

India Standards and Conformity Assessment

Standards Overview

Standards setting as a trend is gaining momentum in India. India generally has been making efforts to match national standards in line with international norms, and most Indian standards are harmonized with ISO standards. Nonetheless, some Indian standards are not matched with international standards, and several recent standards-related regulations have created barriers to trade and posed challenges to expanding U.S. exports in certain sectors. India has also frequently failed to notify the WTO of new standards and allow time for discussion with its trading partners prior to implementation. Because of pressure from consumer rights groups, NGOs, and environmental activists there is a growing emphasis on product standards in India in various industry sectors. The proactive role of the judiciary in formulating legal framework and regulations for better standards and control in sectors such as the environment has also contributed to the increasing awareness and emphasis for product standards in general in India. India food safety laws are outdated or in some cases more stringent than international norms, but enforcement is weak.

Standards Organizations

Unlike in the U.S., where voluntary standards are developed in several organizations and there is no national standards developing body, in India voluntary standards are developed only by the national standards body. The Bureau of Indian Standards (BIS, see http://www.bis.org.in), established under the Bureau of Indian Standards Act of 1986 is the national standards body of India responsible for development and formulation of standards. BIS's bureau responsible for formulating the policy guidelines of BIS comprises of representatives of the industry, consumer organizations, scientific and research bodies, professional organizations, technical institutions, Indian government ministries, and members of parliament.

Besides development and formulation of Indian Standards, BIS is involved with product certification, quality system certifications and testing, and consumer affairs. The Ministry of Commerce, Government of India (GOI) has designated BIS as the National WTO-TBT Enquiry Point in accordance with its obligations to the agreement on Technical Barriers to Trade of the WTO. According to the agreement, BIS in liaison with the Indian Ministry of Commerce issues notifications on proposed technical regulations and certification systems in India to WTO. BIS's Technical Information Services Center responds to domestics and foreign requests for information about Indian standards, technical regulations can obtain copies of the text from BIS from the WTO-TBT Enquiry Point, Technical Information Services Center, Bureau of Indian Standards, Manak Bhavan, 9 Bahadur Shah Zafar Marg, New Delhi 110 002 (Tel: 91-11-2323 0910/2323 0131; Fax: 91-11-2323 7995; Email: bisinfo@vsnl.com). Comments



received are communicated to the Ministry of Commerce.

BIS is the only organization in India, which is authorized to operate quality certification plans under an Act of parliament. It serves as the official member and sets policy for Indian participation in the International Organization for Standardization (ISO) and International Electro technical Commission (IEC).

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <u>http://www.nist.gov/notifyus/</u>

Conformity Assessment

A list of testing organizations spread through out the country providing conformity testing against relevant Indian standards are available from the BIS website at: <u>http://www.bis.org.in/lab/lab.htm</u>

In association with technical GOI agencies, NGOs, BIS carries out periodic surveillance inspections of products under mandatory certification. Provision exists for subcontracting certification surveillance activities to relevant competent agencies in specific areas. Certain types of steel, rubber, and electronic products are presently under such surveillance agreements.

Product Certification

BIS's product standards are basically voluntary in nature, but subsequent to the removal of quantitative restrictions (QRs) on imports by India in 2000, the GOI in order to provide protection to domestic producers in certain sectors promulgated regulations dictating that imports of 109 products are subject to mandatory compliance with specified Indian quality standards. For compliance, all exporters/manufacturers of the 109 products are required to register with, and obtain certification from the Bureau of Indian Standards before exporting such goods to India.

The list of 109 products includes various food preservatives and additives, milk powder, infant milk food, certain kinds of cement, household and similar electrical appliances, several types of gas cylinders, and multi-purpose dry batteries. A copy of the list of the 109 products can be made available by the U.S. & Foreign Commercial Service office of



the American Embassy, New Delhi upon request.

These 109 products generally must be tested and certified by BIS in India. BIS now however, also has a system for foreign companies to receive automatic certification for products not manufactured in India. The system is based on a self-certification basis, under which a foreign manufacturer is permitted to apply the standards mark on the product after ascertaining its conformity to the Indian Standard licensed for. At the foreign manufacturer's expense BIS inspectors travel to the manufacture's country to inspect their production facility to pre-certify the company and its production system, and then authorizes subsequent monitoring and compliance by an independent inspector to ensure that the company maintains the specified standards.

Information on the application procedure for BIS Product Certification Plan for foreign companies is available through the BIS website.

