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A monthly e-newsletter on developments related to Bureau of Indian Standards (BIS)

Lakshmikumaran & Sridharan Attorneys

India

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News Nuggets

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Electric Equipment Quality Control Order, 2020 – Commencement of the phased implementation plan

The first phase of the Electric Equipment Quality Control Order, 2020 ('EEQCO') came into effect from 10.11.2024. In light of the same, a document was issued by the Ministry of Heavy Industries highlighting general ways of identification of the products under EEQCO as per the phased implementation. The same was circulated by the Central Board of Indirect Taxes and Customs (CBIC) under the Ministry of Finance to respective Customs Units/Offices to sensitize officers under subject jurisdiction.

[Source: CBIC Instruction No. 28/2024-Cus., dated 12 November 2024, as available here.]

QCOs notified by Ministry of Heavy Industries need not be complied for imports by Advance Authorization holders, EOUs and SEZs

The Directorate General of Foreign Trade (DGFT), Ministry of Commerce & Industry has issued a Public Notice to modify the list of Ministries/Departments whose notifications on mandatory QCOs are exempted by the DGFT for goods to be utilized/consumed in manufacture of export products. Pursuant to such modification, Ministry of Heavy Industries has been added to the list.

[*Source*: DGFT Public Notice No. 31/ 2024-2025, as available <u>here</u>.]

214 medical devices to have Indian standards by next year

The Bureau of Indian Standards is going to prioritise the development of standards for 214 critical medical devices, the process whereof is expected to be completed by December 2025. This initiative strives to align with the National Medical Device Policy of 2023, and enhance the safety, efficiency, and global competitiveness of Indian medical devices.

[Source: Zee Business news, as available here.]



Thailand and Indonesia raise concerns at the WTO regarding India's quality control delay

At a recent meeting of the Goods Council of the World Trade Organization (WTO), Thailand and Indonesia have raised concerns regarding non-transparency and alleged delays in the grant of certifications by BIS, the national standards body of India. They further contended that such delays are acting as import restrictions and trade barriers.

India assured that it would try to resolve the issues through bilateral meetings as it was committed to facilitate international trade while ensuring the quality of products.

[*Source*: The Hindu news, as available <u>here</u>.]

Japan raises concerns over steel consignments blocked at Indian ports

The Embassy of Japan in India has also raised concerns with two central ministries — the Ministry of Steel and the Ministry of Commerce and Industry, stating that Japanese steel consignments are being held up at Indian ports by Customs officials due to the absence of a No Objection Certificate (NOC) which is granted following Quality Control (QC) Committee meetings. Similar concerns have been raised by domestic industries as well.

[Source: The Indian Express news, as available here.]

New steel standards to protect domestic industry from dumping

In the light of growing dumping from a neighbouring country specifically, the Central Government plans to bring additional steel products under the framework of mandatory BIS certification. It was further understood that the Government shall also expand the classification of existing steel standards to prevent products with minor variations from escaping scrutiny during imports.

[*Source*: The Mint news, as available <u>here</u>.]



The Steel and Steel Products (Quality Control) Order, 2024 is one of the most comprehensive orders issued by BIS, covering a total of 158 products. The Ministry of Steel features a dedicated 'TC-QCO Portal', which is an online platform designed to provide clarification to the manufacturers on the notified Steel and Steel Products under the QCO. With regular revisions, it is evident that the Ministry is set to gradually expand the scope of the order.

Testing of electrical goods now allowed at laboratories owned by equipment manufacturers

India has revised its quality control rules for electrical goods, allowing testing and certification at laboratories owned by equipment makers. These certifications are valid under Scheme X of BIS, with the Ministry of Heavy Industries being the first one to allow testing under this scheme.

This move aims to attract companies looking to move production from China and address concerns about insufficient testing facilities in India. Further, private companies are expected to invest significantly in setting up new testing labs.

[Source: The Economic Times news, as available here.]



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Packaged drinking water, a 'high-risk' product – Government eliminates the need for BIS certification

The Food Safety and Standards Authority of India (FSSAI) has categorised the packaged drinking water and mineral water as 'highrisk' products. Further, the Government has decided to eliminate the need for BIS certification for these products since two sets of certificates (from BIS and the FSSAI) are not required.

