





Legal Metrology Act & Packaged Commodities Rules On 03.02.2024

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Consumer is the Focus

Price Monitoring & Price Stabilization

Development & Enforcement of Standards (Quality Assurance)

Consumer Protection Framework

Legal Metrology (Quantity Assurance)

Legal Metrology - Background

- Legal Metrology is the application of legal requirements to measurements and measuring instruments:
 - ✓ to ensure public guarantee from the point of view of security and accuracy of the weighments and measurements
 - ✓ to builds confidence in trade, industry & consumer and
 - ✓ to create harmonious environment for conducting business

Constitutional Provisions

- ✓ Entry 50 of List-I (Union List) 'Establishment of standards of weight and measure' (to frame policy/ rules etc.)
- ✓ Entry 33-A of List-III (Concurrent List) 'Weights and measures except establishment of standards' (enforcement by States)



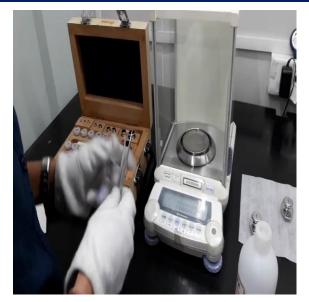


Legal Metrology Act, 2009 - Background

- LM Act received the assent of the President on 13th January, 2010 and
- Came into force on 1st April 2011 after repealing of:
 - ✓ the Standards of Weights and Measures Act, 1976 and
 - ✓ the Standards of Weights and Measures (Enforcement) Act, 1985

Objective of the Act

- ✓ Enacted to establish and enforce
 - > standards of weights and measures,
 - > regulate trade and commerce in weights, measures and
 - other goods which are sold or distributed by weight, measure or number
- Department of Consumer Affairs is the nodal agency for the implementation of the Act





Rules framed under the Legal Metrology Act, 2009

Union of India

- The Legal Metrology (General) Rules, 2011
- The Legal Metrology (Packaged Commodities) Rules, 2011
- The Legal Metrology (Approval of Models) Rules, 2011
- The Legal Metrology (National Standards) Rules, 2011
- The Legal Metrology (Numeration) Rules, 2011
- Indian Institute of Legal Metrology Rules, 2011
- The Legal Metrology (Government Approved Test Centre) Rules, 2013

States/UTs

Concerned State Governments framed their Legal Metrology (Enforcement) Rules

Legislation: Few Specific Provisions under the Act

- Standardization of units of weights and measures based on metric system length (m), mass (kg), time (s), electric current (A), temperature (K), luminous intensity (cd) and amount of substance (mol)
- Declarations on pre-packaged commodities.
- Verification of w&m by private GATC
- LM Act is applicable to all types of trade & transactions
 - ✓ To provide assurance of quantity delivered in all transactions
- Applicable to all types of weighing & measuring instrument
 - ✓ Weighing machines, petrol/ diesel dispensing units, weighbridges etc.
- Transaction of solid commodities in kg, liquid commodities (petrol) in litre etc.

Balance between Consumer and Industry

- Introduced Unit Sale Price (USP)
- Declaration of month & year of manufacture only
- Only one nominated Director of the company/ other person for any establishment/ unit is responsible for the offences of the company
- Electronic products to declare certain declarations through the QR Code, if not declared in the package
 - ✓ Earlier, all the declarations on electronic products were required on the package
- Weights or measures which are used by the industries for their internal use do not require re-verification
- Adopting a uniform procedure throughout the country to avoid double stamping of the same weights and measures
- Few Sections Decriminalized

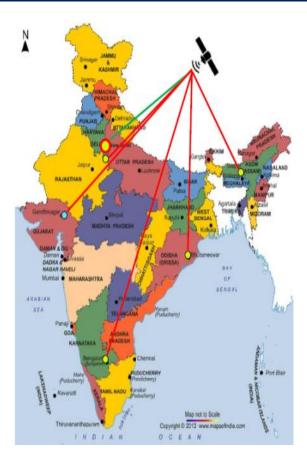
Sections Decriminalized

7 sections decriminalized (w.e.f. 01.10.2023)

