMLA	Director, FIU-IND – for contraventions by banking companies, financial institutions, and intermediaries. ²⁷ ED – for money laundering cases. ²⁸ Principal Additional Director General (Audit)/ Additional Director General (Audit) – for contraventions by dealers in precious metals and precious stones and real estate agents. ²⁹
(iii)	FTDR Act	Customs Authorities, DRI, DGFT.
(iv)	WMD	Customs Authorities, DRI, DGFT.
(v)	Customs Act	Customs Authorities, DRI.
(vi)	FEMA	ED and RBI.

4.8 Is there both corporate and personal civil liability?

Yes, the Indian sanctions framework provides for both corporate and personal civil liability. The extant framework prescribes strict liability for corporate entities in cases where civil liabilities are prescribed for any contravention. However, the personal civil liability is imposed in case it is determined that the relevant person has knowingly and intentionally contravened the statutory provisions.

4.9 What are the maximum financial penalties applicable to individuals and legal entities found to have violated economic sanctions?

Please refer to the response to question 4.6. The financial penalties are determined on the characteristics of the contravention, its frequency, the value of the transaction (including that of contravening goods or services), etc.

4.10 Are there other potential consequences from a civil law perspective?

All the civil consequences are highlighted in response to questions 4.5 and 4.6.

4.11 Describe the civil enforcement process, including the assessment of penalties. Are all resolutions by the competent authorities public?

Typically, civil enforcement process under the Indian sanctions laws involves the following stages:

- i) *Investigation*: The relevant government authority, based on intelligence gathered from various sources, initiates an investigation against any accused individual or entity. At this stage, the fact-finding and evidence collection take place.
- ii) *Issuance of notice*: A show cause notice is issued to the accused detailing the alleged violations and relevant statutory provisions. The accused is provided an opportunity to respond to the allegations in compliance with the constitutionally recognised principle of natural justice.
- iii) *Adjudication proceedings*: The government authority conducts a personal hearing and adjudicates the notice based on the submissions.

The information and documents relating to the investigation, notice, and its adjudication are typically not issued in the public domain.

4.12 Describe the appeal process. Have companies challenged penalty assessments in judicial proceedings?

Most of the legislations relevant to the context prescribe the three tier appellate mechanism for grievance redressal:

- a) *Statutory appellate forum*: The first appeal can be filed to a quasi-judicial appellate authority or tribunal prescribed under the respective laws.
- b) *High Courts*: An order passed by appellate authorities can be challenged before the jurisdictional High Court.
- c) *The Supreme Court of India*: An order passed by the High Court is appealable before the Supreme Court of India.

In the past, companies have sought judicial intervention to contest imposition(s) before the relevant forum to remedy their grievance.

4.13 Are criminal and civil enforcement only at the national level? Is there parallel state or local enforcement?

India has a federal form of governance, with constitutional boundaries defined in terms of subject matters for both federal and state government. Since sanctions and any action in relation thereto fall within the domain of the federal government, there can be no parallel local enforcement therefor. However, in case of any offences which are parallelly cognisable by police, the local law enforcement may be triggered.

4.14 What is the statute of limitations for economic sanctions violations?

The time limit to initiate actions against economic sanctions violations is not specifically prescribed under the Indian sanction laws. Typically, the limitation period for contraventions entailing civil implications ranges between three to five years, depending on the nature of the violation and the relevant statutes invoked. However, there is no fixed time frame for initiating proceedings *vis-à-vis* the offences with criminal implications. The issue of limitation has also been judicially examined, and the courts have taken a view that these proceedings should be initiated within a 'reasonable' period from the offence committal date, and such period is determined basis of the facts or circumstances of each case.

5 General

5.1 If not outlined above, what additional economic sanctions-related measures are proposed or under consideration?

Presently, there are no economic sanction-related measures which has been proposed or are under consideration in India.

5.2 Please provide information for how to obtain relevant economic sanctions laws, regulations, administrative actions, and guidance from the Internet. Are the materials publicly available in English?

