

ELCINA POLICY CAPSULE

Part 1
July 2025

ELCINA POLICY CAPSULE (1st July – 15th July 2025)

S. No.	Notification/Instruction	Issuing Authority	Key Highlights & Relevance
1	Cabinet Approval – ELI Scheme (1st July 2025)	Cabinet Secretariat / PIB	₹99,446 crore outlay to create 3.5 crore jobs (Aug 2025–July 2027).
2	CBIC Instruction No. 22/2025-Customs (9th July 2025)	CBIC, Ministry of Finance	Import of Iridium, Osmium, Ruthenium alloys (with >1% gold) now restricted .
3	MoEFCC Order (10th July 2025)	Ministry of Environment, Forest & Climate Change	Extended deadline for Battery Waste Annual Return (FY 2024–25) filing to 30 Sept 2025 .
4	DGFT Trade Notice No. 07/2025-26 (14th July 2025)	Directorate General of Foreign Trade (DGFT)	Draft Internal Compliance Programme (ICP) for SCOMET exporters released for feedback.
5	CBIC Instruction No. 23/2025-Customs (15th July 2025)	CBIC, Ministry of Finance	Clarified exemptions for steel imports under QCO: pre-15.07.2025 shipments & Integrated Steel Plants (with BIS licenses) exempted.
6	Ministry of Steel Clarification (13th June 2025)	Ministry of Steel	BIS compliance mandated for intermediate steel products to avoid dumping of substandard materials.
7	Upcoming Quality Control Orders (July & August 2025)	BIS / Various Ministries	QCOs for solar PV modules, inverters, batteries, flashlights, stainless steel pipes & tubes coming into force in July–August 2025 .
8	DoT Notification S.O. 2962(E) (2nd July 2025)	Department of Telecommunications (DoT)	Transition for Universal Service Obligation (USO) funds credit to Digital Bharat Nidhi extended.

ELCINA POLICY CAPSULE—1st July to 15th July 2025

1. Cabinet Approves Employment Linked Incentive (ELI) Scheme dated 1st July 2025: Boost to Job Creation, Employability & Social Security in Manufacturing and Other Sectors

The Union Cabinet has approved the **Employment Linked Incentive (ELI) Scheme** to catalyze employment generation and extend social security coverage across sectors, with a **special focus on manufacturing industries**, including electronics.

With an outlay of **₹99,446 crore**, the scheme aims to create **3.5 crore new jobs over two years (Aug 2025–July 2027)** and will support both **first-time employees** and **employers hiring additional manpower**.

Key Highlights of the ELI Scheme:

❖ Support for First-Time Employees (Part A):

- First-time employees registered with EPFO will receive **one month's EPF wage up to ₹15,000**, payable in **two installments**:
 - **1st installment**: After 6 months of continuous employment.
 - **2nd installment**: After 12 months and completion of a financial literacy programme.
- Applies to employees with **salaries up to ₹1 lakh/month**.
- Portion of the incentive will be kept in a fixed deposit/savings account to encourage long-term saving.

❖ Incentives for Employers (Part B):

- Employers hiring additional employees will receive:
 - Up to **₹3,000 per employee per month for 2 years** (all sectors).
 - Extended benefits for **3rd and 4th years for the manufacturing sector**.
- **Eligibility**:
 - EPFO-registered establishments.
 - Must hire at least **2 additional employees** (if workforce <50) or **5 additional employees** (if workforce ≥50) for sustained employment of 6 months.

Action Advised for Members: Electronics manufacturers are encouraged to leverage the scheme for:

- Workforce expansion in new/expanding units. Align recruitment between **1st Aug 2025 – 31st July 2027** to benefit from incentives.
- EPFO-based formal employment
- Cost-effective hiring and skill development

For more details, members are advised to refer to the official PIB <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2141127>.

2. CBIC Instruction No. 22/2025-Customs, dated 9th 2025: CBIC Updates Import Policy for Specific Precious Metal Alloys under Chapter 71

The Central Board of Indirect Taxes & Customs (CBIC) has issued **Instruction No. 22/2025-Customs**, dated **9th July 2025**, to inform stakeholders about an amendment in the import policy for specified items under **Chapter 71 of ITC (HS) 2022, Schedule-I (Import Policy)**.

This follows a corrigendum issued by the Directorate General of Foreign Trade (DGFT) on **25th June 2025**, which modifies Notification No. 18/2025-26 dated **17th June 2025**, and supersedes CBIC's earlier **Instruction No. 17/2025-Customs dated 19th June 2025**.

