

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

LOK SABHA

**UNSTARRED QUESTION NO. 3680.
TO BE ANSWERED ON WEDNESDAY, THE 17TH MARCH, 2021.**

BIS MANDATORY FOR LEATHER & ELECTRICAL GOODS

3680. SHRI THIRUNAVUKKARASAR SU:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has made Bureau of Indian Standards (BIS) mandatory for leather and electrical equipments to curb cheaper imports;
- (b) if so, the details thereof;
- (c) whether any steps are being taken to boost domestic manufacturing of these products under 'Atmanirbhar Bharat Mission' and to reduce dependency on imports;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

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

- (a) & (b):** Yes sir. BIS standards for certain leather and electrical products have been made compulsory by means of Quality Control Orders (QCOs). Quality Control Orders issued for Leather and Electrical equipment are enclosed at Annexure I.
- (c) & (d):** A number of steps have been taken to boost domestic manufacturing of these products under 'Atmanirbhar Bharat Mission' and to reduce dependency on imports. Some of these steps taken by the Government are enclosed at Annexure II.
- (e):** Doesn't arise.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 3680 FOR ANSWER ON 17.03.2021.

S. No.	Quality Control Orders (QCOs) notified
1.	Footwear made from Leather and other materials (Quality Control) Order, 2020
2.	Personal Protective Equipment – Footwear (Quality Control) Order, 2020
3.	Electrical Equipment (Quality Control) Order, 2020
4.	Electrical Transformer (Quality Control) Order, 2015
5.	Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Orders, 2019.
6.	Refrigerating Appliances (Quality Control) Order, 2020
7.	Bureau of Indian Standards Kitchen Appliances (Quality Control) Order, 2018
8.	Bureau of Indian Standards Domestic Water Heater for Use with Liquefied Petroleum Gas (Quality Control) Order, 2018

ANNEXURE REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 3680 FOR ANSWER ON 17.03.2021.

Steps taken by the Government

1. Increase in Basic Custom Duty (BCD) on wet blue chrome tanned leather, crust leather, finished leather of all kinds, including splits and sides from nil to 10%. (Announced in Union Budget 2021)
2. Increase in BCD on imports of footwear from 25% to 35%
3. Increase in BCD on import of parts of footwear from 15% to 20%
4. Increase in BCD on Compressors of Refrigerators and Air Conditioners from 12.5% to 15%.
5. Amendment in import Policy of Air Conditioners with refrigerants from “Free” to “Prohibited”.
6. Leather and footwear and air-conditioners manufacturing have been identified as focus sub-sectors to boost the growth of the sub-sectors in a holistic and coordinated manner.
7. **Production-Linked Incentive (PLI) Scheme:** To provide a major boost to manufacturing, the government has launched Production-Linked Incentive (PLI) Scheme for 13 sectors with an outlay of Rs 1.97 lakh crore over the next five years. It includes White Goods (Air Conditioners and LED Lights) with an outlay of Rs 6238 crore.
8. **Public Procurement Order:** In order to provide purchase preference to domestic manufacturers, Public procurement (Preference to Make in India) Order on Industrial Steam generators/ Boilers dated 29 September 2020 has been issued.
9. **Industrial Information System (IIS):** To address the issue of land availability and identify the preferred location for investment of potential investors, the Government has developed an Industrial Information System (IIS). This system provides a GIS-enabled database of industrial areas including clusters, parks, nodes, zones, etc. across the country. 3500 industrial clusters covering 5lakh hectares from all over the country have been mapped on Industrial Information System (IIS) along with net land area availability.
10. **One District One Product (ODOP)** is an initiative towards realizing the true potential of a district, fuel economic growth and generate employment and rural entrepreneurship, taking us to the goal of AtmaNirbhar Bharat. Leather is one of the identified products under the Scheme.
11. **Measures for businesses including MSMEs**
 - 11.1 Rs 3 lakh crore Emergency Working Capital Facility for Businesses, including MSMEs.
 - 11.2 Rs 20,000 crore Subordinate Debt for Stressed MSMEs.
 - 11.3 Rs 50,000 crore Equity infusion for MSMEs through Fund of Funds.
 - 11.4 **New definition of MSME:**

The definition of micro manufacturing and services unit increased to Rs. 1 crore of investment and Rs. 5 crore of turnover. The limit of small

unit increased to Rs. 10 crore of investment and Rs 50 crore of turnover. Similarly, the limit of a medium unit increased to Rs 20 crore of investment and Rs. 100 crore of turnover. The limit for medium manufacturing and service units was further increased to Rs. 50 crore of investment and Rs. 250 crore of turnover. It has also been decided that the turnover with respect to exports will not be counted in the limits of turnover for any category of MSME units whether micro, small or medium.

- 11.5 Global tenders has been disallowed upto Rs 200 crore, giving preference to domestic suppliers and boost to startups.
- 11.6 **Reliefs through Employee Provident Fund (EPF):** Under Pradhan Mantri Garib Kalyan Package (PMGKP), payment of 12% of employer and 12% employee contributions was made into EPF accounts of eligible establishments. This was provided earlier for salary months of March, April and May 2020. This support was extended for another 3 months to salary months of June, July and August 2020. This provisioned assistance of Rs 4,860 crore to 3.67 lakh establishments, for 72.22 lakh employees.
- 11.7 **EPF contribution reduced for Business & Workers for 3 months-** Under this package the statutory rate of EPF contribution of both employer and employee has been reduced to 10 percent of basic wages and dearness allowances from existing rate of 12 percent for all class of establishments covered under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The reduction in statutory rate of contributions from 12% to 10% for wage months May, 2020, June, 2020 and July, 2020 were notified vide dated May 18, 2020. This scheme was applicable for workers who were not eligible for 24% EPF support under PM Garib Kalyan Package and its extension. Reduction in rate of EPF contributions from 12% to 10% of basic wages and Dearness allowances was provisioned to benefit both 4.3 crore employees/members and employers of 6.5 lakhs establishments to tide over the immediate liquidity crisis during Pandemic situation.
