CHASE INDIA

A **We. Communications** Company

Understanding Industry Perspective on Quality Control Orders

May 2025

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Acknowledgement

The efforts of several people have gone into making this report a reality. Involvement in various forms, such as direct inputs, thought-provoking discussions, timely reviews, continuous encouragement, and guidance have been crucial throughout the development of this report.

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II

Foreword

As India grows from the 4th largest to the 3rd largest economy in the World, India's goods are on the way to achieve world-class quality. 'Zero-Defect, Zero-Effect' manufacturing is a laudable objective towards a 'Viksit Bharat 2047'. As an example, mobile phone exports from India have grown from ~INR 1,566 crores (~USD 182 million) in 2014-15, to ~INR 1.2 lakh crore (~USD 14 billion) in 2023-24.

Boosting domestic manufacturing would require Indian manufacturers to step up their quality while 'Ease of Doing Business' and logistics efficiency is being improved by Union, State and Local Governments. In trade promotion, Government of India could offer support in terms of preferential trade agreements and preferential tariffs for Indian exports. As an example, Free Trade Agreements (FTAs) have been concluded with Australia, United Arab Emirates (UAE) and most recently, the United Kingdom (UK).

While tariffs and duties are much discussed as barriers to trade, Non-Tariff Barriers (NTBs) are a critical aspect for Indian companies exporting their products to Organisation for Economic Co-operation and Development (OECD) member countries and other markets. Compared to OECD NTBs, India's Quality Control Orders (QCOs) have picked up momentum relatively recently. A large economy like India would certainly aspire to move as much production to domestic value chains as possible, instead of importing too many finished products. Hence QCOs are aimed at enforcing quality in production, as well as in imported components and products.

Notably, around 174 Quality Control Orders (QCOs) for over 730 products have been issued by various Line Ministries of the Government of India, till date. QCOs have emerged as a critical instrument for enhancing product quality, boosting domestic manufacturing, and aligning Indian products with international standards.

To provide an evidence-based approach towards more effective QCOs, Chase India conducted primary research, by engaging with 25 private sector companies producing local and global brands, on issues around QCOs. The conclusions are presented as 'Understanding Industry Perspective on Quality Control Orders'. The report offers recommendations for various processes around the QCO life-cycle, including drafting, implementation, and impact.

For policy-makers and regulators, as well as Indian and global companies interested in 'Make in India', we hope this report contributes to ongoing conversations around India's manufacturing growth and trade competitiveness.

Shailesh K Pathak
Senior Adviser, Chase India;
and Former Secretary General, FICCI

III

Executive Summary

'Make in India' is a key priority for Government of India (GoI) to advance its vision of Viksit Bharat. The GoI is also working in mission mode to develop a robust quality ecosystem within the manufacturing sector, through the introduction of Quality Control Orders (QCOs) for a diverse range of products including electrical components, cement, steel, solar panels, textiles, footwear etc.

The objective of QCOs is to strengthen India's position in the global manufacturing market by upholding stringent quality standards. This will enhance consumer safety, restrict the entry of substandard/ counterfeit products into the Indian market, attract investments, and reduce risks of accidents or loss of life. Additionally, quality products will transform India into a valuable member of the global supply chain, thereby promoting 'Make in India', 'Zero-Effect and Zero-Defect' manufacturing, and *Aatmanirbhar Bharat* goals of the GoI.

While the QCOs are well-intentioned, reports indicate that the industry is facing hurdles in adhering to the quality norms, due to hasty imposition and delayed implementation. The hurdles range from increasing compliance costs to delays in certifications by the Bureau of Indian Standards (BIS) risking job loss, halting expansion plans and drop in foreign investment by foreign companies, innovation barriers, among others.

Accordingly, this report aims to provide an industry perspective on the subject, covering key aspects such as awareness levels, experiences with QCO compliance, adequacy of stakeholder consultations, certification timelines, benefits of QCOs, alignment with GoI policy objectives, impact on business operations, and recommendations for the future. The report is based on the findings from inputs received from 25 industry players, from diverse sectors, including, cement, steel, footwear, and electrical components.

Given below are some of the key findings from the study.

Benefits of QCOs

- Respondents believe there is ~60% likelihood of the QCO objectives being met. Lower likelihood ascribed to objectives like sustainable production of goods and fostering innovation in products.

QCO Consultation Process

- Over 50% respondents claimed pre-draft consultations were held; however, few claimed the same for post-draft consultations. A low average score of 2.75 out of 5 given to satisfaction levels with the consultation process.

BIS Application Status

- Most domestic factories have received BIS certification. In contrast, most foreign factories are awaiting factory inspection by the BIS.

Compliance Challenges

- Cost and Technical complexities are the most common pain points for domestic factories. Time constrainsts, i.e., delay in certification and operational hurdles, are most common pain points for foreign factories.

Perceived Impact of QCOs

- Approximately 60% respondents perceive the impact of QCOs to be significantly negative or moderately negative. Inventory management, legacy stock, and value chain disruption were the most cited adverse impact of the QCOs. The risk of being unable to meet demand was one of the most cited adverse impacts on business operations.

In light of the above, industry players made the following suggestions:

- Adequate transition periods, hand holding, necessary support, and capacity building opportunities should be provided, especially for Small and Medium Enterprises, and foreign manufacturers, to ensure smooth compliance without operational disruptions.
- International certifications like International Organization for Standardization (ISO) should be considered as alternatives to BIS certification for foreign factories to reduce redundant testing and compliance costs. Inconsistencies between the two should also be avoided.
- Premium products maintaining higher quality standards should be considered for exemption from BIS certification, with strict eligibility criteria.
- A more inclusive regulation making process with broad industry engagement may be adopted to help identify challenges early, improve compliance feasibility, and ensure smoother QCO implementation.
- Clear and consistent certification timelines should be communicated and adhered to, to enhance predictability and reduce uncertainty for manufacturers.
- A one size fits all approach may not work for QCOs across all sectors. Each sector has unique characteristics, including domestic manufacturing capabilities, integration with global supply chains, and industry-specific challenges, which must be taken into account while drafting and implementing QCOs.

Other recommendations to smoothen formulation and implementation of QCO norms include:

- Establishing sector-specific working groups to address nuanced challenges.
- Strengthening the BIS with additional manpower and resources, for timely factory audits, especially foreign factories.
- Consulting State Governments to tailor QCOs to regional industry requirements, and complementing QCOs with other policy measures such as Production-Linked Incentives (PLIs).
- Conducting Cost-Benefit Analysis (CBA)[1] to evaluate industry readiness.

Summing up, while QCOs are a crucial step towards enhancing product quality and consumer trust, gaps in implementation—such as certification delays and limited stakeholder engagement—have created operational challenges. A recalibrated framework with clear timelines and inclusive consultations is essential to ensure smooth compliance and support industry growth.

[1] *A cost-benefit analysis is a process used to measure the benefits of a decision or action minus its associated costs to determine whether it is worthwhile. This analysis is done to ensure that a decision does not cause more harms than benefits.*

1

Introduction

1.1 Background and Context

GoI has been working to propel the domestic manufacturing sector, through various regulations, policies, and initiatives. Notable among these are 'Aatmanirbhar Bharat' (or Self-Reliant India), 'Make in India, Make for the World', 'Zero Defect, Zero Effect' manufacturing, Ease of Doing Business (EoDB), among others. These are focussed on boosting domestic manufacturing capabilities, ensuring sustainable manufacturing practices, enhancing export competitiveness of manufacturers, and providing an enabling regulatory and policy environment for manufacturers.

GoI has also been working in mission mode to develop a robust quality ecosystem in India, with a focus on superior and safety compliant products. Against this backdrop, GoI has also introduced Quality Control Orders (QCOs) on range of products, from different sectors, such as toys, tyres, cement, footwear, steel, paper, among many others.

QCOs strive to strengthen the quality standards of 'Made in India' products, and restricting the circulation of sub-standard products. This is expected to be crucial for establishing India as a manufacturing powerhouse and acquire a greater share of the global manufacturing market, as well as position Indian products synonymous with best-in-class products.[2] It is also envisaged to attract foreign investments and integrate domestic manufacturers with global supply chains. GoI objectives of implementing QCOs have been given below in Figure 1.

QCOs make it mandatory for applicable products or product categories, to comply with Indian Standards, as set by the Bureau of Indian Standards (BIS), which serves as the National Standard Body of India. After the date of commencement of the QCO, non-compliant products are prohibited from being manufactured, imported, distributed, sold, stored or exhibited for sale.[3]

QCOs are notified by concerned Ministries/ Departments. For instance, the Department for Promotion of Industry and Internal Trade (DPIIT) has notified QCOs for plywood, electric water heaters, footwear, desert coolers etc. Similarly, the Ministry of Textiles has notified QCOs for geosynthetics, fibre ropes etc.

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[2] *Govt. of India working in mission mode to develop robust quality ecosystem in India, available at: https://pib.gov.in/PressReleasePage.aspx?PRID=2000472*

[3] *Guidance Document on Quality Control Orders (QCOs), available at: https://www.bis.gov.in/wp-content/uploads/2021/07/Guidance-document-on-QCOs-Revised-1.pdf*

Figure 1: GoI's Envisaged Benefits and Objectives of QCOs

1.2. QCOs and Trade

While tariffs have become a major point of contention internationally amid the United States (US) hiking tariffs on its trading partners, India's Non-Tariff Barriers (NTBs) have also received international attention for their potential impact on trade. Several trading partners of India have raised concerns related to the QCOs being a potential NTB at various international forums and trade negotiations.