S. No.	Section	Provision		
1	25	Penalty for use of non-standard weight or measure		
2	27	Penalty for manufacture or sale of non-standard weight or measure		
3	28	Penalty for making any transaction, deal or contract in contravention of the prescribed Standards		
4	29	Penalty for quoting or publishing, etc., of non-standard units		
5	31	Penalty for non-production of documents, etc.		
6	34	Penalty for sale or delivery of commodities, etc., by non-standard weight or measure		
7	35	Penalty for rendering services by non-standard weight, measure or number		
8	48	Compounding of Offences [First offence under Section 41 (Penalty for giving false information or false return) made compoundable]		

Time Dissemination

- Time Dissemination of Indian Standard
 Time (One India One Time)
 - ✓ Cyber security, Networks and Data Centers
 - ✓ Disaster Management
 - ✓ Defense,
 - ✓ Telecommunications and 5G
 - Digital Signatures and Time Stamping
- Dissemination of IST through RRSLs in coordination with NPL & ISRO
- Dissemination- First phase by 31.3.2024





- Intergovernmental organisation; established in 1955, HQ at Paris; 63 Member States, 64
 Corresponding Members;
- India became member in 1956; India signed metric convention in 1956;
- To promote the global harmonization of the Legal Metrology:
 - ✓ Harmonize national laws and regulations on performance of measuring instruments;
 - ✓ Facilitate international commerce of measuring instruments and affected products;
 - ✓ Ensure quality measurements for public and worker health and safety and protection of the environment;
 - ✓ Harmonize national procedures for testing and verifying the performance of measuring instruments

India has now become the OIML Certificates Issuing Authority

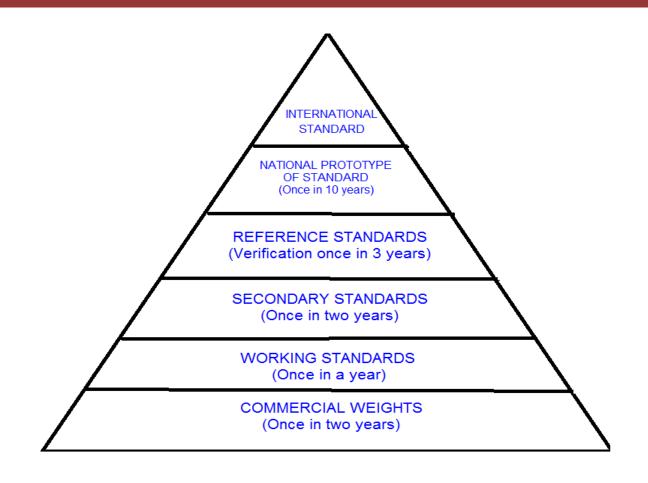


- Legal Metrology Division, Department of Consumer Affairs, Government of India, has become an OIML (International Organization of Legal Metrology) Issuing Authority under the OIML-CS (Certificate System)
- It is a single certificate accepted worldwide, reducing redundancy and saving resources
- 13th Country in the World which can issue OIML Pattern Approval Certificates

Mandatory compliances for W&M instrument

- Registration for importer of weight or measure (Sec. 19 / Uol)
- Every person, before manufacturing or importing any weight or measure shall seek the approval (sec 22/ UoI)
- No person shall manufacture, repair or sell, any weight or measure unless he holds a licence issued by the Controller (sec 23/ States)
- Any weight or measure used in any transaction or for protection, needs to be verified (sec 24/ States)

HIERARCHY CHART OF STANDARDS OF MASS AND ITS TRACEABILITY



Important definitions under the Act

"Protection" means

➤ Utilization of reading obtained from any weight or measure, for the purpose of determining any step which is required to be taken to safeguard the well-being of any human being or animal, or to protect any commodity, vegetation or thing, whether individually or collectively [2(k)];

"Transaction" means,-

- ➤ Any contract, whether for sale, purchase, exchange or any other purpose, or
- > Any assessment of royalty, toll, duty or other dues, or
- ➤ The assessment of any work done, wages due or services rendered; [2(u)]





Important definitions under the Act

- "Seal" means a device or process by which a stamp is made, and includes any wire or other accessory which is used for ensuring the integrity of any stamp [2(s)];
- "Stamp" means a mark, made by impressing, casting, engraving, etching, branding, affixing pre stressed paper seal or any other process in relation to, any weight or measure with a view to-
 - ✓ certifying that such weight or measure conforms to the standard specified by or under this Act, or
 - ✓ indicating that any mark which was previously made thereon certifying that such weight Or measure conforms to the standards specified by or under this Act, has been obliterated; [2(t)]