Exporters/manufacturers of these products also are required to maintain a presence in India. This requirement does not apply if the foreign manufacturer nominates an authorized representative in India who agrees to be responsible for compliance with the provisions of BIS on behalf of the foreign manufacturer as per an agreement signed between the manufacturer and BIS. Under separate arrangements some products have been placed under special certification plans of lot or batch inspections carried out by BIS inspecting officers. A majority of gas cylinders, deep well hand pumps and valves are certified through such plans.

India generally has been making efforts to match national standards in line with international standards. In sectors where differences exist, India is trying to match national standards with international norms. To facilitate international trade and cooperation, India also has plans towards harmonizing its standards with other countries, primarily with its main trading partners. A serious effort is being made by BIS to have mutual recognition of standards with various countries so that other countries provide recognition of the Indian standards on certain products and vice versa. The BIS has expressed interest in having mutual recognition agreements with U.S. organizations.

Accreditation

The National Accreditation Board for Testing and Calibration Laboratories (NABL) established in 1985 as an autonomous body under the Department of Science & Technology is authorized by the GOI as the sole accreditation body for testing and calibration laboratories. More than 200 testing and calibration laboratories have been accredited till date. A list of accredited laboratories is available from NABL's website at: http://www.nabl-india.org

For international mutual acceptance of test results in order to be compliant with the



WTO/Technical Barriers to Trade (TBT) regulations, NABL is a member of international organizations such as **International Laboratory Accreditation Co-operation (ILAC) and Asia Pacific Laboratory Accreditation Co-operation (APLAC)**. NABL is a signatory to ILAC as well as APLAC Mutual Recognition Arrangements (MRA), based on mutual evaluation and acceptance of other MRA Partner laboratory accreditation systems.

More and more Indian manufacturing companies are investing in standards accreditation. The number of plants in India with ISO 9000 and ISO 14000 accreditation increased from a negligible figure in the early nineties to more than 8000 in 2003. Five Indian companies have won the Deming prize for total quality management in FY 2002-03, while eight more are preparing for the honours this year. 18 manufacturing plants of 10 Indian companies have been recognised by the Japanese Institute of Plant Management for excelling in total productive management in 2003.

Publication of Technical Regulations Electronic version of Indian Standards is now available on CD-ROM with the Bureau ofIndian Standards. Further information is available at http://www.bis.org.in/other/iscd.htm

The Ministry of Commerce, Government of India (GOI) has designated BIS as the National WTO-TBT Enquiry Point in accordance with its obligations to the agreement on Technical Barriers to Trade of the WTO. According to the agreement, BIS in liaison with the Indian Ministry of Commerce issues notifications on proposed technical regulations and certification systems in India to WTO. BIS's Technical Information Services Center responds to domestics and foreign requests for information about Indian standards, technical regulations and conformity assessment rules. U.S. companies that wish to make comments on any notifications can obtain copies of the text from BIS from the WTO-TBT Enquiry Point, Technical Information Services Center, Bureau of Indian Standards, Manak Bhavan, 9 Bahadur Shah Zafar Marg, New Delhi 110 002 (Tel: 91-11-2323 0910/2323 0131; Fax: 91-11-2323 7995; Email: bisinfo@vsnl.com). Comments received are communicated to the Ministry of Commerce.

Labeling and Marking

As per a Notification issued by the Ministry of Commerce on November 24, 2000, all prepackaged commodities (intended for direct retail sale) imported into India must carry the following declarations on the label:

_Name and address of the importer

- _Generic or common name of the commodity packed
- _Net quantity in terms of standard unit of weights and measures. All units of weight or measure are to be reported in metric. If the net quantity of the imported package is given in any other unit, its equivalent of standard units shall have to be declared by the importer



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_Month and year of packing in which the commodity is manufactured, packed or imported, and

_ The maximum retail sales price (MRP) at which the commodity in packaged form may be sold to the end consumer. The MRP includes all taxes, freight transport charges, commission payable to dealers, and all charges towards advertising, delivery, packing, forwarding and the like.

Compliance of the above-stated requirements has to be ensured before the import consignments are cleared by Customs in India. Import of pre-packaged commodities such as raw materials, components, bulk import etc., that need to undergo further processing before they are sold to end consumers are not included under this labeling requirement.