The US Trade Representative (USTR) report on Foreign Trade Barriers has highlighted several concerns with the QCOs, alleging that they do not fully align with international standards, include burdensome requirements, and lack clear timelines. They have also emphasized concerns surrounding inadequate stakeholder consultations before implementation of QCOs, and specific issues with respect to the QCOs on chemicals. These concerns have been raised by the US bilaterally and over the World Trade Organization (WTO).[4]

In 2023, countries such as Canada, Japan, United Kingdom (UK) and the European Union (EU), termed the QCOs "protectionist in nature", and not in compliance with WTO norms. It was alleged that QCOs are tools employed by the GoI to protect its domestic industry,[5] and are exclusionary for foreign suppliers.

Additionally, in 2024, Thailand and Indonesia brought up their grievances with the QCOs at a WTO meeting on market access, claiming that the orders are too restrictive and hurt their exports. They called the delays in granting standard marks and import licenses, and delays in BIS inspections as effectively being import prohibitions.[6]

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[4] *2025 National Trade Estimate Report on Foreign Trade Barriers, available at: https://ustr.gov/sites/default/files/files/Press/Reports/2025NTE.pdf*

[5] *Canada, Japan, UK, EU question India's quality control orders at WTO, available at: https://www.thehindubusinessline.com/economy/canada-japan-uk-eu-question-indias-quality-control-orders-at-wto/article66710709.ece*

[6] *Thailand, Indonesia flag India's quality control orders on certain goods in WTO meet, available at: https://www.deccanherald.com/world/thailand-indonesia-flag-indias-quality-control-orders-on-certain-goods-in-wto-meet-3303895*

Furthermore, India and the EU are amid discussions to sign a Free Trade Agreement (FTA). Notably, the EU has sought a relaxation in the implementation of the QCOs,[7] with EU firms claiming that the orders limit expansion of trade.[8]

In light of the above, it becomes pertinent to understand the industry's (domestic and foreign) perspective on QCOs. This will provide a wholistic picture on the overall impact of the QCOs. Ultimately, this can help Indian policymakers in assessing the common issues being highlighted by the industry and other jurisdictions and evaluate potential changes to foster India's quality landscape while ensuring the QCOs do not serve as a barrier to trade.

1.3. About the Study

Despite the GoI's well-intentioned push for QCOs, concerns have been raised regarding the implementation of QCOs. Several industry voices, as well as media reports, have alleged lack of adequate stakeholder consultation before imposing QCOs, delays in factory inspections and certification, lack of visibility on certification timelines of already audited factories, disruptions in supply chains, preferential treatment of domestic manufacturers, QCOs serving as NTBs to trade and increase in business costs.

If not addressed effectively, these challenges can have unintended adverse consequences such as high compliance costs for businesses, delays in manufacturing and imports, loss of industry competitiveness, potential retail and manufacturing job losses, deter foreign investments, stifle innovation, and limit consumer choices.

In light of the above pros and cons of QCOs and its implementation, this study aims to present an industry perspective on the subject, on various parameters like level of awareness, experiences of the QCO compliance process, adequacy of the consultations, certification timelines, benefits of QCOs and contribution to policy objectives of the GoI, impact of QCO on business operations, as well as recommendations for the way forward.

The report is based on the findings from inputs received from 16 industry players, from diverse sectors, including, cement, steel, footwear, electrical components, among others. Please note, not all respondents answered all questions. The corresponding number of respondents for each question has been provided in the footnotes. Inputs were taken vide a structured questionnaire, containing close-ended and open-ended questions, as well as questions allowing single and multiple choices (MCQ). The questionnaire was administered online, via Survey Monkey. The detailed respondent profile has been discussed in the subsequent section.

Findings from the industry interaction will help in providing recommendations to the GoI, on achieving a delicate balance between ensuring product safety, fostering domestic manufacturing, and ensuring EoDB, which is imperative for the success of QCOs in efficiently achieving its laudable objectives.

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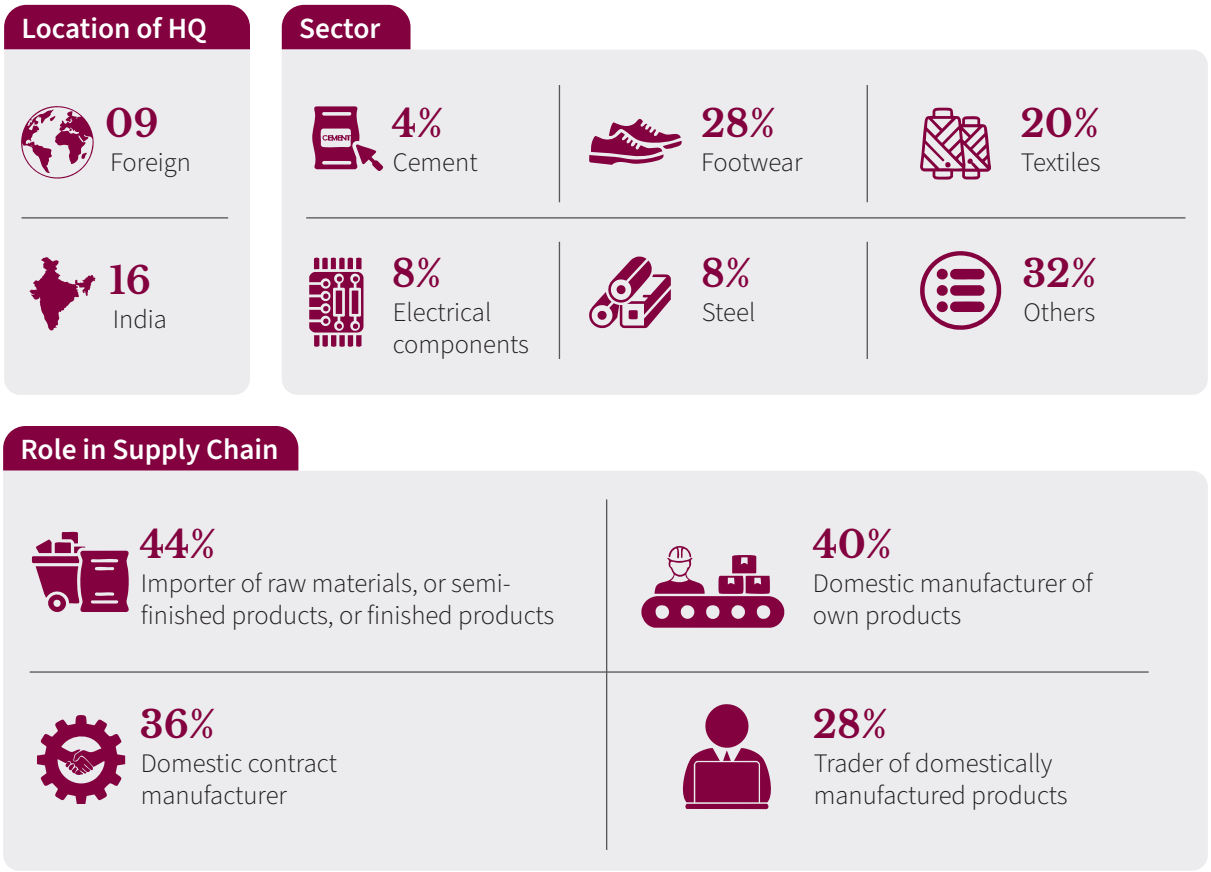
[7] *Economic Times, India-EU talks may focus on easing quality control, energy cooperation, available at: https://economictimes.indiatimes.com/news/india/india-eu-talks-may-focus-on-easing-quality-control-energy-cooperation/articleshow/118824014.cms?from=mdr*

[8] *Federation of European Business in India, FEBI Business Sentiment Survey 2025: EU Companies Confident in India's Growth Potential, available at: https://febi.co.in/wp-content/uploads/2025/03/Press-Release_BSS-Launch_vFF.pdf*

1.4. Respondent Profile

Efforts were made to ensure a diversity in the industry players reached out to for inputs, on parameters such as location of Head Quarter (HQ) of the organization, role of the organization in the supply chain,[9] as well as sector of operation. Given in Figure 2 below is a breakdown of the respondent profiles.

Figure 2: Respondent Profile



[9] *Question: In what capacity are the QCOs applicable on you? (MCQ). Some respondents claimed to be having multiple roles in the supply chain. For instance, some were importers and traders. Hence the total percentage may be greater than 100%. (25 respondents answered this question.)*

2

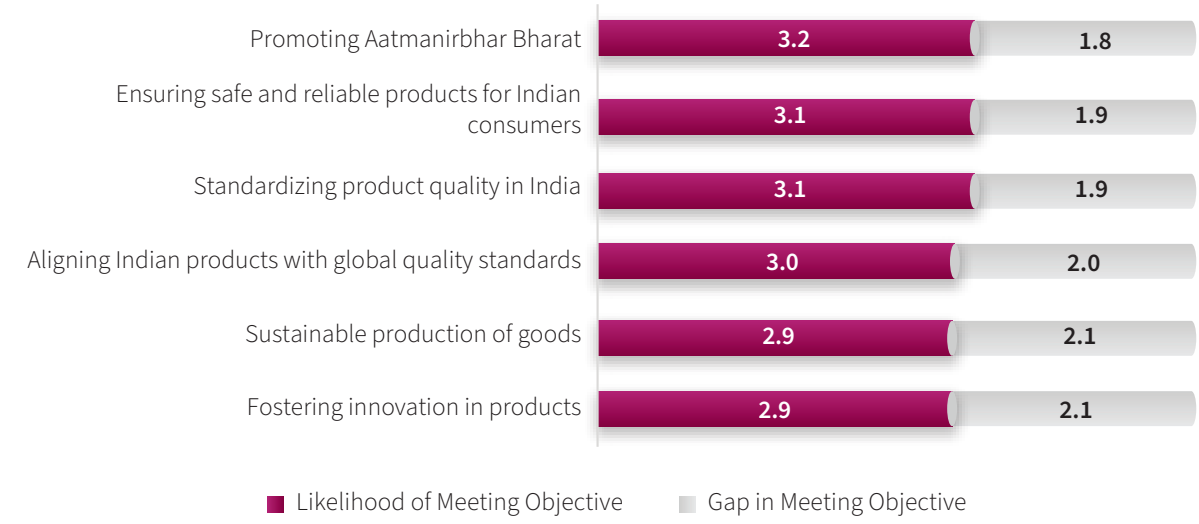
Benefits of QCOs and Perceptions on Policy Making Process

2.1. Benefits of QCOs

While the GoI envisages many benefits to accrue from the implementation of QCOs (as mentioned in the previous chapter), industry players have a different perception of the realisable benefits emanating from them. Given in Graph 1 below is the perceived likelihood of achieving the different possible benefits of QCOs. As is visible, respondents perceive that there is only ~60% likelihood of the objectives of QCOs being met.[10] Notably, objectives like fostering innovation, aligning Indian products with global standards, and promoting Aatmanirbhar Bharat, were perceived to have an even lower likelihood.