Important definitions under the Act

• "Verification", with its grammatical variations and cognate expressions, includes, in relation to any weight or measure, the process of comparing, checking, testing or adjusting such weight or measure with a view to ensuring that such weight or measure conforms to the standards established by or under this Act and also includes re-verification and calibration [2(v)];

 "label" means any written, marked, stamped, printed or graphic matter affixed to, or appearing upon any pre-packaged commodity [2(f)]





Legal Metrology – Recent Developments

To enable greater use of technology in this digital era

- The Legal Metrology (Packaged Commodities) Rules, 2011 are amended for ease of doing business and reducing the compliance burden
 - ©Electronic products to declare certain declarations through the QR Code, if not declared in the package
 - ©Earlier, all the declarations on electronic products were required on the package

The Legal Metrology (Packaged Commodities) Rules, 2011 are amended for

• Introducing unit sale price

Legal Metrology – Recent Developments

Section 49 of LM Act allows the companies to nominate any of its Directors as a person responsible for the business of the Company

- On request of industries the Legal Metrology (General) Rules, 2011 are amended:
 - Allowing the companies having different establishments or branches or different units in any establishment or branch
 - To nominate an officer who has the authority and responsibility for planning, directing and controlling the activities of the establishments or branches or different units

On the request of industries, for reducing the compliance burden Amendment in the Legal Metrology Rules

- General Rules were amended for
 - Weights or measures which are used by the industries for their internal use do not require reverification
 - Adopting a uniform procedure throughout the country to avoid double stamping of the same weights and measures

Pre-packaged commodity

Section 2(1) of the Act defines the Pre-packaged commodity that: 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

Section 2(f) provides that: "Label" means any written, marked, stamped printed or graphic matter affixed to, or appearing upon any pre-packaged commodity



Section 18 (1) provides for declaration on pre-packaged commodity and restricts manufacturing, packing, selling, import, distribution of pre-packaged commodities unless they confirm to prescribed declarations

Section 18(2) provides that: advertisement mentioning the retail sale price shall contain the net quantity or number contained in the package

Pre-packaged commodity- Penal Provisions

Section 36 (1): Selling, manufacturing, packing, importing, distributing, delivery or otherwise transferring, offering, exposing of possessing for sale any pre packaged commodity which does not confirm to the declarations of the package as provided in the Act:

- ✓ Fine up to Rs. 25,000 for the first offence and
- ✓ For second offence, with fine (upto Rs. 50,000)
- ✓ For subsequent offence with fine (not less than Rs. 50,000 and upto 1,00,000) or with imprisonment (up to one year)

- **Section 36 (2):** Selling, manufacturing, packing, importing, with error in net quantity:
- ✓ Fine (Rs. 10,000 Rs. 50,000) for the first offence and
- ✓ For second and subsequent offence with imprisonment (up to one year) or with fine (not less than Rs. 50,000 and upto 1,00,000) or with both



Packaged Commodities Rules - Important terms

Rule 2(h) of the Rules Provides that:

- ❖"Principal Display Panel" in relation to a package, means the total surface area of the package where the information required under these rules are to be given in the following manner, namely:
 - ✓ All the information could be grouped together and given at one place; or
 - ✓ The pre-printed information could be grouped together and given in one place and on line information grouped together in other place;



Packaged Commodities Rules- Declarations required

- ❖ Name and address of manufacturer/ packer/ importer,
- Country of origin if imported
- Common, generic name of the commodity
- ❖ Net qty. in std. unit of W or M or no. of commodity in the package
- ❖ MRP incl. of all taxes
- ❖ Month and year of manufacture *or pre-packing or import (*to be Omitted w.e.f. 01.01.2024) (for spare parts selling in retail w.e.f. 01.04.2024)
- ❖ "Best before or use by date, month and year" in case of commodity becoming unfit for human consumption with time
- ❖ Sizes/ dimensions of the commodity, if relevant; if dimensions of different pieces are different, then dimensions of each such different piece
- Consumer Care details
- Unit sale price (w.e.f. 01.01.2024)

Packaged Commodities Rules

- ✓ Every e-Commerce entity to ensure that following mandatory declarations are displayed (w.e.f. 01.01.2018):
 - ❖Name and address of manufacturer/ importer,



