



# REFORMS IN THE AREA OF LEGAL METROLOGY (PACKAGED COMMODITIES) RULES

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#### INTRODUCTION

Consumer protection has always been one of the main thrust areas of policy formulation. Use of proper, accurate and standard weight and measure is very important for effective functioning of any economy, as it plays an important role in promoting welfare of consumers. Through this, consumers are protected from malpractice of underweight or under measure and they get right and exact amount of product for the money spent by them. The Packaged Commodities Rules are primarily intended to ensure that the consumers are able to make informed choices, being informed of essentially declarations.

The establishment of the Standards of Weights and Measures and their specification is the responsibility of the Union Government and the enforcement of the Weights and Measures is done by the State Governments. The Department of Consumer Affairs safeguards the interest of Consumers to get the correct quantity for the value paid by ensuring use of the correct weights and measures.

Legal Metrology is the application of legal requirements to measurements and measuring instruments. The objective of Legal Metrology is to ensure public guarantee from the point of view of security and accuracy of the weighments and measurements.

Various reforms are made in packaged Commodities. Rules, since 2014 in the interest of Consumers and industries.



## Provides the framework for the regulation of pre-packaged commodities

A 'pre-packaged commodity' means 'a commodity which without the purchaser being present is placed in a package of whatever nature, whether sealed or not, so that the product contained therein has a pre-determined quantity'.

#### **Declarations on pre-packaged commodities:**

Manufacturing, packing, importing, selling, distributing or delivery of pre-packaged commodities without giving the declarations and particulars is not allowed.

An advertisement of retail sale price of a pre-packaged commodity should have the declaration of the net quantity or number of the commodity contained in the package.

#### Penalty for selling, etc. of non-standard packages:

Manufacturing, packing, importing, selling, distributing or delivery of pre-packaged commodities without giving the declarations is punishable with fine for the first and the second offence. Any subsequent offence is punishable with fine or with imprisonment or with both.

Manufacturing, packing or importing any pre-packaged commodity, with error in net quantity is punished with fine for the first offence and for the second and subsequent offence with fine or with imprisonment or with both.



# Salient Features of the Amendments made in the Legal Metrology (Packaged Commodities) Rules

The packaged commodities meant for industrial consumers or institutional consumers are exempted from the provisions of these Rules. Also, the packages of commodities containing quantity of more than 25 kg or 25 litre, excluding cement and fertilizer sold in bags up to 50 kg, are exempted from the provisions of these Rules.

Central Government has made it mandatory to pack 19 commodities in the prescribed sizes.

Baby food, Weaning food, Biscuits, Bread including brown bread but excluding bun

Un-canned packages of butter and margarine, Cereals and Pulses

Coffee, Tea, Materials which may be constituted or reconstituted as beverages

Edible Oils Vanaspati, ghee, butter oil

Milk Powder, Non-soapy detergents (powder)

Rice (powdered), flour, atta, rawa, and suji Salt

Soaps (Laundry Soap, Non-soapy detergent cakes/ bars, Toilet, Soap including all kinds of bath soap, cakes)

Aerated soft drinks, non-alcoholic beverages

Mineral water and drinking water

Cement in bags

Paint varnish etc. [Paint (other than paste paint or solid paint) varnish, varnish stains, enamels, Paste paint and solid paint,Base paint]



### **Declarations required on packages:**

- Name and address of the Manufacturer/ Packer /Importer
- Common or generic name of the commodity
- Net quantity
- Month and year of manufacturing/ packing/ importing
- Retail sale price (MRP)
- Consumer care details
- Country of origin for imported products
- Best before or use by the date, month and year of a commodity which may become unfit for human consumption after a period of time

It is provided that every declaration should be legible and prominent; numerals of the retail sale price and net quantity declaration should be printed, painted or inscribed on the package in a colour that contrasts conspicuously with the background of the label.

The declarations on a package should be either in Hindi in Devnagri script or in English. However, use of any other language in addition to Hindi or English language is allowed.

In the declaration of the quantity the words which may create an exaggerated, misleading or inadequate expression as to the quantity of the commodity contained in the package is not allowed.

No retail dealer or other person including manufacturer, packer, importer and wholesale dealer are allowed to make any sale of any commodity in packed form at a price exceeding the retail sale price thereof.

