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Quality Control Order Reassessment Seeks to Strengthen India's Quality Ecosystem, Export Competitiveness and Global Value-Chain Integration

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Recent Developments:

The **Quality Control Order (QCO) reassessment exercise** has gained importance as India seeks to expand manufacturing, integrate domestic firms into **global value chains** and improve export competitiveness.

The Government has simultaneously been attempting to make QCO implementation more industry-friendly. In June 2026, the **Department for Promotion of Industry and Internal Trade** notified the **Transition Facilitation (Quality Control) Order, 2026**, introducing a risk-based alternative compliance mechanism for eligible manufacturers while retaining prescribed quality requirements.

The reform permits eligible domestic industries to procure supplies from manufacturers holding licences under **Scheme II** of the Bureau of Indian Standards conformity-assessment framework instead of only **Scheme I**, subject to technical capability, compliance history and demonstrated technological or supply-chain capabilities.

BIS continues to expand compulsory certification. As of 2025, government data recorded **more than 22,300 Indian Standards**, with about **94% harmonised with ISO and IEC standards**; mandatory certification had expanded to **773 products under 191 QCOs plus two horizontal QCOs**.

BIS's current implementation calendar also shows QCOs entering into force across products such as **chemicals, hand tools and aluminium utensils** during September–October 2026, demonstrating that quality regulation remains an active component of industrial policy.

Quality Control Orders: Meaning and Legal Basis:

What are QCOs?

Quality Control Orders are regulatory instruments through which the Central Government makes compliance with specified **Indian Standards** mandatory for notified goods, articles, processes, systems or services.

QCOs are issued under the **Bureau of Indian Standards Act, 2016**, particularly through powers under Section 16 read with Section 17 and relevant provisions of Section 25.

After a QCO comes into force, products covered by it generally cannot be **manufactured, imported, distributed, sold, stored or displayed for sale** without the prescribed Standard Mark or applicable conformity certification, subject to specified exemptions.

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QCOs apply to **domestic as well as imported products**, thereby creating a common mandatory quality requirement for goods entering the Indian market.

The principal objectives include **consumer safety, prevention of unfair trade practices, environmental protection, health protection and national security**.

QCOs and BIS: Distinction:

The **Bureau of Indian Standards** is India's national standards body established under the **Bureau of Indian Standards Act, 2016**.

BIS develops Indian Standards, operates conformity-assessment and certification schemes, conducts testing and supports enforcement of applicable quality requirements.

The **concerned Central Government ministry or department** notifies a QCO for the relevant product after consultation with BIS and stakeholders; BIS then administers the applicable certification and conformity-assessment requirements.

Bureau of Indian Standards: Institutional Role:

Core Functions:

Standards formulation: BIS develops and revises Indian Standards across sectors ranging from engineering and manufacturing to consumer products and emerging technologies.

Product certification: BIS operates certification mechanisms under which manufacturers demonstrate conformity with specified standards.

Hallmarking: BIS administers hallmarking arrangements for precious-metal articles to provide consumers with an assurance of purity.

Laboratory services: BIS maintains and supports testing infrastructure required for standards implementation and conformity assessment.

Market surveillance and enforcement: BIS can investigate violations and take enforcement action against products that do not comply with mandatory requirements.

Major BIS Certification Mechanisms:

BIS conformity assessment includes different schemes depending on the nature and risk profile of the product, including **Scheme I, Scheme II, Scheme IV and Scheme X**.

The **ISI Standard Mark** is associated with products covered by applicable BIS certification requirements, while other conformity-assessment mechanisms may use registration or certificates of conformity depending on the notified scheme.

BIS therefore performs a broader quality-assurance function than simply issuing a certification mark.

India's Quality Ecosystem:

Scale and International Alignment:

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India has **more than 22,300 Indian Standards**, and approximately **94% are harmonised with standards developed by the International Organization for Standardization and the International Electrotechnical Commission**.

The mandatory certification framework has expanded significantly, with government data showing growth from **106 products under 14 QCOs in 2014 to 773 products under 191 QCOs plus two horizontal QCOs in 2025**.

India also participates in international standard-setting processes, enabling Indian standards to increasingly reflect global technical requirements.

Institutional Components:

India's quality infrastructure includes **Bureau of Indian Standards, Quality Council of India, National Accreditation Board for Testing and Calibration Laboratories, National Accreditation Board for Certification Bodies, Export Inspection Council**, sectoral regulators such as **Food Safety and Standards Authority of India and Central Drugs Standard Control Organisation**, testing laboratories and market-surveillance institutions.

These institutions perform different functions covering **standardisation, accreditation, conformity assessment, certification, regulation, testing and enforcement**.

Why QCO Reassessment Is Necessary:

Regulatory Fragmentation:

Quality governance is distributed among several ministries, regulators, standards bodies, accreditation institutions and certification agencies, creating the possibility of **overlapping requirements and compliance duplication**.

Different sectors may follow different certification and enforcement arrangements, increasing the compliance burden for firms operating across multiple product categories.

Compliance Burden on Industry:

Mandatory standards can impose significant costs through **testing, certification, laboratory access, licensing and periodic compliance requirements**, particularly for MSMEs.

Excessively rigid implementation timelines can disrupt supply chains when domestic production capacity or testing infrastructure is insufficient.

The Government has therefore introduced exemptions, transition periods and other relaxations for MSMEs in selected QCO implementations.

Market Surveillance Gaps:

A quality regulation is effective only when non-compliant products are detected and removed from the market.

Uneven **testing capacity, inspection capability and enforcement intensity** can reduce the practical effectiveness of mandatory standards.