Graph 1: Likelihood of QCOs Meeting their Envisaged Objectives

Respondents were asked to rate the likelihood on a scale between 1 to 5, wherein 1 = least likely and 5 = most likely.



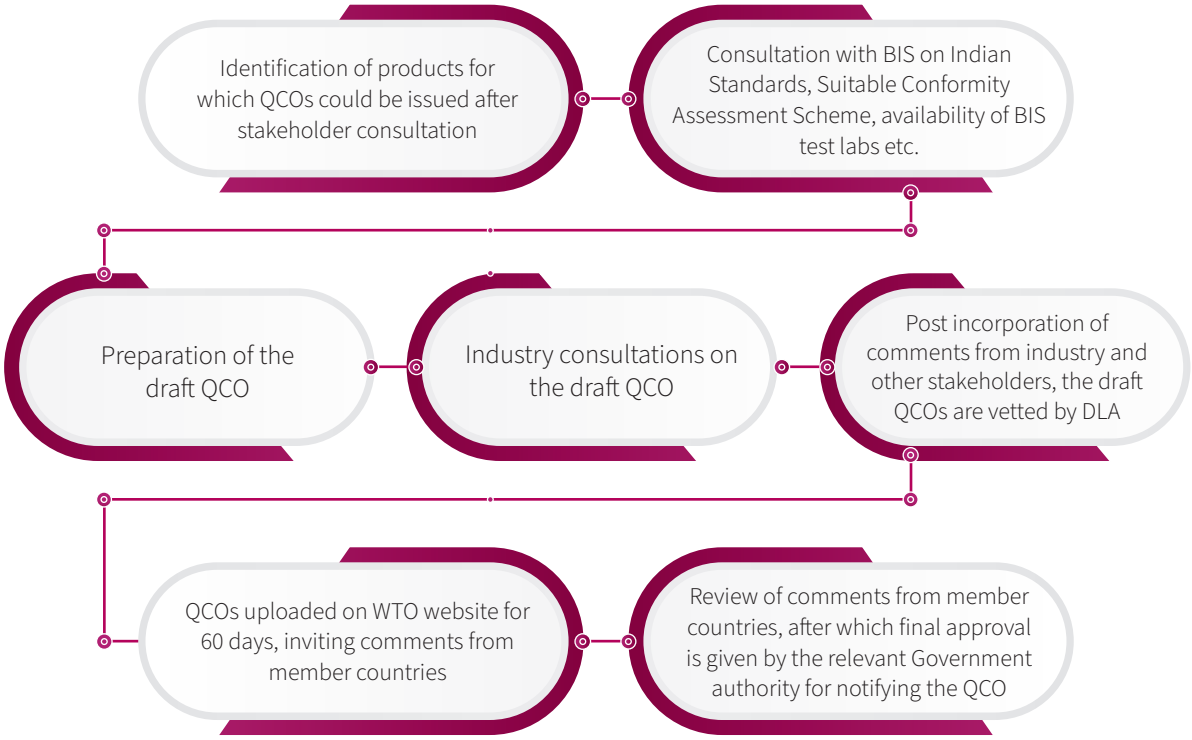
[10] *Question: The objective of the QCOs is to align Indian products with global standards amidst rising consumer demand for safe, reliable and innovative goods. In your opinion, what is the likelihood of the following envisaged objectives/ benefits being achieved? (Respondents were asked to rate the likelihood on a scale between 1 to 5, wherein 1 = least likely and 5 = most likely. The average score received was converted to percentage.) (16 respondents answered this question.)*

2.2. QCO Making Process and Industry Satisfaction with the same

The issuance of QCOs is an extensive exercise encompassing consultations with BIS, industry stakeholders, and other relevant stakeholders. Typically, the process starts with the identification of products for which QCOs could be issued, with stakeholder consultation. Post the identification, the BIS is consulted on various aspects including, Indian Standards, Suitable Conformity Assessment Scheme,[11] availability of BIS test labs or BIS recognized Test Labs and Product Manual. This is followed by the preparation of draft QCO, on which consultations are held with the industry and relevant stakeholders.

Post the consideration and incorporation of comments from the industry, the draft QCOs are vetted by the Department of Legislative Affairs (DLA). Subsequently, the QCOs are uploaded on the World Trade Organisation (WTO) website for 60 days, inviting comments from WTO member countries. This is done to make sure that the orders are in line with the WTO Technical Barriers to Trade (TBT) Agreement, which aims to ensure that technical regulations, standards and conformity assessment procedures are non-discriminatory and do not create unnecessary obstacles to trade.[12] Comments from member countries are examined and reviewed, after which the final approval is sought from the relevant Central Government authority for notifying the QCO.[13] The process has been depicted in Figure 3 below.

Figure 3: Process of issuing QCOs



The GoI has claimed to be committed to having regular consultations with industry members, sectoral associations, and relevant stakeholders to ensure that the QCOs being issued are attuned with their needs and requirements.

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[11] *The Conformity Assessment process demonstrates whether a product, service, process, claim, system or person meets the relevant requirements laid down in standards. India has ten different kinds of conformity assessment schemes based on the types of goods and articles involved.*

[12] *Govt. of India working in mission mode to develop robust quality ecosystem in India, available at: https://pib.gov.in/PressReleasePage.aspx?PRID=2000472#:~:text=Post%20the%20incorporation%20of%20comments,authority%20for%20notifying%20the%20QCO*

[13] *Govt. of India working in mission mode to develop robust quality ecosystem in India, available at: https://pib.gov.in/PressReleasePage.aspx?PRID=2000472#:~:text=Post%20the%20incorporation%20of%20comments,authority%20for%20notifying%20the%20QCO*

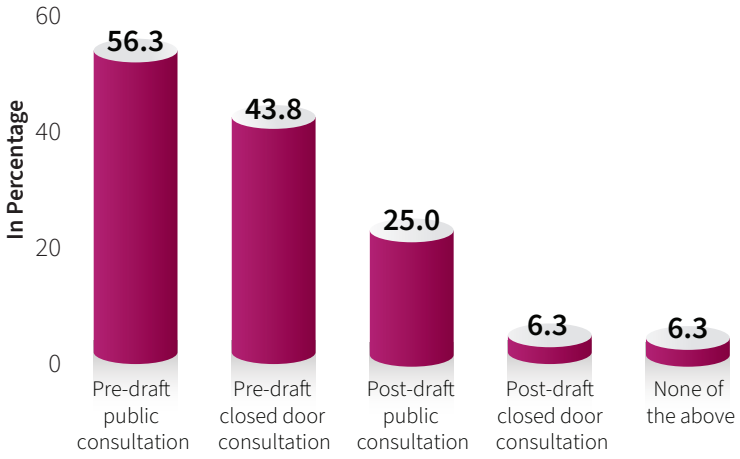
While the process appears to be exhaustive, findings from the survey reveal that aspects pertaining to industry consultations were not always inclusive and/ or adequate. Given in Graph 2 below are responses received from the industry on the pre and post consultations held with them, in the QCO making process, in their respective sectors. These include the below.

- Pre-draft consultation, i.e., before the law has been drafted. This helps in ensuring that laws and policies are transparent, effective, inclusive, and responsive to the needs of the public, leading to a more refined and effective final product.
    - Public consultation, through open-house discussions, inviting written submissions etc. This open approach encourages inclusive participation by enabling diverse voices to shape regulations at an early stage. It also ensures that proposed regulations are informed by real-world experiences.
    - Closed door consultation, i.e., with industry players/ association or other stakeholders, through meetings, or inviting presentations etc. This approach allows for more candid, and technical discussions, enabling industry experts to share practical challenges, suggest creative solutions, and address potential regulatory impacts before formal drafts are prepared.
- Post-draft consultation, i.e., after the draft has been prepared. They allow legislation and policies to be refined by incorporating diverse perspectives and feedback, leading to improvements in clarity, accuracy, and effectiveness. Like pre-draft consultations, these can also be public or closed door in nature.

