

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

**UNSTARRED QUESTION NO. 1670.
TO BE ANSWERED ON WEDNESDAY, THE 27TH JULY, 2022.**

TOY INDUSTRY

1670. SHRI SANGANNA AMARAPPA:

DR. UMESH G. JADHAV:

SHRI SHA.BRA.DR.JAI SIDDESHWAR SHIVACHARYA MAHASWAMIJI:

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

वाणिज्य एवं उद्योग मंत्री

- (a) whether Indian toy industry is facing stiff competition from Chinese toys and if so, the details thereof including the steps taken by the Government to increase the domestic production/ reduce imports of toys;
- (b) whether the Government is planning to include toy industry under the Production Linked Incentive (PLI) scheme in the near future;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the details and the value of exports and the percentage growth of this industry in the last three years?

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):** Government is providing all round support to domestic toy industry to make them more competitive. 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.
- Details of some steps taken by Government to increase the domestic production and reduce imports of toys are enclosed at Annexure-A.
- (b) & (c):** No sir. There is no such proposal with Government to include toy industry under Production Linked Incentive (PLI) Scheme at present.
- (d):** Exports of toys have increased by 61.38% in the last three years, from USD 202 Million in Financial Year (FY) 2018-19 to USD 326 Mn in FY 2021-22. The import of toys has reduced by 70% in the last three years, from USD 371 Mn in FY 2018-19 to USD 110Mn in FY 2021-22. The value of exports and import of toys during 2018-19 to 2021-22 are enclosed at Annexure-B.

ANNEXURE-A

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF THE LOK SABHA UNSTARRED QUESTION NO. 1670 FOR ANSWER ON 27.07.2022.

The steps taken by the Government to increase the domestic production, reduce imports of toys

- i. Directorate General of Foreign Trade (DGFT) vide Notification No.33/2015-2020, dated 02.12.2019 has 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.
- ii. Basic Custom Duty (BCD) on Toys-HS Code-9503 has been increased from 20% to 60% in February, 2020.
- iii. The Government has 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. As per the Quality Control Order (QCO), every toy shall conform to the requirements of relevant Indian Standard and bear the Standard Mark under a licence from BIS as per Scheme-I of BIS (Conformity Assessment) Regulations, 2018. This QCO is applicable to both domestic manufacturers as well as foreign manufacturers who intend to export their toys to India.
- iv. Ministry of Education organized Toycathon 21, a unique effort by 6 Ministries & Departments to crowd- source solutions to problems faced by toy industry. Over 1.2 lakh registrants for the event and submitted over 17,000 ideas and 13900 teams formed to win a large number of prizes up to Rs. 50 lakh.
- v. A Virtual Toy Fair 'The India Toy Fair, 2021 (TITF)' was organized from 27th February to 04th March 2021. About 1074 exhibitors from 30 states and UTs covering 68 clusters were on boarded onto the virtual platform. 11 States participated as 'Partner States'. More than 25 lakhs visitors participated in the fair. 103 eminent speakers across the globe attended 41 sessions/webinars.
- vi. Under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI) of Ministry of Micro, Small & Medium Enterprises (MSME), 19 toy clusters have been approved. Out of these 19 clusters, 9 are approved in Madhya Pradesh, 3 in Rajasthan, 2 in Uttar Pradesh, 2 in Karnataka and 1 each in Andhra Pradesh, Maharashtra and Tamil Nadu. These clusters are Kondapalli Wooden Toy Cluster, Channapatna Lacware Toys Cluster, Sagara Woodcrafts Cluster, Toy Cluster Budni, Soft Toys and Sportswear Cluster, Bamboo based Indigenous Toys Cluster, Traditional Indian Bamboo and Wood based toys cluster, Wood based traditional Indian Toys and Associated Fabric Based Accessories Cluster, Bamboo Craft and Bamboo Toys Cluster, Soft Toys Cluster, Indore Mahila Garment Leather Toys and Jute Product Cluster, Wood Based Toys Cluster, Plush Toys Cluster, Wood Craft Cluster, Traditional Indian Fabric based Toys Cluster, Deep Hast Shilp Wooden Toys Cluster, Palm Leaves Toys and Leather Products Cluster, Wooden Toys and Carving Cluster and Lucknow Soft Toys Cluster. These clusters propose to benefit 11,749 artisans with a Government of India assistance of Rs. 55.65 crore.

- vii. Ministry of Textiles has identified 13 clusters across the country with a view for the overall development of cluster artisans. These clusters are located at Channapatna, Kinhal, Kondapalli, Etikopaka, Nirmal, Tanjore, Cudappah, Varanasi Chitrakoot, Jaipur, Dhubri, Bishnupur and Indore.
- viii. DPIIT organized 'Toy Business League' on 4th -5th January 2022 for enabling a meaningful dialogue between innovators and toys manufacturers with a view to creating collaboration opportunities for Toycathon 2021 winners and realizing the vision of designing toys based on Indian values, culture and history.
- ix. Government of India has signed Free Trade Agreement with United Arab Emirates(UAE). India- UAE Comprehensive Economic Partnership Agreement (CEPA) has come into effect from 1st May 2022. Under this agreement UAE provides zero duty market access for exports of Indian toys.

ANNEXURE-B

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF THE LOK SABHA UNSTARRED QUESTION NO. 1670 FOR ANSWER ON 27.07.2022.

Details of Export of Toys during 2018-19 to 2021-22

Values in US\$ Million			
Financial Year	HSN Code 9503	HSN Code 9504	HSN Code 9505
	Other toys, reduced-size models and similar recreational models, etc.	Video Game Consoles and Machines, Articles for funfair, table or parlour games	Festive, carnival or other entertainment articles, including conjuring tricks and novelty joke
2018-2019	109.28	19.82	74.36
2019-2020	129.60	27.42	81.73
2020-2021	141.21	25.84	71.90
2021-2022	177.04	32.27	117.32

Source: Department of Commerce Website

Details of Import of Toys during 2018-19 to 2021-22

Values in US\$ Million			
Financial Year	HSN Code 9503	HSN Code 9504	HSN Code 9505
	Other toys, reduced-size models and similar recreational models, etc.	Video Game Consoles and Machines, Articles for funfair, table or parlour games	Festive, carnival or other entertainment articles, including conjuring tricks and novelty joke
2018-2019	304.08	53.03	14.58
2019-2020	279.25	48.38	16.30
2020-2021	129.63	38.12	10.17
2021-2022	35.88	54.95	18.89

Source: Department of Commerce Website
