

Govt to relax quality control order norms for MSMEs

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The government is set to relax certain rules related to Quality Control Orders (QCOs) that could ease the burden of compliance, especially for the MSME sector, sources said.

These include increasing the investment and turnover limits for defining MSMEs

under the QCO regime to bring them in line with the recent changes in overall MSME limits announced by the Centre. Also, import consignments that are stuck due to non-adherence to quality guidelines are likely to be released where the bills of lading were issued before the QCOs in the particular sectors got implemented, a source tracking the matter told *businessline*.

"At present, enterprises with a turnover of up to ₹2 crore and investments up to ₹25 lakh are allowed flexibilities designed for MSMEs for QCO implementation. The limits are set to be increased to turnover up to ₹5 crore and investments up to ₹2 lakh. This is in line with the change in overall definition for MSMEs following the announcement in the Union Budget," the source said.

This means that many more units can now benefit from flexibilities such as longer implementation timelines, exemption from setting up own testing infrastructure and financial incentives such as lower fees that are offered for various items.

BIS CERTIFICATION

QCOs are implemented by BIS through grant of licence

and/ or certificate of conformity. With the notification of QCO, manufacture, storage and sale of non-BIS certified products is prohibited.

There are approximately 188 QCOs in place, which cover over 773 products in sectors such as toys, plywood, machinery, furniture, footwear, steel, hinges, petrochemical products and engineering goods.