This revision affects raw materials often used in **high-reliability electronics and specialty applications**, particularly in sectors such as **defence electronics, sensors, power electronics, semiconductors, and medical devices**. *Specifically, the import of Iridium, Osmium, and Ruthenium alloys containing more than 1% gold by weight is now restricted.*

❖ Key Changes:

- For ITC(HS) codes **71104100** and **71104900** covering *Iridium, Osmium, and Ruthenium (unwrought or in powder form)*:
 - **Earlier Policy:** Import of *Iridium alloy* consisting of **gold >1% by weight** was classified as **Restricted**.
 - **Revised Policy:** Import of *Iridium alloy, Osmium alloy, and Ruthenium alloy* consisting of **gold >1% by weight** is now classified as **Restricted**.

Stakeholders dealing with the import of these precious metal alloys should take note of the revised import restrictions and align their processes accordingly.

The earlier **Instruction No. 17/2025-Customs** stands modified to this extent.

❖ Implications for the Electronics Industry:

- These metals (iridium, osmium, ruthenium) are critical for:
 - **Electrode materials, thermocouples, high-temperature contacts**
 - **MEMS sensors, medical-grade electronics, and semiconductor processes**
- Electronics manufacturers relying on **specialty alloys** should review their **material sourcing plans**, particularly for **imported components or raw materials containing trace gold content**.

For more details, members are advised to refer to the official CBIC website CBIC Instruction No. 22/2025-Customs, dated 9th 2025

3. MoEFCC Order dated 10th July 2025 : Deadline Extended: Annual Return Filing under Battery Waste Management Rules (FY 2024–25)

The **Ministry of Environment, Forest and Climate Change (MoEF&CC)** has extended the deadline for filing **annual returns** under the **Battery Waste Management Rules, 2022** for the financial year **2024–25**.

- ◆ **Previous Deadline:** 30 June 2025
- ◆ **New Extended Deadline:** 30 September 2025

As per **Rule 4(11)**, **producers of batteries** are required to submit **Form 3** returns to the **Central Pollution Control Board (CPCB)** and respective **State Pollution Control Boards (SPCBs)**. The extension was granted under **Rule 14(6)** following a request from CPCB.

For more details, members are advised to refer to the official Notification: MoEFCC Order dated 10.07.2025

4. DGFT Trade Notice No. 07/2025-26 dated 14th July 2025 : DGFT Invites Feedback on Draft Internal Compliance Programme (ICP) for SCOMET Exports

The **Directorate General of Foreign Trade (DGFT)** has issued **Trade Notice No. 07/2025-26** dated **14th July 2025**, inviting feedback on the **Draft Management System Requirements for Internal Compliance Programme (ICP)** for organizations engaged in the export or transfer of **dual-use (SCOMET) items**.

The draft ICP document provides a **comprehensive framework** to help exporters develop, implement, maintain, and improve internal compliance systems in line with export control regulations. This initiative aims to strengthen compliance and facilitate international trade.

As per Para 1.07A of the **Foreign Trade Policy (FTP) 2023**, DGFT has sought views, suggestions, and comments from stakeholders, including **exporters, industry associations, and experts**, to refine the draft ICP.

Members are requested to submit their inputs to DGFT at scomet-dgft@gov.in and copy to policy@elcina.com within 10 days (by 24th July 2025).

5. CBIC Instruction No. 23/2025-Customs, dated 15th July 2025: CBIC Issues Instruction on Steel QCO Compliance for Imports

The **Central Board of Indirect Taxes and Customs (CBIC)** has issued **Instruction No. 23/2025-Customs**, dated **15th July 2025**, regarding adherence to Indian Standards (IS) for steel and steel products under the Quality Control Orders (QCOs). The instruction provides clarity on exemptions and processes for importers using the **Steel Import Monitoring System (SIMS)** portal.

Key Highlights:

✓ Exemptions Granted:

1. **Imports with Bill of Lading dated on or before 15.07.2025** are **exempted** from mandatory IS compliance.
2. **Integrated Steel Plants (ISPs)** are exempted from mandatory IS compliance for their final products after **verification of BIS licenses**.
 - ISPs must email **tech-steel@nic.in** with a declaration of ISP status, operative BIS licenses, and supporting documents.
 - Any misdeclaration will lead to **debarment on SIMS**.

*For more details, members are advised to refer to the official CBIC website **CBIC Instruction No. 23/2025-Customs, dated 15th July 2025**.*

6. Ministry of Steel order dated 13th June 2025: Clarification on BIS Compliance for Intermediate Steel Products

The **Ministry of Steel**, via order dated **13th June 2025**, has issued a clarification regarding the enforcement of BIS standards under existing **Quality Control Orders (QCOs)**. The clarification emphasizes that **intermediate steel materials** used in the manufacturing of finished products must also comply with relevant BIS standards.

This move ensures **parity between domestic and imported products**, as Indian manufacturers were already mandated to use BIS-compliant intermediate inputs. Without such compliance, finished products could fail to meet BIS quality standards—even if the final processing is compliant. For instance, **coated steel** using **non-BIS compliant HR/CR coils** as base material would not qualify as BIS compliant.