[Source: The GlobalData news, as available here.]

Nylon weavers request for a Quality Control Order

In a recent online meeting with textile committee officials at the Southern Gujarat Chamber of Commerce and Industry (SGCCI), nylon weavers raised several concerns regarding the poor quality of locally produced yarn. As such, the weavers have requested the officials to visit Surat, Gujarat, and assess the impact of the introduction of a Quality Control Order (QCO) for nylon.

[Source: The Times of India news, as available <u>here</u>.]

Jewellery – BIS kickstarts the fourth phase of compulsory hallmarking

From 5 November 2024, BIS has embarked on the fourth phase of mandatory hallmarking of gold jewellery and gold artifacts, covering an additional 18 districts. Following the implementation of the fourth stage, over 40 crore gold jewellery items and 361 districts have been covered since the launch of mandatory hallmarking on 23 June 2021.

[Source: The Indian Express news, as available here.]

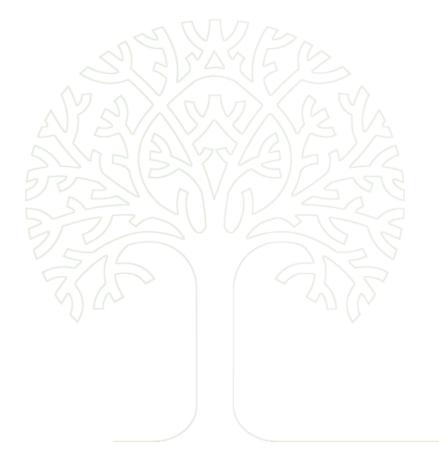


Grant of All India First Licences

In November 2024, BIS granted All India First Licence to three companies for their respective products and corresponding Indian Standards. The details of the same are discussed at length later in this newsletter.

[Source: What's New – BIS as available here]





Article

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Ensuring compliance with the Product Certification Scheme of BIS *By* LKS BIS Team

Introduction

While BIS Certification Scheme is essentially voluntary in nature, the Central Government notifies a number of products that must ensure mandatory compliance. Such powers are conferred to various line ministries under the Central Government under Section 16 of the BIS Act, 2016. As per the said provision, such goods or articles are determined based on various factors such as public interest, protection of human, animal or plant health, safety of environment, prevention of unfair trade practices, and national security.

At present, majority of the daily-use and industrial goods are notified under Scheme-I of the BIS (Conformity Assessment) Regulations, 2018. An overview of all the conformity assessment schemes of BIS was discussed in the previous newsletter, as provided <u>here.</u>

In this article, we are going to throw light on the essential elements of Scheme-I, also known as the Product Certification Scheme of BIS.

Overview of Scheme-I: Product Certification Scheme

The certification under this scheme is signified by the ISI mark, an emblem of quality and conformity in India. It is applicable to both domestic as well as foreign manufacturers.





At present, the Central Government has issued **178 QCOs** under Scheme-I, covering more than **679 products** such as copper and copper products, electrical appliances, textile products, chemicals, construction materials, etc.

Product Certification Process

Under this scheme, BIS grants a licence upon a successful inspection of the manufacturing infrastructure, production process, quality control, and testing capabilities of the manufacturer. This is accomplished through a visit and thorough assessment of their manufacturing premises.

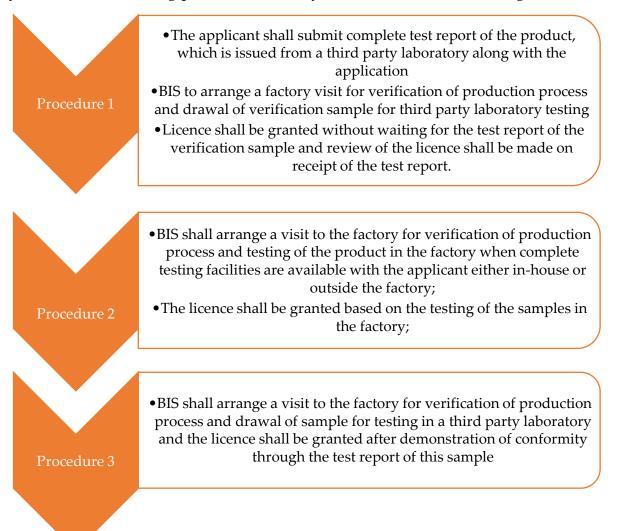
Further, conformity of the product to the relevant standard(s) is established through third-party laboratory testing or testing in the manufacturing premises or a combination of both.