Where, after any commodity has been pre-packed for sale, any tax payable in relation to such commodity is revised, the retail dealer or any other person shall not make any retail sale of such commodity at a price exceeding the revised retail sale price.

The Central Government may permit a manufacturer or packer to pack for sale the packages for a reasonable period by relaxing one or more provision of these Rules with corrective measures as may be specified. Central Government may also permit a manufacturer or packer or importer to pack or sell of the packages not allowed in the Second Schedule for a maximum period of one year.

#### Gaps in the earlier provisions:

#### **Emergence of IT and digital India:**

- With the initiatives taken by the Government of India for Digital India the consumer markets for goods and services had undergone a profound transformation.
- With the emergence of information technology and digital India the reach of global companies is to the small and medium consumers.
- The emergence of global supply chains for procurement of goods meant for domestic consumers and rapid development of e-commerce as a medium for purchase of goods by consumers, rendered consumers vulnerable to new forms of unfair trade practices.
- The need was felt to amend the Rules to simplify the ease of doing business and ease of life of people.
- To protect the interest of consumers, e-commerce sale has been regulated and industry has also been facilitated to meet the requirements

#### APPROACH AND PRESENT IMPACT

## Initiative taken In the interest of industries for ease of doing business and to reduce the compliances:

Thread which is sold in coil to handloom weavers is exempted from the preview of the Rules to safeguard the interest of small weavers Importers are allowed to put a label on imported packages for making the declarations

Bar Code/ QR Coding allowed on voluntarily basis

Provisions regarding declarations on Food Products have been harmonized with regulation under the Food Safety & Standards Act.



## The declarations to be made on e-commerce sites required under Rule 6(10) of the said Rules, with the products, are as follows:

- Name and address of the manufacturer/ packer/ importer
- The name of the country of origin or manufacture or assembly for imported products
- The common or generic names of the commodity
- The net quantity,
- The 'best before or use by the date, month and year' if a package contains a commodity which may become unfit for human consumption after a period of time;
- The retail sale price of the package;

## In the Interest of consumers to redress their grievances and to provide complete information about the product:

Email address of the person of the company for consumer complaint is made mandatory

It is made mandatory to declare all the declarations required under these rules on tobacco and tobacco products of any quantity.

Since 2016, packing of any essential commodity in the quantity fixed and notified by the Competent Authority under the Essential Commodities Act has been allowed

Selling of any essential commodity at the price fixed and notified by the Competent Authority under the Essential Commodities Act, has been allowed since 2016

Goods displayed by the seller on e-commerce platform shall contain declarations required under the Rules.

Specific mention is made in the rules that no person shall declare different MRPs (dual MRP) on an identical pre-packaged commodity.

Size of letters and numerals for making declaration is increased, so that consumer can easily read the same.

Medical devices which are declared as drugs, are brought into the purview of declarations to be made under the rules

#### Advisories issued for smooth implementation of the rules

- 1.To ensure all declarations including MRP on masks, sanitizers etc. during COVID-19
- 2.To ensure that no sale of packaged commodities is made over and above MRP
- 3.E Commerce entities were requested to publish mandatory declarations on their website. Controllers of Legal Metrology of State Governments were also requested for ensuring implementation.
- 4.To ensure that all imported/ indigenously produced Margarine packages are making all mandatory declarations including name of the product so that consumers can differentiate between butter and margarine and make informed choices.
- 5.Permission was granted for utilisation of the packing material stock with pre-printed date of manufacturing, which could not be utilised due to prevalent situation of COVID-19 up to 31.03.2021
- 6.On account of implementation of GST permission was granted to display revised MRP due to change of rates of GST
- 7.The validity of stamp was extended upto 31.12.2020 for weight & measure used in transaction in the interest of industries/users due to COVID-19

#### Beneficiaries speaks:

The permission given to utilize packing material stock with pre-printed date of manufacturing, which could not be utilised due to prevalent situation of COVID-19 up to 31.03.2021, was appreciated by UK India Business Council, London that:

"This step showcases yet another forward- looking approach by the Government of India that improves further the Ease of Doing Business. We are certain that this development will have a constructive impact on UK businesses having manufacturing facilities in India."