As can be observed from the below, while ~50% respondents claimed that the pre-draft consultations were held, few respondents claimed the same for post-draft consultations.[14] This underscores the inadequacy of stakeholder consultations during the QCO drafting process. Such inadequacy is reflected in low satisfaction levels with the consultation process, on aspects of inclusivity, openness, and adequacy, which received an average score of 2.75 out of 5, as depicted in Graph 3.[15]

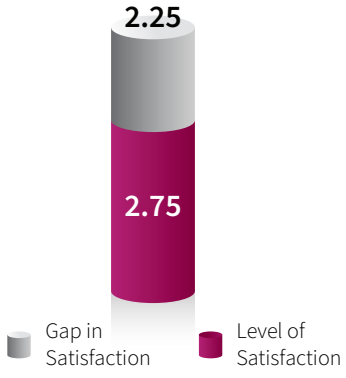
Graph 2: Industry Consultations held in the QCO Making Process

The total is greater than 100% because respondents were allowed to choose multiple options



Graph 3: Satisfaction with Consultation Process

Respondents were asked to rate the satisfaction on a scale between 1 to 5, wherein 1 = least satisfied and 5 = most satisfied.



[14] *Question: Were the following aspects of stakeholder consultation conducted by BIS or the sector specific ministry/ department, before releasing the QCOs? (MCQ) (16 respondents answered this question.)*

[15] *Question: On a scale of 1 to 5, how satisfied were you with the inclusivity, openness, and adequacy of the consultation process on QCOs? (Respondents were asked to rate the level of satisfaction on a scale between 1 to 5, wherein 1 = least satisfied and 5 = most satisfied.) (16 respondents answered this question.)*

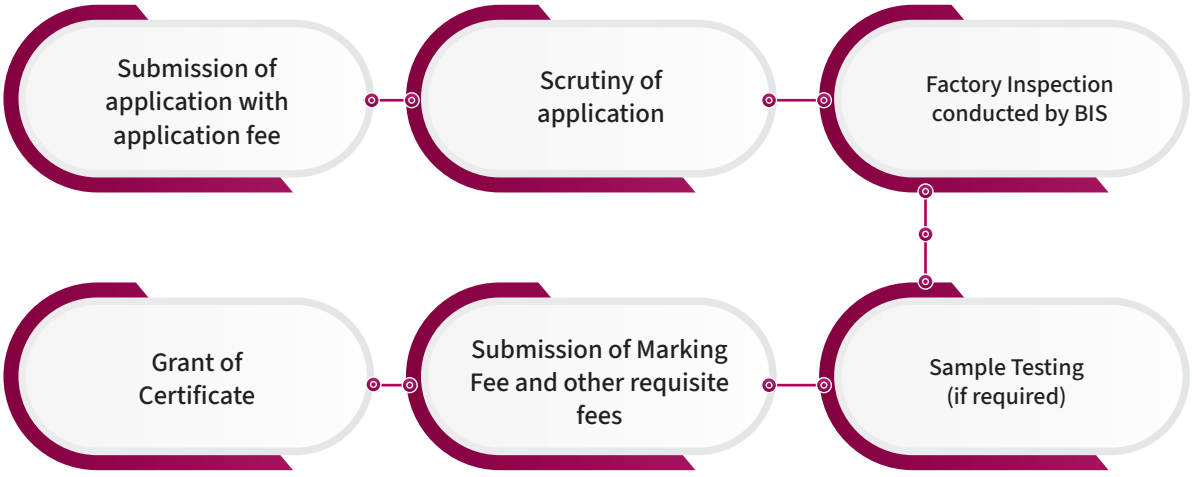
3

BIS Application Status and Process

3.1. Status of BIS Application

The BIS is responsible for ensuring the quality, stability, and reliability of products for end users. It ensures that products comply with Indian standards before they enter the market. Herein, it assesses the manufacturing infrastructure, production process, quality control and testing capabilities of a manufacturing facility. Based on a successful assessment, it grants the license/ certification to the manufacturing facility. Below is a high-level overview of the BIS certification process.[16]

Figure 4: Overview of the BIS Certification Process



Responses from industry players indicates significant variation in the statuses of BIS certification between domestic and foreign factories. Most domestic factories have received BIS certification, as depicted in Graph 4.[17] However, most respondents claimed that their foreign factories are still stuck awaiting factory inspection by the BIS, with many stakeholders still in the application or pending stages. This disparity highlights challenges in navigating the certification process for foreign factories particularly.

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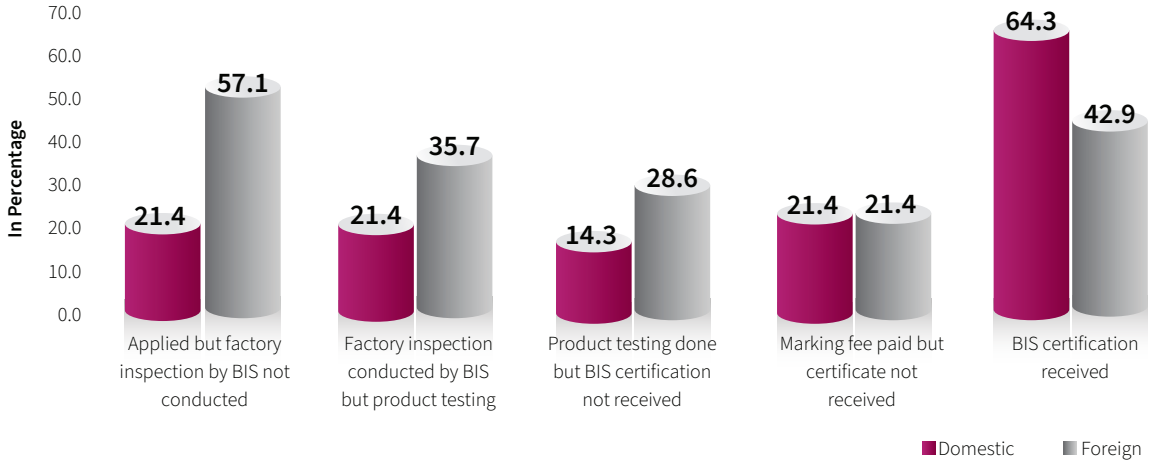
[16] *Product Certification Process, available at: https://www.bis.gov.in/product-certification/product-certification-process/; FMCS Certification Process, available at: https://www.bis.gov.in/fmcs/certification-process/grant-of-licence/*

[17] *Question: Have you (including your suppliers) applied for and received the BIS certification required for complying with the QCOs for domestic/ imported products or raw material? (The percentage of the responses do not total to 100%, nor do the total responses total to the number of respondents, since each respondent could possibly be having multiple domestic and foreign factories.) (14 respondents answered this question.)*

Graph 4: Status of BIS Application

Since each respondent could possibly be having multiple domestic and foreign factories, the percentage of responses do not total to 100%, nor are total responses equal to the number of respondents.



3.2. Time taken for BIS Certification

BIS primarily issues two types of quality certifications, i.e., Foreign Manufacturer Certification Scheme (FMCS), and Domestic Manufacturer Certification Scheme (DMCS), among others.

The timeline of certification is different for both the schemes. Average time taken for grant of licence in FMCS is generally six months from the date of receipt of complete application and its recording. The timeline might vary for reasons like delay in response to queries raised, inspection time, collection and transportation of samples and remittance of dues, etc.[18] However, the average time taken for grant of license for domestic manufacturers usually ranges from one month to four months.[19]

In line with the above, industry players claimed that the time required to obtain BIS certification varies significantly, with foreign factories often experiencing prolonged delays. Given in Graph 5 below, is the perceived timeline of receiving BIS certification for domestic and foreign manufacturers.[20]

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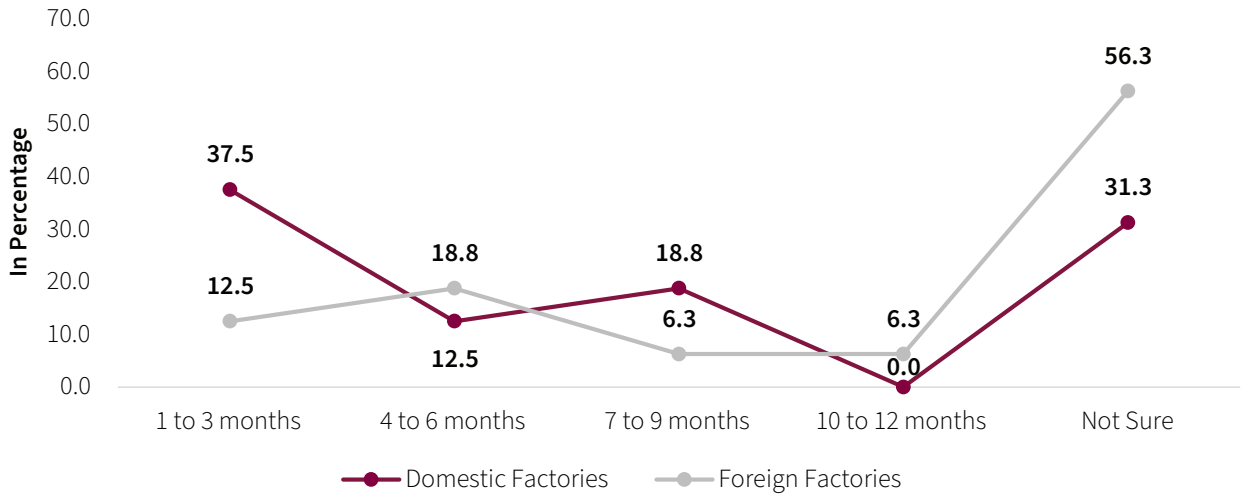
[18] *FMCS: Frequently Asked Questions, available at: https://www.bis.gov.in/fmcs/fmcs-faqs/?lang=as*

[19] *Product Certification: Frequently Asked Questions, available at: https://www.bis.gov.in/product-certification/product-certification-faq/?lang=bn*

[20] *Question: Are you aware of any specific timelines for the disposal of applications by BIS for domestic/ foreign factories? (16 respondents answered this question.)*

Graph 5: Perceived Timeline of BIS Certification

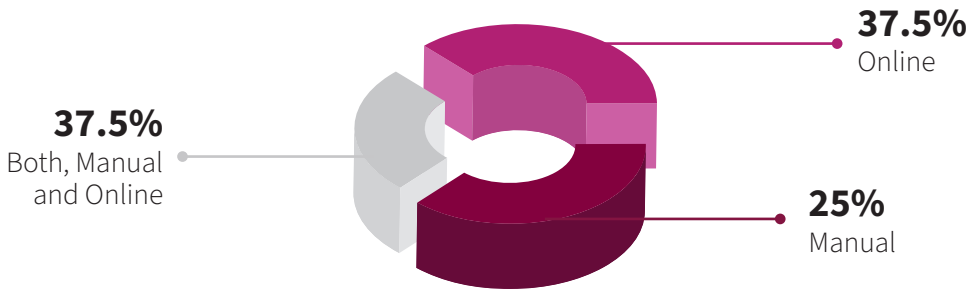


As is evidently visible, there is substantial lack of clarity on the timeline for BIS certification, given that most respondents were unaware of the timeline. Also, a substantial number of respondents perceived that domestic manufacturers receive BIS certification within 3 months of application.

