
October 1, 2026

DPIIT

AC QCO exempts up to 6,000 compressors and heat exchangers a year

DPIIT's S.O. 5438(E) amends the 2019 AC QCO to exempt up to 6,000 hermetic compressors and heat exchangers a year per manufacturer for maintenance and sales.

THE MINISTRY OF Commerce and Industry (Department for Promotion of Industry and Internal Trade) issued Order S.O. 5438(E), dated October 1, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), No. 5228 of October 5, 2026, in Hindi and English. It is the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control)

Second Amendment Order, 2026, made under sub-sections (1) and (2) of section 16 read with sub-section (3) of section 25 of the Bureau of Indian Standards Act, 2016, after consulting the Bureau. It amends paragraph 2 of the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Order, 2019 and comes into force from the date of its publication in the Official Gazette.

KEY FACTS**AUTHORITY****DPIIT**

PUBLISHED**October 1, 2026**

ISSUED BY

Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry

DOCUMENT

Order S.O. 5438(E), the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Second Amendment Order, 2026

AC QCO exempts up to 6,000 compressors and heat exchangers a year

DPIIT · October 1, 2026

The Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) issued Order S.O. 5438(E), dated October 1, 2026, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), No. 5228 of October 5, 2026, in Hindi and English. It is the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Second Amendment Order, 2026, made under sub-sections (1) and (2) of section 16 read with sub-section (3) of section 25 of the Bureau of Indian Standards Act, 2016, after consulting the Bureau. It amends paragraph 2 of the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Order, 2019 and comes into force from the date of its publication in the Official Gazette.

In the TABLE of the ninth proviso to paragraph 2, under the heading Goods or articles in column (1), the Order substitutes the words "Scroll or Rotary hermetic compressor of rated capacity" for "Rotary hermetic compressor of rated capacity". It does not reproduce that TABLE. The ninth proviso was inserted after the eighth proviso by S.O. 2324(E) of May 8, 2026, the last amendment the Order's note lists. It says the 2019 Order does not apply to the goods in column (1) imported by a manufacturer of air conditioning and refrigeration equipment and related parts for the purposes of its own manufacturing, up to March 31, 2027, to the volume in column (2), from the date of publication of that amendment. The replaced words open the fourth of its four entries, "Rotary hermetic compressor of rated capacity two tons of refrigeration and above for variable refrigerant flow air conditioning system", whose volume is up to 100 percent of the total quantity of goods or articles imported during the financial year 2024–25.

The Order then inserts two provisos after the ninth. The first says the 2019 Order does not apply to up to 6,000 numbers of hermetic compressors and heat exchangers, domestically manufactured or imported for maintenance and sales, per year by each manufacturer of air conditioning and refrigeration equipment and related parts who is certified by the Bureau or has applied to the Bureau for certification for the relevant goods and articles, till three years from the date of commencement of the Second Amendment Order, 2026. The condition is that the manufacturer declares its old stock of hermetic compressors and heat exchangers, domestically manufactured or imported, maintains a year-wise record of such goods or articles, and furnishes it to the Central Government with a declaration to this effect made to the Bureau.

The second says the 2019 Order does not apply to goods or articles domestically manufactured or imported before the date of commencement of the Second Amendment Order, 2026 by a manufacturer certified by the Bureau or one who has applied to the Bureau for certification for the relevant goods and articles. Such a manufacturer may sell, display or offer to sell such declared stock up to September 30, 2026, on making a declaration to this effect to the Bureau.

The Order does not state whether the 6,000 numbers are one limit for hermetic compressors and heat exchangers together or a limit for each, a cut-off date for the old stock that the first of the

two new provisos requires to be declared, or when the declarations to the Bureau are due. It makes no other change to the 2019 Order. It is signed by Dr. Sumeet Kumar Jarangal, Joint Secretary, under F. No. P-29014/63/2017-LEI. Its note records that the principal Order was published as S.O. 4354(E) dated December 5, 2019 and lists eight amendments: S.O. 1518(E) of May 18, 2020, S.O. 4671(E) of December 22, 2020, S.O. 5095(E) of December 8, 2021, S.O. 5972(E) of December 21, 2022, S.O. 32(E) of January 2, 2024, S.O. 695(E) of February 11, 2025, S.O. 1815(E) of April 22, 2025 and S.O. 2324(E) of May 8, 2026.

Issued by	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
Document	Order S.O. 5438(E), the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Second Amendment Order, 2026
Dated	October 1, 2026
Published	Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), No. 5228, October 5, 2026
Takes effect	From the date of its publication in the Official Gazette
Amends	Paragraph 2 of the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Order, 2019, published as S.O. 4354(E) dated December 5, 2019
Applies to	Manufacturers of air conditioning and refrigeration equipment and related parts importing the goods in the ninth proviso's TABLE for their own manufacturing; manufacturers certified by, or applying to, the Bureau for certification for the relevant goods and articles (the two new provisos)
Ninth proviso's TABLE	"Scroll or Rotary hermetic compressor of rated capacity" substituted for "Rotary hermetic compressor of rated capacity"
Maintenance and sales	Up to 6,000 numbers of hermetic compressors and heat exchangers per year by each manufacturer of air conditioning and refrigeration equipment and related parts certified by, or applying to, the Bureau, till three years from the commencement of the Second Amendment Order, 2026; old stock declared, and a year-wise record furnished to the Central Government with a declaration to the Bureau
Declared stock	Goods made or imported before the commencement of the Second Amendment Order, 2026 by a manufacturer certified by, or applying to, the Bureau may be sold, displayed or offered for sale up to September 30, 2026, on a declaration to the Bureau

Made under Section 16(1) and (2) read with section 25(3), Bureau of Indian Standards Act, 2016

File F. No. P-29014/63/2017-LEI

Signed by Dr. Sumeet Kumar Jarangal, Joint Secretary

The ninth proviso's TABLE, inserted by S.O. 2324(E), with the fourth entry as amended

Goods or articles	Financial Year 2026-27
Reciprocating hermetic compressors of fixed speed and variable speed (inverter), of rated capacity less than two tons of refrigeration, intended for use in refrigerators and similar refrigeration appliances.	Up to 40 per cent. of the total quantity of goods or articles imported during the financial year 2024-25.
Rotary hermetic compressors of fixed speed and variable speed (inverter), of rated capacity less than two tons of refrigeration, intended for use in air conditioners and heat pump applications.	Up to 30 per cent. of the total quantity of goods or articles imported during the financial year 2024-25.
Scroll and rotary hermetic compressors of fixed speed and variable speed (inverter) having a rated capacity of two tons of refrigeration and above, intended for use in refrigeration, air-conditioning, and heat pump applications.	Up to 90 per cent. of the total quantity of goods or articles imported during the financial year 2024-25.
Scroll or Rotary hermetic compressor of rated capacity two tons of refrigeration and above for variable refrigerant flow air conditioning system.	Up to 100 per cent. of the total quantity of goods or articles imported during the financial year 2024-25.

[The order](#) (PDF, 569 KB)

Source: [Gazette of India, CG-DL-E-06102026-276836](#).

Checked against the official copy on October 20, 2026.

IndusDesk

hello@indusdesk.com · +91 98917 60000

9th Floor, Hemkunt House, Rajendra Place, New Delhi, Delhi 110008, India

Read online: indusdesk.com/dpiit/insights/ac-gco-exempts-up-to-6-000-compressors-and-heat-exchangers-a-year/