All declarations may be:

- _ Printed in English or Hindi on a label securely affixed to the package, or
- _ Made on an additional wrapper containing the imported package, or
- _ Printed on the package itself, or

3/1/2006 99

_ May be made on a card or tape affixed firmly to the package and bearing the required information prior to customs clearance

Products displaying only the standard U.S. label cannot enter. As regards the shelf life of imported food items, a Notification issued by the Ministry of Commerce on July 30, 2001, requires that: "Imports of all food products, domestic sale and manufacture of which are governed by the Prevention of Food Adulteration Act (PFA) shall also be subject to the condition that, at the time of importation, these products are having a valid shelf life of not less than 60 percent of its original shelf life. Shelf life of the product is to be calculated, based on the declaration given on the label of the product, regarding the date of manufacture and the due date of expiry".

Contacts

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Ministry of Commerce & Industries Udyog Bhawan, New Delhi 110 011 Tel: 91-11-2301 1777 Fax: 91-11-2301 8613 Department of Consumer Affairs Office of the Additional Secretary (Weights & Measures) Krishi Bhawan, New Delhi 110 001 Tel: 91-11-2338 3027 Fax: 91-11-2338 6575

Trade Agreements

The preferential arrangement/plans under which India is receiving tariff preferences are Generalized System of Preferences (GSP) and Global System Of Trade Preferences (GSTP). Presently, there are 46 member countries of GSTP and India has exchanged tariff concessions with 12 countries on a limited number of products.

Other such preferential arrangement includes SAARC Preferential Trading Agreement (SAPTA), Bangkok Agreement and India–Sri Lanka Free Trade Agreement (ISLFTA). These arrangements/ agreements prescribe Rules of Origin that have to be fulfilled for the exports to be eligible for the tariff preference.

The Indian Ministry of Commerce has projected recently that 60 percent of India's future trade would be accounted for by free trade agreements (FTAs), and with such countries as Paraguay, Argentina, Brazil, Pakistan and even China. Indian government is in talks with the Mercusor (a trade association comprising Argentina, Brazil, Chile, Paraguay and Uruguay) and SACU (South African Customs Union) and looking to increase bilateral engagements with more countries.

In a major policy shift, the government has decided to convert all Preferential/Free Trade Agreements (PFA/FTA) into Comprehensive Economic Cooperation Agreements (CECA). This goes beyond the Indian government's bid in recent months to embrace bilateralism aggressively. The decision seems to be aimed at mollifying the World Trade Organization (WTO), which cautioned India against going the whole hog with PFAs/FTAs.PTAs/FTAs usually involve structured reduction in tariffs between two countries. CECAs would cover preferential relaxation of FDI rules vis-à-vis the partner country, tax holidays on investment and income, easing of visa restrictions etc. Trade in services too would come under the purview of CECA.

The proposed free trade agreements (FTAs) with Thailand, Mercosur and Asean would now be made CECAs. This has already been done with Sri Lanka. The preferential trade agreement (PTA) with the South Africa Customs Union (SACU) would be merged with new CECA with South Africa. The Minister added that efforts were on to convert the



SAARC Preferential Trade Area into a full-fledged FTA to be called SAFTA. This came into effect in January 2006.

Other proposed alliances with Russia, China and Israel would also be CECAs, rather than mere FTAs. The proposed agreement with the Gulf Cooperation Council (GCC) is envisaged to be a CECA. So is the India-Singapore agreement.

The Indian government has also nominated certain authorized agencies to issue Non Preferential Certificate of Origin in accordance with Article II of International Convention Relating to Simplification of Customs formalities, 1923. These Certificates of Origin evidence the origin of goods and do not bestow any right to preferential tariffs. India and the U.S. are not part of any specific free trade conglomerate of nations, and this, experts feel, is an imperative to bolster both trade and partnership between the two countries.

Web Resources

Standards:

Overview http://www.bis.org.in/bs/index.htm http://www.bis.org.in/org/obj.htm Standards Organizations http://www.bis.org.in/sf/powork.htm 3/1/2006 102 **Conformity Assessment** http://www.bis.org.in/lab/lab.htm http://www.bis.org.in/sf/nrstd.htm **Product Certification** http://www.bis.org.in/cert/fm.htm http://www.bis.org.in/cert/procert.htm http://www.bis.org.in/sf/nrstd.htm Accreditation http://www.nabl-india.org **Publication of Technical Regulations** http://www.bis.org.in/other/iscd.htm Labeling and Marking http://www.bis.org.in/cert/man.htm http://www.bis.org.in/cert/prooth.htm Trade agreements http://commerce.nic.in/ http://commerce.nic.in/india_rta_main.htm Return to table of contents



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