3.3. Process of BIS Application

Apart from the lack of clarity on the timeline of BIS certification, respondents also showed variance in awareness towards the process of applying for BIS inspection and certification, i.e., whether the same is manual, or online, or offers both options. This is visible in the adjoining Graph 6.[21]

Graph 6: Process of BIS Application



This demonstrates the lack of clarity amongst industry players on the process of BIS application.

Accordingly, there appears to be a need for building awareness amongst industry players. Furthermore, as majority of the respondents believed that the process is manual, this further highlights the need for digitising the process and promoting EoDB.

Furthermore, it is to be noted that there remains an uneven playing field between domestic and foreign applicants for BIS certification, given that foreign players under FMCS have to submit their applications manually at BIS headquarters in Delhi,[22] as opposed to domestic manufacturers, who have the option of submitting the application online.[23]

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[21] *Question: Is the BIS application process for factory inspection and certification, online or manual? (16 respondents answered this question.)*

[22] *FMCS: How to apply, available at: https://www.bis.gov.in/fmcs/certification-process/how-to-apply/*

[23] *Guideline 2 and Annexure VIII, Guidelines for Grant of Licence, available at: https://www.bis.gov.in/wp-content/uploads/2025/02/GrantofLicence-Guidelines-04Feb2025.pdf*

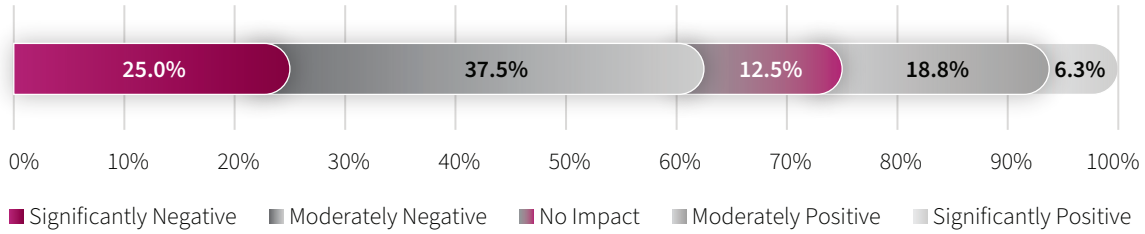
4

Impact of QCOs

4.1. Perceived Impact of QCOs

Despite the laudable intentions and objectives of the GoI for introducing QCOs, the industry claims to be overall adversely impacted by QCOs, with over 60% respondents choosing the option of significantly negative or moderately negative impact.[24] This has been depicted in Graph 7 below.

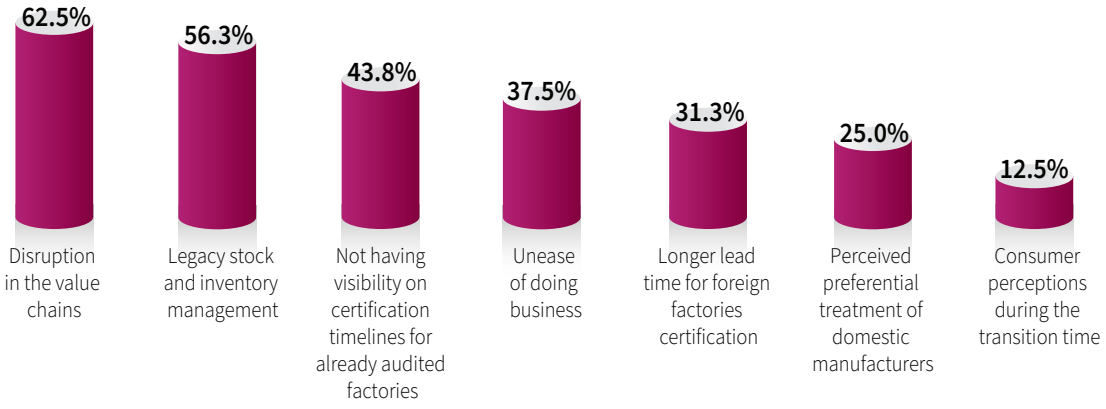
Graph 7: Perceived Overall Impact of QCOs on Business Operations



The questionnaire delved deeper into the reasons for such perceived adverse impact of QCOs, on business operations. Several reasons emerged, which have been depicted in Graph 8 below.[25] The most prominent among these were inventory management issues and supply chain disruptions.

Graph 8: Adverse Impact of QCOs

The total is greater than 100% because respondents were allowed to choose multiple options (MCQ)



[24] *Question: Broadly, what has been the impact of QCOs on your business operations? (Respondents had the option of choosing from Significantly Negative to Significantly Positive impact.) (16 respondents answered this question.)*

[25] *Question: Did your organization face or risks facing any of the following adverse impact on account of the QCOs? (MCQ) (16 respondents answered this question.)*

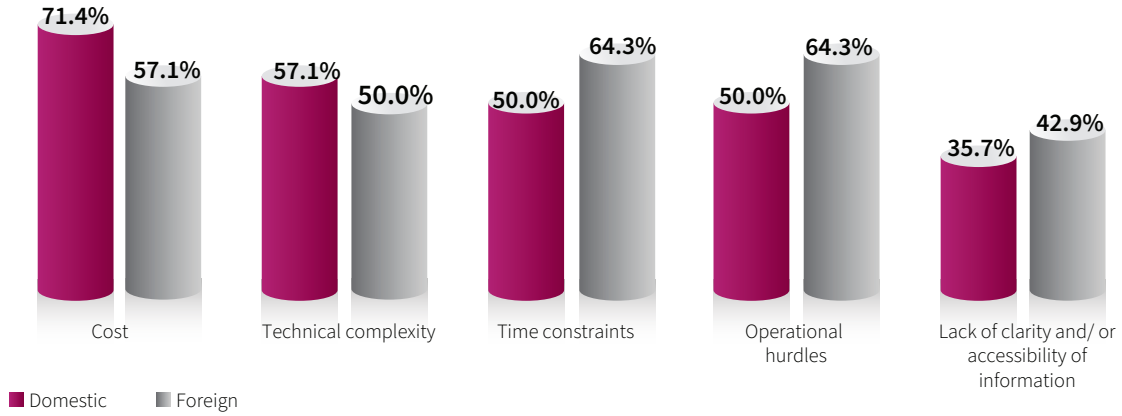
Notably, challenges in complying with QCOs were also found to be varied between foreign and domestic factories, on various parameters as given below.

- Time constraints, i.e., delay in certification, despite timely application for the same.
- Cost, i.e., high cost involved in the application, testing, and certification process.
- Technical complexity, i.e., extensive testing requirements of products, further compounded by the intricacies of managing paperwork, record-keeping, and reporting obligations.
- Operational hurdles, i.e., cumbersome procedures, including physical verifications and on-site visits to manufacturing facilities.
- Lack of clarity and/ or accessibility, of information provided by the GoI on QCOs.

As is visible in Graph 9 below,[26] cost and technical complexities are the most common pain points for domestic factories, thereby becoming counter-intuitive to the GoI's push towards Make in India and Aatmanirbhar Bharat. Furthermore, time constraints and operational hurdles are the most compelling challenge for foreign manufacturers.

Graph 9: Challenges Faced in Complying with QCOs

Since each respondent could possibly be having multiple domestic and foreign factories, the percentage of responses do not total to 100%, nor are total responses equal to the number of respondents.



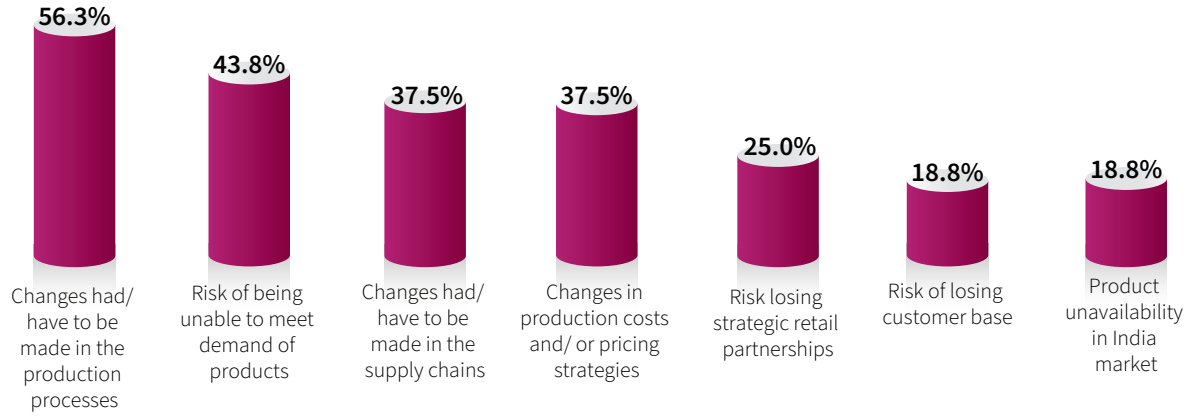
[26] *Question: Did you face any of the below challenges in complying with the QCOs for domestic or imported products or raw materials? (The percentage of the responses do not total to 100%, nor do the total responses total to the number of respondents, since each respondent could possibly be having multiple domestic and foreign factories.) (14 respondents answered this question.)*

4.2. Perceived Implications of QCOs on Business Operations

The challenges mentioned above risk disrupting the business operations of the industry. Changes have been made or have been proposed to be made in business operations in response to overcome the challenges posed by QCOs. These have been captured in Graph 10 below.[27] Most prevalent change pertains to the production process, followed by the risk of being unable to meet demand.

