

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
RAJYA SABHA**

**UNSTARRED QUESTION NO. 42.
TO BE ANSWERED ON FRIDAY, THE 02ND FEBRUARY, 2024.**

**CREATION OF CONDUCTIVE MANUFACTURING ECOSYSTEM FOR TOY
INDUSTRY**

42. Shri Jaggesh:

Will the Minister of **Commerce and Industry** be pleased to state:

- (a) whether it is a fact that the efforts of Government have enabled in creation of a more conducive manufacturing ecosystem for the toy industry;
- (b) whether Government's effort and the 'Success Story of Made in India Toys' has been able to bring down import of toys significantly;
- (c) whether steps have been taken by Government to further enhance the export of Made in India toys; and
- (d) if so, the details thereof?

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a) to (d):** Government is providing all round support for creating conducive manufacturing ecosystem for the Toys industry. Some of the measures include promoting Made in India toys; 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 and promoting indigenous toy clusters. As a result of the various measures taken by the Government, the manufacturing ecosystem Indian Toy industry has witnessed remarkable growth, leading to substantial decrease of 52% in overall import of toys (HSN Codes 9503, 9504, 9505) from USD 332.55 million in Financial Year 2014-15 to USD 158.7 million in Financial Year 2022-23 and increase of 239% in the exports of toys (HSN Codes 9503, 9504, 9505) from USD 96.17 million in Financial Year 2014-15 to USD 325.72 million in Financial Year 2022-23. Steps taken by the Government to further enhance the exports of Made in India toys are enclosed as Annexure-1.

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE RAJYA SABHA USTARRED QUESTION NO. 42 FOR ANSWER ON 02.02.2024.

Steps taken by the Government to further enhance the exports of Made in India toys

1. Directorate General of Foreign Trade (DGFT) vide Notification dated 02.12.2019 mandated sample testing of each 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.
2. Basic Custom Duty (BCD) on Toys-HS Code-9503 has been increased from 20% to 60% in February 2020, subsequently increased to 70% in March 2023.
3. The Government issued Toys (Quality Control) Order, 2020 on 25.02.2020 through which toys have been brought under compulsory Bureau of Indian Standards (BIS) certification with effect from 01.01.2021. This QCO is applicable to both domestic manufacturers as well as foreign manufacturers who intend to export their toys to India.
4. QCO on Toys was amended on 11.12.2020 to exempt goods and articles manufactured and sold by artisans registered with Development Commissioner, Ministry of Textiles and also by registered proprietor and authorized users of a product registered as Geographical Indication by the Office of Controller General of Patents, Designs and Trademarks (CGPDTM), Govt. of India (GoI).
5. BIS made special provisions on 17.12.2020 to grant license to micro scale units manufacturing toys without testing facility for one year and not to insist on establishing in-house facility. Subsequently, on industry representation, the relaxation has been extended up to a period of 3 years.
6. BIS has granted 1454 licenses to domestic manufacturers and 36 licenses to foreign manufacturers for safety of toys as per IS 9873/IS 15644 as in January 2024.
7. The Government of India developed a comprehensive 'National Action Plan' for Toys in 2020 to boost local manufacturing and incentivize toy and handicraft manufacturers to make India the next global hub of Toys. The 'National Action Plan' is implemented in collaboration with 14 Central Ministries/Departments, including Education, Textiles, Railways, Science and Technology, and Information & Broadcasting. It contains 21 action points across four broad themes — Promoting Trade and Investment, Design and manufacturing of Toys in India, Promoting Indigenous Toys, and Toys as learning resource.
8. Under the recent Free Trade Agreements (FTA) including India-UAE Comprehensive Partnership Agreement (CEPA) and India-Australia Economic Cooperation and Trade Agreement (ECTA), the partner countries are providing zero duty market access for exports of Indian toys.