BIS enforcement actions in 2026 against products sold without the required Standard Mark demonstrate the continuing importance of market surveillance.

Export Competitiveness:

Compliance with an Indian Standard does not automatically guarantee acceptance in every foreign market because importing countries may apply different technical regulations, conformity-assessment procedures or certification requirements.

Multiple foreign certifications can increase **time, transaction costs and testing expenses** for Indian exporters.

International harmonisation and **mutual recognition arrangements** can reduce these barriers where technically and institutionally feasible.

Government Initiatives for Quality Improvement:

Quality Control Orders:

QCOs seek to prevent the circulation of substandard products and establish mandatory quality requirements for notified sectors.

Their coverage has expanded considerably over the past decade, including products in sectors such as **steel, chemicals, electronics, footwear and consumer goods**.

Transition Facilitation Order, 2026:

The **Transition Facilitation (Quality Control) Order, 2026** seeks to balance mandatory quality assurance with **technology adoption, innovation and supply-chain resilience**.

The framework recognises sustained compliance by manufacturers and provides alternative sourcing possibilities for eligible firms, thereby attempting to reduce avoidable compliance bottlenecks without removing quality requirements.

Zero Defect Zero Effect:

The **Zero Defect Zero Effect** approach encourages manufacturing with minimal defects while reducing adverse environmental effects.

It is particularly relevant to **MSMEs**, which require support to improve manufacturing processes, resource efficiency and environmental performance.

Production Linked Incentive Scheme:

The **Production Linked Incentive Scheme** seeks to expand domestic manufacturing capacity and strengthen India's position in global production networks.

Quality standards and conformity assessment are important complements because increased production without internationally acceptable quality can limit export competitiveness.

One District One Product:

One District One Product promotes local products through product development, branding, standardisation, market access and value addition.

Quality standardisation can help locally produced goods achieve more consistent specifications and access wider domestic and international markets.

Key Structural Challenges:

Separation of Functions:

Standard-setting, certification, regulation and enforcement perform different institutional functions and require appropriate safeguards against conflicts of interest.

A clearly differentiated institutional architecture can improve **transparency, accountability and regulatory credibility**.

Testing and Accreditation Infrastructure:

India requires wider access to **internationally accredited laboratories**, especially outside major industrial centres.

Faster testing and certification can reduce compliance costs while maintaining technical rigour.

Digital systems such as BIS's **Know Your Standard** platform can improve access to standards, amendments, testing laboratories, licences and related compliance information.

International Recognition:

Greater participation in international standard-setting organisations can allow Indian industry to anticipate emerging global technical requirements.

Mutual Recognition Arrangements can reduce repetitive conformity assessment when partner countries accept equivalent certification procedures.

Way Ahead:

Build a Risk-Based Quality Regulatory System:

QCOs should be periodically reassessed according to **consumer risk, product criticality, domestic manufacturing capability, import dependence and international standards**.

High-risk products should receive stronger regulatory oversight, while low-risk products can be subjected to proportionate compliance requirements.

Strengthen Quality Infrastructure:

Expand accredited laboratories, modernise testing facilities and improve access to conformity-assessment services across regions.

Develop faster digital certification and surveillance systems to reduce compliance time without compromising technical standards.

Reduce Regulatory Duplication:

Establish stronger coordination among **BIS, sectoral regulators, accreditation bodies, testing laboratories and export-certification agencies.**

Rationalise overlapping certifications wherever the same technical requirement is being assessed repeatedly.

Support MSMEs:

Provide transition periods, technical assistance, testing support and affordable certification mechanisms for MSMEs.

Ensure that quality regulation does not unintentionally create barriers that favour only large firms with greater compliance capacity.

Improve Export Readiness:

Align Indian standards with relevant international standards wherever appropriate.

Expand **mutual recognition arrangements**, international accreditation and globally accepted conformity-assessment practices.

Integrate quality policy with **export promotion, manufacturing policy and global value-chain strategy.**

UPSC Relevance:

GS-III — Indian Economy, Industry and Infrastructure:

Manufacturing competitiveness: Quality as a determinant of productivity, market access and export performance.

Global Value Chains: Standards and conformity assessment as prerequisites for integration into international production networks.

MSMEs: Compliance costs, testing infrastructure, certification support and transition periods.

Consumer Protection: Prevention of substandard and unsafe products.

Trade: Technical regulations, conformity assessment and non-tariff barriers.

Institutional Governance: Coordination among standards, accreditation, certification and regulatory institutions.

Prelims Facts:

Bureau of Indian Standards Act: 2016.

BIS: India's national standards body.

Quality Control Orders: Make specified Indian Standards mandatory for notified products.

Standard Mark: Indicates conformity with applicable mandatory BIS requirements under the relevant scheme.

National Accreditation Board for Testing and Calibration Laboratories: Accredits testing and calibration laboratories.

National Accreditation Board for Certification Bodies: Accredits certification bodies.

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Export Inspection Council: Performs export-related inspection and certification functions under the relevant regulatory framework.

Value Addition for UPSC:

Mains Analytical Framework:

India's quality challenge is shifting from the creation of standards to the effective implementation, enforcement and international recognition of those standards.

Consumer welfare: Strong standards reduce exposure to unsafe and substandard products.

Industrial competitiveness: Predictable and proportionate quality regulation can improve productivity and market credibility.

Exports: Internationally aligned standards and recognised certification can reduce technical barriers to trade.

MSMEs: Compliance costs must be balanced against the need for quality improvement.

Governance: A coordinated quality ecosystem can reduce regulatory duplication and strengthen accountability.

Global manufacturing: Quality infrastructure is essential for India's transition from a low-cost manufacturing destination to a **reliable and globally integrated manufacturing base**.