Graph 10: Changes in Business Operation due to QCOs

The total is greater than 100% because respondents were allowed to choose mutliple options (MCQ)



Given that some respondents claimed to be at risk of being unable to meet consumer demand, or their products becoming unavailable in the Indian market, concerns emerge towards ensuring adequate consumer choice in different product categories. Notably, reduction in consumer choice, not only harms consumer welfare, but can also lead to competition concerns in case the number of suppliers of a particular product are restricted to a few from the many at present.

[27] *Question: What changes have you made or propose to make, due to the QCOs? (MCQ) (16 respondents answered this question.)*

5

Industry Specific Nuances

The GoI has claimed to be been successful in the introduction and implementation of QCOs in certain sectors, like toys. This has encouraged the GoI to aggressively pursue QCOs in other product categories. However, despite best intentions, implementation of QCOs in other product categories do not appear to be success stories for the GoI, thus far.

Each industry has its own nuances, with respect to existing domestic manufacturing capabilities and capacities, maturity of component manufacturing ecosystem, level of integration with global supply chains, among other. Accordingly, a one size fits all approach should be avoided while finalizing QCOs for such sectors. Given below is a brief overview of key product categories, in which QCOs have been notified and implemented.

5.1. Toy Industry

QCOs for toys was issued in 2020 and came into effect in 2021, after extensions in compliance deadline were provided to the industry.[28] Till 2023, BIS had granted a staggering 1,114 licenses to domestic toy manufacturing units, while only 35 licenses to foreign toy manufacturing units were given in the same period.

Resultingly, the imports of toys into India have been on a Year a Year (YoY) declining trend. Between the period on 2014-2015 to 2021-2022, import of toys (under HSN Codes 9503, 9504, 9505) decreased from USD 332.55 million to USD 109.72 million, showcasing a decrease of ~67%. Notably, BIS has also been proactively conducting search and seizure exercises, in which over forty-one thousand non-compliant toys were seized, till 2023, from across the country, including major airports, ports and shopping malls.

[28] *Extension of date of implementation of Toys (Quality Control) Order, 2020, available at: https://pib.gov.in/PressReleasePage.aspx?PRID=1654860&utm*

Furthermore, the QCOs were also complemented by a series of other measures, to provide impetus to the industry. These included formulating a comprehensive National Action Plan for Toys to promote designing of toys based on Indian values, culture and history; organizing hackathons and grand challenges for toy designing and manufacturing; promoting indigenous toy clusters; boost local manufacturing and incentivize toy manufacturers to promote Made in India toys; and increase in Basic Customs Duty (BCD) on Toys from 20% to 70%.[29]

Key takeaways

- Extensions need to be provided based on industry readiness.
- QCO is not a silver bullet, and other policy measures need to be taken for fostering growth of the industry. However, if implemented right, QCOs have the potential of help reducing import dependency, and spurring domestic manufacturing.

5.2. Tyre Industry

QCOs for the tyre industry had been in force since 2009. However, exemptions from the QCO were given for certain types of tyres – not manufactured domestically and had to be imported by the Original Equipment Manufacturers (OEMs) for selling in the replacement market. This approach was intended to ensure access to essential and specialized types of tyres that are not locally produced.

To manage these exemptions, an Inter-Ministerial Committee (IMC) was constituted to finalize the list of such tyres. The IMC has periodically revised the list of such tyres, and over the years, provided exemptions for tyres imported for Research and Development (R&D) purposes,[30] as well tyres imported for benchmarking, homologation and calibration purposes.[31] However, this periodic revision process created compliance challenges for manufacturers, as they had to constantly adapt to the changing regulatory landscape, leading to uncertainty and operational unpredictability.

At the same time, the Directorate General of Foreign Trade (DGFT) began placing additional restrictions on import of certain types of tyres by placing them under the 'Restricted Category', which requires importers to apply for an Import Licence for the type of tyres covered.[32]

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[29] *Center's intervention against substandard items led to 67% decline in imports of Toys, available at: https://pib.gov.in/PressReleseDetailm.aspx?PRID=1910066&utm=&reg=3&lang=1*

[30] *Office Memorandum No. 16(72)/2005-LR by the DPIIT, available at: https://www.atmaindia.org.in/wp-content/uploads/2018/03/rd-tyres.pdf*

[31] *Office Memorandum No. 16(12)/2012-LR by the DPIIT, available at: https://www.atmaindia.org.in/wp-content/uploads/2018/03/benchmarking.pdf*

[32] *DGFT Notification No. 12/2015-20, available at: https://content.dgft.gov.in/Website/Notification%2012%20dated%2012.06.2020_0.pdf; and DGFT Import Policy*

This dual-layered regulatory framework, combining QCO exemptions and import restrictions, posed further hurdles for manufacturers seeking to balance production efficiency with regulatory compliance. Therefore, in response to the industry feedback and considering the industry's overall growth, the Ministry of Commerce and Industry proposed to exempt tyre manufacturers, committing to invest in India in brownfield or greenfield projects for manufacturing tyres, falling under the Restricted List of the DGFT.[33]

This move proved successful, with leading global tyre makers reportedly committing to invest over INR 1,100 crore in India to set up or expand their manufacturing facilities in a time-bound manner.[34]

Key takeaways

- It is sometimes imperative to constitute IMCs/ multi-stakeholder Working Groups (WGs), while implementing QCOs in certain sectors.
- QCOs need to be supported by other incentives, for the industry to invest and Make in India.
- Industry consultations and buy-in is imperative for the success of policy initiatives.
- Investments from industry players usually comes in a time-bound or phased manner.

5.3 Footwear Industry

QCOs were implemented for a range of footwear products in 2024, after multiple extensions since 2022. However, the footwear industry (especially foreign brands) is still believed to be reeling from delays in BIS certification as manufacturers continue to wait for factory inspections by officials.[35] These delays have reportedly disrupted the import of stock and threatened business continuity for foreign brands in India, who must contend with empty store shelves.

Reduced product availability can risk store closures for retailers. Further, employees in sales, supply chain management, and back-office roles could potentially face layoffs. Moreover, logistics and distribution jobs, as well as domestic contract manufacturing roles, may also be impacted if foreign brands are unable to operate in India, due to product unavailability resulting from import restrictions on account of BIS certification delays.[36]

Media reports indicate that leading foreign footwear brands are staring at a revenue loss of INR 1,000 crore and delay in planned expansion, due to the prolonged delay in getting BIS certification.[37]

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[33] *PIB Release, available at: https://pib.gov.in/PressReleseDetailm.aspx?PRID=1944644&reg=3&lang=1*

[34] *DPIIT's efforts attract over Rs 1,100 cr investment from global tyre makers, available at: https://www.business-standard.com/industry/news/dpiit-s-efforts-attract-over-rs-1-100-cr-investment-from-global-tyre-makers-124071800911_1.html*

[35] *BIS certification delays leave Nepali exports stranded, available at: https://kathmandupost.com/money/2025/03/30/bis-certification-delays-leave-nepali-exports-stranded*

[36] *New footwear quality control orders risk thousands of jobs due to certification delays, available at: https://www.financialexpress.com/jobs-career/new-footwear-quality-control-orders-risk-thousands-of-jobs-due-to-certification-delays-3660909/*

[37] *Foreign footwear brands may face ₹1,000 cr revenue loss due to delay in BIS certification, available at: https://www.thehindubusinessline.com/news/foreign-footwear-brands-may-face-1000-cr-revenue-loss-due-to-delay-in-bis-certification/article68685668.ece*

Key takeaways

- The GoI should make adequate resources available to BIS for acting upon certification applications from foreign manufacturers.
- Delays on the part of QCOs can hurt not just businesses but have unintended adverse impact on employment and consumers.

5.4 Textile Industry

There are various nuances involved in the QCOs imposed on a diverse range of textile products. Industry players have alleged that BIS has been highly selective about which foreign exporters it certifies pursuant to QCOs, resulting in import restrictions, and adversely impacting knitters, and weavers.