Submission of application: Any manufacturer who wishes to apply for BIS certification must file an application in Form-V, specified in Scheme-I of the BIS (Conformity Assessment) Regulations, 2018. The applicant shall be required to submit the relevant documents as per the Form-V, along with a self-evaluation cum verification report.



Procedures for grant of licence

The Bureau shall follow any one of the following procedures or any combination thereof, for grant of licence, namely:





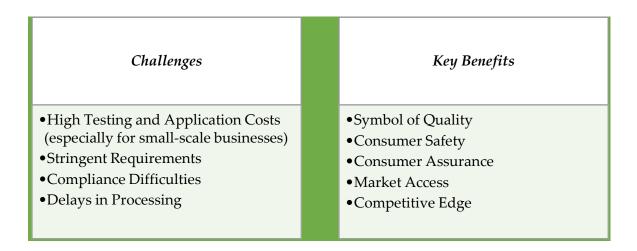
The processes mentioned above have been laid out under the **BIS (Conformity Assessment) Regulations, 2018**. It further lays down the procedures for attestation, surveillance, application fee, marking fee, labelling and marking requirements, conditions of licence, validity of licence, renewal of licence, suspension and cancelation of licence, etc.

Mandatory Forms when applying for certification under Scheme – I of BIS

- Form I: Declaration Regarding Manufacturing Machinery
- Form II: Declaration Regarding Test Equipment
- Form III: Proposed Levels of Controls for Inspection and Testing
- Form IV: Test Report
- Form V: Application for Licence to use the Standard Mark
- Form VI: Form for Nomination of AIR by Manufacturer
- Form VII: Discrepancy-cum-Advisory Report
- Form VIII: Licence for the use of Standard Mark
- Form IX: Agreement for the grant of Bureau of Indian Standards Licence (for use by the Foreign Manufacturer)
- Form X: Indemnity Bond
- Form XI: Performance Bank Guarantee (PBG) to be deposited by the foreign applicant of USD 10,000
- Form XII: Application for Renewal of Licence
- Form XIII: Attachment to Licence
- Form XIV: Application for change in scope of Licence.
- Form XV: Attachment to Licence



BIS Certification: Challenges faced v. Key benefits



LKS Comments

Scheme-I, or the Product Certification Scheme of BIS is a cornerstone of India's quality assurance framework. While its procedural aspects demand meticulous compliance, the benefits certainly outweigh. By ensuring adherence to prescribed standards and maintaining robust manufacturing practices, businesses can leverage the BIS certification to thrive in a competitive and quality-conscious marketplace. It is highly advisable for all the businesses to regularly monitor BIS notifications and stay updated on the latest developments.





QCO Updates



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QCO Updates – November 2024

For ease of reference, we have compiled a comprehensive set of data covering the following:

- Upcoming QCOs Notified and due for implementation
- **QCOs notified in the Official Gazette**: Published by the respective line Ministries of the Central Government, in consultation with the BIS under Section 16 of the BIS Act, 2016
- **QCOs notified on the WTO-TBT portal**, *'ePing'*: These are draft QCOs notified by India for WTO member countries to review and give comments. They are yet to be finalized and are not published in the Official Gazette yet.
- Amendments/extensions to the existing QCOs

QCOs to be implemented in the upcoming months

35 QCOs will come into force in the remaining weeks of December 2024 and January-February 2025.

Here's an overview of the same:

	December 2024	January 2025	February 2025
No. of QCOs	5	15	15
to be enforced			
Ministry/	Department of Chemicals	Department for Promotion of Industry	Department for Promotion of Industry and
Department	and Petrochemicals – 5	and Internal Trade (DPIIT) – 12 QCOs	Internal Trade (DPIIT) – 15 QCOs
	QCOs		
		Ministry of Textiles – 3 QCOs	
Products	Textile products	Hinges, Medical Textiles, Resin	Plywood, Wood Based Boards
		treated compressed wood laminates	



Industries likely to be impacted:

- Textile Industry
- Construction and Engineering industries engaged in the manufacture/import/use of hinges, wood laminates, plywood, block boards, etc.
- Companies manufacturing sanitary napkins, baby diapers, etc.

All the manufacturers (both domestic and foreign) of the products listed above shall be required to obtain BIS certification in order to comply with the QCOs. However, subject to the facts and circumstances of the case, the manufacturers may also seek an exemption or extension of the QCO by drafting a representation to BIS/line Ministry, as the case may be.

QCOs notified in the Official Gazette

Sr. No.	Order title	Date of implementation (For general enterprises)
1.	Electrical appliances for domestic clothes washing (Quality Control) Order, 2024	1 April 2025
2.	H Acid (Quality Control) Order, 2024	14 May 2025



3.	K Acid (Quality Control) Order, 2024	14 May 2025
4.	Vinyl Sulphone (Quality Control) Order, 2024	14 May 2025
5.	Electric Fence Energizers (Quality Control) Order, 2024	19 May 2025

The Electrical appliances for domestic clothes washing (Quality Control) Order, 2024 has been notified to supersede the previous order dated 5 March 2024, that came into force on 5 September 2024. Now, the new order introduces various new provisions and exemptions. It will come into force on 1 April 2025 for general enterprises.

QCOs notified by India on the WTO-TBT portal – 'ePing'

Sr.	Order title	Notification date
No.		
1.	Flashlight (Quality Control) Order, 2024	13 November 2024
2.	Stainless Steel Pipes and Tubes (Quality Control) Order, 2024	26 November 2024



While The draft QCOs mentioned above have been notified by the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry.

As per the said QCOs, manufacturers of Flashlights and Stainless Steel Pipes and Tubes must ensure that their goods/articles are in conformity with the relevant Indian Standards. Further, they must bear the Standard Mark under a licence from BIS as per Scheme-1 of Schedule-II of the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

These draft QCOs notified on the WTO website are yet to be notified and implemented, however, we suggest that the manufacturers start the necessary procedures to comply with the QCOs. Once they are notified by the Central Government, it will be mandatory to obtain BIS certification for the respective products.



Extensions to the existing QCOs

No extensions were notified last month.

Amendment Orders

Sr.	Order Title
No.	
1.	Gypsum based Building Materials (Quality Control) Amendment Order, 2024
2.	V-Belt (Quality Control) Amendment Order, 2024



LKS Comments - What's in the Amendment?

With respect to both the amendment orders mentioned above, the Government has notified the following exemptions:

a. Manufacturers and importers who have obtained certification from the Bureau or have applied for certification before the commencement of the amendment order will be allowed to sell or display their existing stock of gypsum-based building materials or V-Belts for up to six months.

These manufacturers and importers must submit a declaration to the Central Government, certified by a Chartered Accountant, confirming their intention to sell the existing stock within the specified timeframe.

b. Further, limited quantity of gypsum-based building materials or V-Belts (up to 200 pieces per year) can be imported for research and development purposes by the manufacturers. These imported materials must not be sold commercially and must be disposed of as scrap.



BIS - All India First Licence

BIS issued the All India First Licence, that is, the first licence ever issued for a certain product/Indian Standard for the following products in November 2024:

Sr. No.	Product	Indian Standard	Company
1.	Hot-Rolled Steel Strip, Sheet and Plates for Welded Steel Pipe for Pipeline Transportation Systems		M/s NMDC Steel Limited
2.	Aluminium Composite Panel	IS 17682: 2021	M/s Reynobond India
3.	Ballistic Shield	IS 17435: 2020	M/s SMPP Private Limited



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