The information relevant to economic sanctions laws, regulations, and administrative action is readily available in English in the public domain *via* the following websites:

- <https://www.dgft.gov.in/CP?opt=itchs-import-export>
- [https://egazette.gov.in/\(S\(vcv3azafgsgbu0hfyr1s4vn1\)\)/default.aspx](https://egazette.gov.in/(S(vcv3azafgsgbu0hfyr1s4vn1))/default.aspx)
- https://www.mea.gov.in/Uploads/PublicationDocs/156_The-United-Nations-Security-Council-Act-1947.pdf
- https://www.mha.gov.in/sites/default/files/A1967-37_0.pdf
- <https://www.mea.gov.in/india-and-the-united-nations.htm>
- <https://www.sebi.gov.in/legal/master-circulars/jun-2024/guidelines-on-anti-money-laundering-aml-standards-and-combating-the-financing-of-terrorism-cft-obligations-of-securities-market-intermediaries-under-the-prevention-of-money-laundering-act-2002-a-83942.html>
- https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11566

- <https://incometaxindia.gov.in/pages/acts/foreign-exchange-management-act.aspx>
- <https://enforcementdirector.gov.in/sites/default/files/Act&rules/THE%20PREVENTION%20OF%20MONEY%20LAUNDERING%20ACT,%202002.pdf>

Endnotes

- 1 The Implementation of the United Nations Security Council Resolutions on Haiti Order 2023.
- 2 The Implementation of the United Nations Security Council Resolutions on Mali Order 2022.
- 3 The Implementation of United Nations Security Council Resolution on South Sudan Order 2016.
- 4 Paragraphs 2.16 – 2.20A of Chapter 2 of the Foreign Trade Policy 2023, available at <https://www.dgft.gov.in/CP/?opt=ft-policy>
- 5 Paragraph 2.19 of Chapter 2 of the Foreign Trade Policy 2023, available at <https://www.dgft.gov.in/CP/?opt=ft-policy>
- 6 Entry at s. no. 33 of the first schedule of the Unlawful Activities (Prevention) Act 1967.
- 7 Section 12-A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act 2005.
- 8 Sections 7 and 51-A of the Unlawful Activities (Prevention) Act 1967.
- 9 For instance, the Ministry of External Affairs has issued the UNSCA Order 2007 to implement the UNSC Resolutions adopted under Chapter VII of the UN Charter to combat international terrorism.
- 10 Section 3 of the Unlawful Activities (Prevention) Act 1967.
- 11 Section 35 of the Unlawful Activities (Prevention) Act 1967.
- 12 RBI Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated 25 February 2016 available at https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11566
- 13 Notification No. 06/ 2025-26 dated 2 May 2025 issued by DGFT.
- 14 Implementation of the United Nations Security Council Resolutions on Libya (Third Amendment) Order, 2024 dated 26 July 2024; Implementation of the United Nations Security Council Resolutions on Somalia and Eritrea (Amendment) Order, 2024 dated 30 July 2024; Implementation of the United Nations Security Council Resolution on Sudan (Amendment) Order, 2025 dated 31 January 2025; United Nations Security Council Resolution on Yemen (Amendment) Order, 2025 dated 31 January 2025; Prevention and Suppression of Terrorism (Implementation of Security Council Resolutions) Amendment Order, 2025 dated 19 June 2025; Implementation of the United Nations Security Council Resolution on Haiti (Amendment) Order, 2025 dated 24 June 2025.
- 15 RBI Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated 25 February 2016 available at https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11566
- 16 Section 6(1) of the Unlawful Activities (Prevention) Act 1967.
- 17 Section 6(2) of the Unlawful Activities (Prevention) Act 1967.
- 18 Section 35 of the Unlawful Activities (Prevention) Act 1967.
- 19 Section 35 of the Unlawful Activities (Prevention) Act 1967.
- 20 Section 35 of the Unlawful Activities (Prevention) Act 1967.
- 21 Section 36 of the Unlawful Activities (Prevention) Act 1967.
- 22 RBI Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated 25 February 2016 available at https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=11566 read with UAPA Order dated 2 February 2021 issued under F. No.14012/01/2019/CFT prescribing procedure for implementation of Section 51A of the Unlawful Activities (Prevention) Act 1967 and Department of Revenue Order dated 1 September 2023 issued under F. No.P – 12011/14/2022-ES Cell-DOR prescribing procedure for implementation of Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act 2005.
- 23 Handbook on India's Strategic Trade Control System issued by Directorate General of Foreign Trade available at <https://www.dgft.gov.in/CP/?opt=handbook-indias-strategic-trade-control-system>
- 24 Notification No. G.S.R. 441(E) dated 1 July 2005.
- 25 Notification No. G.S.R. 441(E) dated 1 July 2005.
- 26 Notification No. 5475(E) dated 24 November 2022.
- 27 Notification No. G.S.R. 441(E) dated 1 July 2005.
- 28 Notification No. G.S.R. 441(E) dated 1 July 2005.
- 29 Notification No. 5475(E) dated 24 November 2022.



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