The Ministry highlighted the **risk of substandard imports** due to global overcapacity and low demand, which could lead to **dumping of cheap, low-quality steel** into India—potentially harming the domestic industry, especially MSMEs.

It also clarified that **Integrated Steel Plants** (which manufacture both intermediate and finished products in-house) are already covered under a unified BIS licence and need not obtain multiple licences.

Concerns over potential price hikes were addressed, noting that **India’s 200 MT production capacity is sufficient** to meet domestic demand. Safeguards like these are in line with global practices, such as **sectoral tariffs and Tariff Rate Quotas (TRQs)** imposed by many countries.

India’s **steel consumption is growing over 12% annually**, driven by infrastructure, real estate, and capital goods sectors. To meet projected demand of **300 MT by 2030 and 400 MT by 2035**, around **US\$ 200 billion** investment is required. Ensuring quality standards through BIS compliance is vital to protect industry viability and employment.

For more details, members are advised to refer to the PIB Official website <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2141513>.

7. Upcoming Quality Control Orders (QCOs) – Effective July & August 2025

Several QCOs are scheduled for enforcement in July & August 2025 across industries:

Date	Sector	Product	Details & Indian Standard
3 July 2025	Chemicals & Petrochemicals	Acetic Acid	Mandatory BIS certification under IS 695:2020 to ensure consistent industrial quality and safety.
3 July 2025	Chemicals & Petrochemicals	Methanol	To meet BIS norms under IS 517:2020 for safe handling and environmental compliance in petrochemical processes.
3 July 2025	Chemicals & Petrochemicals	Aniline	Covered under IS 2833:2019 , this chemical used in dyes and rubber is now brought under compulsory standards.
13 July 2025	Chemicals & Petrochemicals	H Acid	Enforced under IS 8637:2020 , this dye intermediate must now meet stricter quality and environmental norms.

13 July 2025	Chemicals & Petrochemicals	Vinyl Sulphone	BIS standard IS 18340:2023 now applies to improve product quality in textile and dye applications.
27 July 2025	Solar & Electronics	Solar PV Modules	Under IS 14286 (Part 1) and IS/IEC TS 62915 , these modules must adhere to global durability and safety norms.
27 July 2025	Solar & Electronics	Power Inverters	Must comply with IS/IEC 61683 and IS/IEC 62109 for efficiency and user safety in solar installations.
27 July 2025	Solar & Electronics	Batteries for Solar PV	BIS mandates IS 16270 certifications to ensure lifecycle safety and energy storage reliability.
28 July 2025	Electronics	Flashlights	Subject to IS 2083:2024 , enhancing safety and performance in everyday and industrial lighting use.
1 Aug 2025	Metals & Industrial Goods	Stainless Steel Seamless Pipes	These construction-critical components must now comply with IS 17875:2022 to support infrastructure quality.
1 Aug 2025	Metals & Industrial Goods	Stainless Steel Seamless Tubes	Mandated under IS 17876:2022 , ensuring reliability in pressure and structural applications.

8. Ministry of Communication notification S.O. 2962 (E). dated 2nd July 2025: DoT Extends Transition for Crediting USO Funds to Digital Bharat Nidhi

The Ministry of Communications, Department of Telecommunications (DoT), has issued the **Telecommunications (Removal of Difficulties) Amendment Order, 2025**, to address challenges arising from the transitional phase of implementing the **Telecommunications Act, 2023**.

Earlier, the **Telecommunications (Removal of Difficulties) Order, 2024** allowed for funds payable under the Universal Service Obligation (USO) from licenses granted on or after **26th June 2024** to be credited to the **Digital Bharat Nidhi**. This order was valid for a period of ten months, expiring on **25th April 2025**.

However, since **Section 3** of the new Telecommunications Act (related to the authorization regime) and the corresponding rules are yet to be notified, a regulatory gap emerged for licenses issued **after 25th April 2025**. To address this issue, the government has now amended the 2024 Order to extend its effect.

Key Highlights:

- *The amendment restores the applicability of the original 2024 Order effective from the date of publication in the Official Gazette.*
- *It ensures that USO contributions from licenses granted after 26th April 2025 can continue to be directed to the **Digital Bharat Nidhi** without legal ambiguity.*
- *This measure is intended to support the continued implementation of the objectives under **Section 25** of the Telecommunications Act, 2023.*

The notification has been issued under **Section 58(1)** of the Telecommunications Act, 2023 and was published in the Gazette on **2nd July 2025**.

For more details, members are advised to refer to the official Ministry of Communication, Department of Telecommunications, notification S.O. 2962 (E). dated 2nd July 2025.

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