GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA STARRED QUESTION NO. *202 TO BE ANSWERED ON 20.03.2023

DOMESTIC PRODUCTION OF TOYS

*202. SHRI DHANANJAY BHIMRAO MAHADIK:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) the details of the domestic production and sale of toys during each of the last three years and the current year;

(b) whether the domestic toys industry is affected by import of toys from other countries;

(c) if so, the details thereof along with the corrective steps taken by Government in this regard; and

(d) whether Government has received proposals from State of Maharashtra to establish the toys units to promote the toys business and if so, the details thereof and the action taken by Government in this regard?

ANSWER

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI NARAYAN RANE)

(a) to (d): A statement is laid down on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE RAJYA SABHA STARRED QUESTION NO. *202 FOR ANSWER ON 20.03.2023.

(a) to (c): The Government has taken proactive steps to promote domestic toy industry and to restrict import of toys. As a result of various steps taken by the Government, the volume of import of toys into the Indian market has shown a consistently decreasing trend. The import of Toys (HSN Codes 9503, 9504, 9505) to India has decreased from USD 332.55 million in 2014-2015 to USD 109.72 million in 2021-22, a decrease of approximately 67%. Exports of Toys (HSN code 9503, 9504, 9505) from India have increased from USD 96.17 million in 2014-2015 to USD 326.63 million in 2021-22, an increase of approximately 240%.

Steps taken to Promote toy industry

- 1. A comprehensive National Action Plan for Toys has been formulated by the Government to promote designing of toys based on Indian values, culture and history; using toys as a learning resource; organizing hackathons and grand challenges for toy designing and manufacturing; monitoring quality of toys, restricting imports of sub-standard and unsafe toys; promoting indigenous toy clusters; boost local manufacturing and incentivize toy manufacturers to promote "*Made in India*" toys.
- 2. Directorate General of Foreign Trade (DGFT) vide Notification No.33/2015-2020, dated 02.12.2019 mandated sample testing of each import consignment and no permission for sale unless the quality testing is successful. In case of failure, the consignment is either sent back or destroyed at the cost of the importer.
- 3. Basic Custom Duty (BCD) on Toys (HS Code-9503) was increased from 20% to 60% in February, 2020.
- 4. A Quality Control Order (QCO) for Toys was issued on 25/02/2020, through which toys have been brought under Compulsory Certification from Bureau of Indian Standards (BIS) with effect from 01/01/2021. As per the Order, every toy in the market must conform to the requirements of relevant Indian Standard and bear the Standard Mark under a license from BIS as per Scheme-I of BIS (Conformity Assessment) Regulations, 2018. This order is applicable to domestic manufacturers as well as foreign manufacturers who intend to export their toys to India.

QCO on Toys was amended on 11.12.2020 to exempt goods and articles manufactured and sold by artisans registered with Development Commissioner (Handicrafts), Ministry of Textiles and by registered proprietor and authorized users of a product registered as Geographical Indication (GI) by the Office of Controller General of Patents, Designs and Trademarks.

Special provisions were notified by BIS on 17.12.2020 so as to grant license to micro scale units manufacturing toys without testing facility for one year and without establishing in-house testing facility.

BIS have granted 1114 licenses to domestic manufacturers and 35 licenses to foreign manufacturers for manufacture of toys with BIS standard Marks.

(d): Details of applications received from the State of Maharashtra and Projects assisted under Prime Minister's Employment Generation Programme (PMEGP), which are Micro units related to Toy making activities during the last year is given below:

Year	Received applications	No. of Projects assisted	Margin Money Disbursed (Rs.in lakh)
2021-22	11	5	22.26