Downstream synthetic textile manufacturers have claimed that QCOs have made it harder for the Man-Made Fibre (MMF) supply chain to compete by limiting access to reasonably priced and specialist raw materials. Furthermore, it has been alleged that QCOs slowed down production capacity and caused balance sheets to turn red, adding to the industry's problems already caused by weak domestic demand, declining exports, and an undeveloped raw material value chain. Also, prices of products like Polyester Staple Fibre (PSF) and Viscose Staple Fibre (VSF) have allegedly skyrocketed since the introduction of the QCOs.[38]

Notably, Tamil Nadu powerloom weavers had urged the Chief Minister of Tamil Nadu, Shri M.K. Stalin, to raise the issue of QCOs with the GoI, on the said products, given that entire value chain has been adversely affected and is experiencing sluggishness since the implementation of QCO. It has also been argued that no other nation enforces QCO on textile goods.[39]

Nylon weavers from Gujarat have also raised several concerns on QCOs for nylon and polyester. They allege that the quality of yarn manufactured locally is not good enough to match imported yarn, which affects the quality of the final product.[40]

Furthermore, the spinning and weaving industries of India's nylon sector are at odds and have presented conflicting demands to the GoI on QCOs. As opposed to the above demands, the Nylon Spinners Association (NSA) has called for its mandatory implementation. The NSA claims that the domestic nylon industry suffers significant losses due to the influx of cheap imports. However, the weaving industry argues that imports allow weavers to access domestically unavailable or higher quality yarn.[41]

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[38] *Synthetic textile manufacturers urge Government to revoke QCOs on man-made fibres, available at: https://in.apparelresources.com/business-news/manufacturing/synthetic-textile-manufacturers-urge-government-revoke-qcos-man-made-fibres/*

[39] *Tamil Nadu powerloom weavers urge CM to take up issue of QCOs on textiles with Centre, available at: https://apparelresources.com/business-news/manufacturing/tamil-nadu-powerloom-weavers-urge-cm-take-issue-qcos-textiles-centre/*

[40] *Nylon weavers want impact of QCO assessed first, available at: http://timesofindia.indiatimes.com/articleshow/115608490.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst*

[41] *Indian nylon weavers oppose spinners' call for ADD on imports, available at: https://www.fibre2fashion.com/news/textile-news/indian-nylon-weavers-oppose-spinners-call-for-add-on-imports-298169-newsdetails.htm*

Lastly, there have also been allegations of inadequate industry representation in the formulation of QCOs. The weaving industry has raised concerns in this regard, alleging that its representative was included only at a later stage due to resistance from the upstream industry. They further allege that the prescribed QCOs appeared to favour the upstream industry.[42]

Be as it may, imposition of QCOs is believed to have resulted in reduction in imports. PSF imports decreased by 43% in Financial Year (FY)'24 to INR 520 crore from INR 917 crore in FY'23. Similarly, VSF imports fell by 65% in the same period, from INR 2,033 crore to INR 710 crore. However, if the curbing of imports leads to reduction in exports of finished goods, as claimed by the weaving industry,[43] the reduction in imports may end up harming the textile industry.

Key takeaways

- Not all textile manufacturers are in sync on the imposition of QCOs.
- There is claimed to be a limitation in domestic capacities, which makes some industry players sceptical of QCOs.
- Overall health of the sector (demand, revenue, raw material value chain etc.) also need to be considered before implementing QCOs.
- State Governments also need to be consulted in the QCO making and implementation process.
- There is a need for the GoI to undertake a Cost-Benefit Analysis (CBA), before mandating QCOs, to ensure that the compliance costs do not outweigh its intended benefits.
- Inclusive stakeholder consultation is a must in enacting and implementing QCOs.

[42] *Indian textile industry divided over polyester yarn QCO implementation, available at: https://www.fibre2fashion.com/news/polyester-news/indian-textile-industry-divided-over-polyester-yarn-qco-implementation-288954-newsdetails.htm*

[43] *Indian nylon weavers oppose spinners' call for ADD on imports, available at: https://www.fibre2fashion.com/news/textile-news/indian-nylon-weavers-oppose-spinners-call-for-add-on-imports-298169-newsdetails.htm*

6

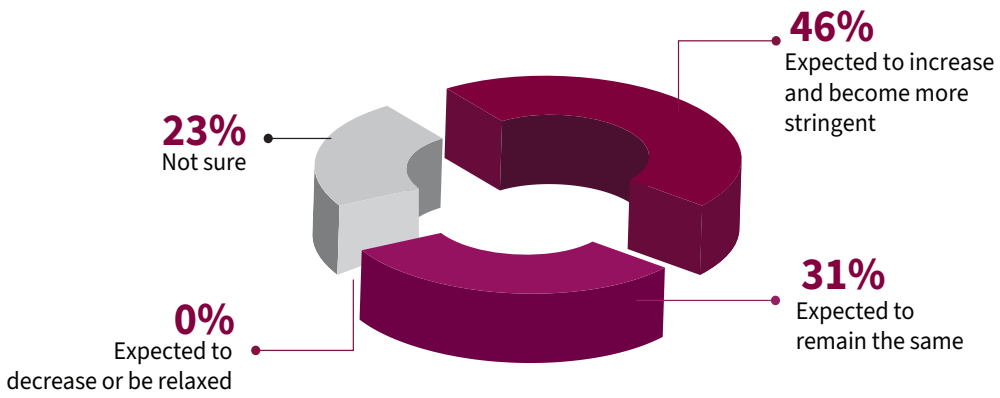
The Way Forward

6.1. Perceptions on Expansion of QCOs

Nearly half of the industry players who responded to the questionnaire, are expecting that QCOs will increase and become more stringent in future, as has been shown in Graph 11 below.[44] Notably, none of the respondents claimed to believe that the number if QCOs will decrease or be relaxed, in their respective industries/ sectors.

This is in line with the GoI's priorities towards the same, as is evident through recent statements made by senior Government representatives and officials.[45] Notably, till 2014 there were only 14 QCOs covering 106 products, while in the last decade the GoI has expanded to 174 QCOs covering 732 products. Furthermore, another 628 products are under consideration at the Ministries/ Departments level, for bringing them under QCOs.[46] Also, many QCOs have been notified and are due for implementation.[47]

Graph 11: Perception on Expansion of QCOs



[44] *Question: What are your views on the future of QCOs in your industry? (MCQ) (13 respondents answered this question.)*

[45] *Make quality a centre stage of industry, a default setting in product manufacturing: Shri Piyush Goyal, available at: https://pib.gov.in/PressReleasePage.aspx?PRID=2065319#:~:text=Shri%20Goyal%20mentioned%20that%20till,174%20QCOs%20covering%20732%20products.*

[46] *Indian Standards should be accorded top priority: Centre, available at: https://pib.gov.in/PressReleaseIframePage.aspx?PRID=2102873*

[47] *Upcoming QCOs – notified and due for implementation, available at: https://www.bis.gov.in/upcoming-qcos-notified-and-due-for-implementation/*

6.2. Suggestions from the Industry on QCOs

To enhance the efficiency and effectiveness of QCO implementation, several key measures have been suggested by industry players. These include the below.

Making the regulation process more inclusive

Engaging with stakeholders, including wide industry representation, during all the stages of QCO drafting, finalization, and implementation, can help identify potential implementation challenges in advance. A structured consultation process will foster industry buy-in, improve compliance feasibility, and reduce the risk of unintended disruptions.

For instance, the Food Safety and Standards Authority of India's recent national stakeholder consultation on sustainable packaging for food business helped to incorporate sector-specific perspectives and ground-level insights into the regulatory framework.

Establishment of clear timelines for certification

Setting and in-spirit adherence to specific timelines for the review and approval of BIS certification applications will enhance predictability and reduce uncertainty for foreign and domestic manufacturers alike.

Provision of adequate transition time for compliance

A longer transition period should be granted to manufacturers, especially Small and Medium Enterprises (SMEs), to allow them sufficient time to upgrade their processes and meet compliance requirements without disrupting operations or supply chains. Furthermore, extensions may also be made for foreign manufacturers, whose applications are pending BIS action, till such time that BIS is able to audit and make a decision on whether or not to certify their factories.

Alternate or exemptions from BIS certification

- **Recognition of international certifications to reduce redundancy:** The possibility of accepting internationally recognized certifications, such as International Organization for Standardization (ISO) should be explored as an alternative to mandatory BIS certification, particularly for factories outside India. This would reduce duplication of testing and compliance efforts, making it easier for global manufacturers to meet Indian quality standards without unnecessary costs, complexities, or delays.
- **Excluding premium/ high quality products from the ambit of QCOs:** Another suggestion pertains to exclude premium or presumable high-quality products from the BIS certification requirements, based on the premise that quality standards equivalent to, or even higher than the BIS certification are already being maintained by such product manufacturers. Exemptions for such high quality products could be provided for, but with stringent criteria.

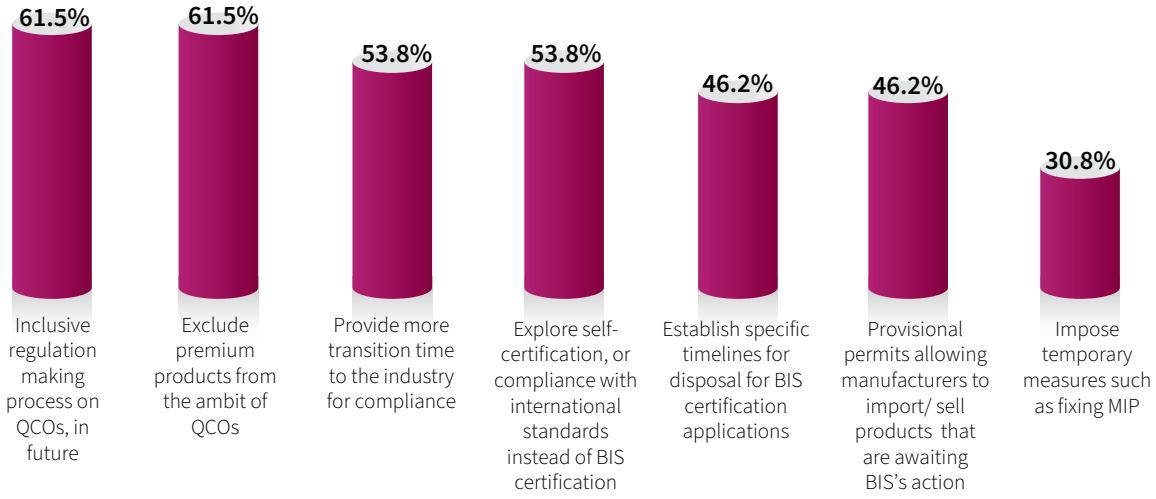
Other interim measures

- **Grant of provisional permits for products awaiting certification:** As an interim measure, and to prevent supply chain disruptions, manufacturers that have already applied for BIS certification should be allowed to sell or import their products on a provisional basis, or receive deemed approvals based on self-certification, after reasonable waiting period. This will ensure that businesses are not penalized for procedural delays beyond their control. Third party inspection and certification may also be explored to reduce wait time and increase efficiency.
- **Fixing a Minimum Import Price (MIP):** Another interim measure pertains to imposing MIP, till such time that BIS is able to complete the inspection and certification process for foreign factories. A MIP is a temporary price limit set by the GoI to prevent the import of products below a certain price and are used by the GoI to protect domestic industries from low prices caused by imports.

Prioritization of these suggestions has been given in Graph 12 below.[48]

Graph 12: Suggestions from the Industry

The total is greater than 100% because respondents were allowed to choose mutliple options (MCQ)



6.3. Other Recommendations

Basis the above, discussed below are a few other recommendations for optimal formulation and implementation of QCOs.

Constitute sector specific WGs

Establishing a multi-stakeholder WG comprising of representatives from the diverse industry players, relevant GoI Ministries/ Departments (Centre and State level), academia, among others can facilitate open/ inclusive discussions, identify potential challenges, and develop mutually agreeable solutions (industry buy-in) before the formalization of QCOs.

[48] *Question: Which of the following measures do you suggest for making the implementation of the QCOs smoother for the industry? (MCQ) (13 respondents answered this question.)*

Notably, the GoI has constituted WGs in a number of sectors and subjects on a need basis, including for digital lending,[49] insurance,[50] fintech,[51] and more. These have allowed the GoI to engage with the industry and mutually strategise the development of the sector, combining industry experience with policy implementation. A similar WG may be formed for deliberating the drafting and implementation of QCOs.

This is especially useful in certain sectors which are reeling from external pressure (weak demand, global slowdown, poor profitability etc.), or in which the domestic industry has limited capabilities (with respect to supporting component ecosystem, access to raw materials etc.), or where the industry is divided over imposition of QCOs. Lastly, such sector specific WGs will also help in acknowledging sector specific nuances, and avoid adopting a one size fits all approach, while drafting QCOs.

Build capacity of BIS

To ensure the timely and successful enforcement of QCOs, it is imperative to bolster BIS's capacity in terms of infrastructure, manpower, and available resources. The surge in the number of QCOs across diverse sectors would presumably have significantly increased the workload on BIS, leading to delays in factory audits and certifications, especially in foreign locations. This necessitates a proportional enhancement in resources to manage certification processes, compliance monitoring, and enforcement activities effectively.

Consult State Governments

The involvement of State Governments is essential in the formulation and implementation of QCOs. State authorities possess in-depth understanding of regional industries, market dynamics, and consumer behaviour. Their insights are invaluable in tailoring QCOs to address specific local challenges, ensuring that quality standards are both relevant and practical. Also, SMEs may require additional support to adapt to new quality regulations. Central and State Governments can provide assistance through training programs, financial incentives, and technical guidance, ensuring a smoother transition and higher compliance rates.

Furthermore, many States excel in certain sectors. For instance, Tamil Nadu and Gujarat have a vibrant manufacturing base in the textile sector. Tamil Nadu also has a thriving footwear manufacturing industry. Also, many States have special programmes and schemes for spurring manufacturing in certain sectors. QCOs can impact such efforts, making it imperative for State level consultation before their enactment and enforcement, which will ensure harmonization of efforts between the Centre and State Government in the spirit of cooperative federalism.

Other policy measures need to complement QCOs

While QCOs can play an important role in ensuring product quality, and industry standardization, they are not a standalone solution for fostering industrial growth. They must be supported by a broader ecosystem of incentives, infrastructure, and policy measures that encourage investment and manufacturing in India.

To ensure QCOs drive manufacturing growth rather than just impose restrictions, financial incentives such as Production-Linked Incentives (PLIs), rationalization of custom duties, and tax rebates, must

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[49] *Recommendations of the Working group on Digital Lending - Implementation , available at: https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR689DL837E5F012B244F6DA1467A8DEB10F7AC.PDF*

[50] *Report of Committee on Regulatory Sandbox in insurance sector in India, available at: https://irdai.gov.in/document-detail?documentId=390684*

[51] *Government sets up inter-ministerial-industry panel on fintech, DFS Secretary to head Panel, available at: https://www.thehindubusinessline.com/economy/government-sets-up-inter-ministerial-industry-panel-on-fintech-dfs-secretary-to-head-panel/article69345608.ece*

be introduced. Support for technology upgrades, R&D, capacity building, and building domestic component ecosystem, encouraging exports through trade agreements, and enabling EoDB, will help industries transition smoothly into compliance, and support the sector's growth.

Undertake CBA

Regulatory instruments can have multi-faceted impacts on different stakeholders on various parameters. Sub-optimal regulations can increase compliance costs, have unintended adverse outcomes, and reduce the likelihood of achieving its intended objectives. CBA through tools like Regulatory Impact Assessment (RIA), is a process of systematically identifying and assessing direct and indirect impacts of regulatory proposals, using consistent analytical methods. It involves a participatory approach to assess such impact, determination of costs and benefits, and selection the most appropriate regulatory alternative.

In the context of QCOs, CBA will help in assessing industry readiness, compliance costs, balancing consumer benefits with economic impact, avoiding market disruptions and supply chain challenges, as well as encouraging industry growth instead of just regulation. Accordingly, to ensure that QCOs achieve their intended objectives without imposing excessive burdens, a CBA should be undertaken before enacting and implementing QCOs. Particularly, the DPIIT is undertaking an exercise to assess the cost of regulations to further improve the ease of doing business.[52] CBA will supplement these efforts and help assess associated costs.

6.4. Conclusion

The introduction of QCOs marks a pivotal step towards creating a robust quality ecosystem that aligns with global standards and enhances consumer trust. However, the findings of this study highlight critical gaps in the implementation and consultation processes that have created operational challenges for domestic and foreign business. Delays in BIS certification, unclear timelines, lack of clarity in compliance requirements, and limited stakeholder engagement have disrupted supply chains constraining business growth.

While QCOs have the potential to elevate the quality of Indian products and foster economic growth, achieving these objectives requires recalibration of the framework. Establishment as well as adherence to clear and standardized timelines are essential to address current inefficiencies. It is also critical to ensure that QCOs do not end up becoming NTBs or retaliatory measures against trading partners. Adopting a more consistent and predictable approach will help industry, Government, as well as consumers, realise a quality ecosystem aligned with global standards which strengthens trade and supports India on its journey towards a Viksit Bharat.

Industries are already making significant efforts to adapt to the new regulatory environment through changes in production processes as well as supply chains, while also reworking their product pricing strategies. Policymakers must build on these efforts by continuing and increasing ongoing dialogues with stakeholders, ensuring fair, transparent, and efficient certification practices.

By prioritizing collaboration and adaptability, the QCO framework can evolve into a more inclusive and efficient system that benefits all stakeholders. It has the potential not only to drive quality improvement but also to position India as a global leader in manufacturing excellence, innovation, and consumer trust.

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[52] *DPIIT proposes to appoint agencies for ascertaining cost of regulation, available at: https://www.business-standard.com/industry/news/dpiit-proposes-to-appoint-agencies-for-ascertaining-cost-of-regulation-124092600653_1.html*

Annexure: Considerations for Future Research

The following areas can be further developed for a more comprehensive study.

- **Enhanced scope and depth:** The scope and depth of certain questions may be enhanced to capture nuances of stakeholder responses, and reasons behind the responses.
- **Validity of responses:** The validity of the responses cannot be confirmed, since they are influenced by respondent biases and driven by perceptions towards the subject, i.e., the survey relied upon stated preferences and perceptions of respondents.
- **Data accuracy:** While efforts were made to maintain data accuracy, any errors that may have occurred in data analysis remain solely ours.
- **Interpretations:** Despite internal testing and external piloting of the questionnaire, it is possible that certain questions may have been interpreted differently by different respondents.

Appendix

List of Figures and Graphs

List of Abbreviations

Abbreviation	Full Form
BCD	Basic Custom Duty
BIS	Bureau of Indian Standards
CBA	Cost-Benefit Analysis
DLA	Department of Legislative Affairs
DPIIT	Department for Promotion of Industry and Internal Trade
DGFT	Directorate General of Foreign Trade
DMCS	Domestic Manufacturer Certification Scheme
EoDB	Ease of Doing Business
EU	European Union
FMCS	Foreign Manufacturer Certification Scheme
FY	Financial Year
GoI	Government of India
HQ	Head Quarter
IMC	Inter-Ministerial Committee
ISO	International Organization for Standardization
MIP	Minimum Import Price
MCQ	Multiple Choice Question
MMF	Man Made Fibre
NSA	Nylon Spinners Association
OEMs	Original Equipment Manufacturers
PSF	Polyester Staple Fibre
PLIs	Production-Linked Incentives
QCOs	Quality Control Orders
RIA	Regulatory Impact Assessment
R&D	Research and Development
SMEs	Small and Medium Enterprises
TBT	Technical Barriers to Trade
UK	United Kingdom
US	United States
VSF	Viscose Staple Fibre
WGs	Working Groups
WTO	World Trade Organisation
YoY	Year on Year

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