- Country of origin if imported
- Common, generic name of the commodity
- ❖Net qty. in std. unit of W or M or no. of commodity in the package
- ❖MRP incl. all taxes
- *"Best before or use by date, month and year" in case of commodity becoming unfit for human consumption with time

RULE 6(10) of the PC Rules

- □ An E-commerce entity shall ensure that the mandatory declarations as specified in sub-rule (1) except the month and year in which the commodity is manufactured or packed, shall be displayed on the digital and electronic network used for e-commerce transactions.
 - Provided that in case of market place model of e-commerce, responsibility of the correctness of declarations shall lie with the manufacturer or seller or dealer or importer if-

The function of the e-commerce entity is limited to providing access to a communication or system over which information made available by the manufacturer or seller or dealer or importer is transmitted or temporarily or hosted

The entity does not:

- Initiate the transmission
- Select the receiver of the transmission &
- Select, or modify the information contained in the transmission

Size of declarations under PC Rules

Serial Number	Area of Principal display panel in square centimeters (A)	Minimum height of numerals and letters in millimeters	Minimum height of numerals and letters when blown, formed or molded on surface of container in millimeters
	(1)	(2)	(3)
1	A <u><</u> 50	1.0	2.0
2	50 < A <u><</u> 100	1.5	3.0
3	100 < A <u><</u> 500	2.5	4.0
4	500 < A <u><</u> 2500	4.0	6.0
5	2500 <a< th=""><th>6.0</th><th>6.0</th></a<>	6.0	6.0

Important provisions under PC Rules

- **18(2)** No retail dealer or other person including manufacturer, packer, importer and wholesale dealer shall make any sale of any commodity in packed form at a price exceeding the retail sale price thereof
- □ 18(2A) Unless otherwise specifically provided under any other law, no manufacturer or packer or importer shall declare different maximum retail prices on an identical prepackaged commodity by adopting restrictive trade practices or unfair trade practices as defined under clause (41) and (47) of section 2 of the Consumer Protection Act, 2019 (35 of 2019) [GSR 779(E) 2.11.2021]
- □ **18(5)** No wholesale dealer or retail dealer or other person shall obliterate, smudge or alter the retail sale price
- □ 27. Registration of manufacturers, packers and importers- Every person who or which pre-packs or imports any commodity for sale, distribution or delivery shall get registered his or its name and complete address; within ninety days from the date on which he or it commences such pre-packing (nsws.gov.in)

Maximum permissible errors on net quantities declared by weight or by volume SI. No. Declared quantity g or ml Maximum permissible error in excess or in deficiency

(i)

(ii)

(iii)

(iv)

(v)

(vi)

(vii)

(viii)

(ix)

up to 50

50 to 100

100 to 200

200 to 300

300 to 500

500 to 1000

1000 to 10000

10000 to 15000

More than 15000

As percentage of declared

quantity

9

4.5

3

1.5

1.0

g or ml

4.5

9

15

150

Recent Amendments in PCR w.e.f .(01.01.2024)

- **❖ Rule 2(aa) was amended to incorporate the new Consumer Protection Act, 2019** [GSR 779(E) 2.11.2021]
- ❖ Rule 4 amended to insert sub-rule (2) for promotional offer, which was earlier provided under rule 5 [GSR 779(E) 2.11.2021]
- ❖ Rule 5 of the Legal Metrology (Packaged Commodities), Rules 2011, omitted [GSR 779(E) 2.11.2021] (related with prescribed sizes of 19 commodities and value based packages)
- ❖ The Second Schedule Omitted [GSR 226(E) 28.3.2022] (related with requirement of prescribe sizes of pre packaged commodities)
- ❖ Rule 6 (1) d amended [GSR 779(E) 2.11.2021] [for declaration of month and year of manufacture only (month and year of packed/ imported omitted)]
- ❖ Rule 6(1)(e) amended [GSR 779(E) 2.11.2021] (to incorporate that **MRP** is the maximum retail price inclusive of all taxes in Indian Currency) (Illustrations and rounding off provision for declaration of MRP removed)

Recent Amendments in PCR w.e.f 1.1.2024

- ❖ Provision of **Unit Sale Price introduced under rule 6(11)** (provision of prescribed pack sizes omitted) [GSR 779(E) 2.11.2021; further amended vide GSR 226(E) 28.3.2022] that:
 - > The unit sale price in rupees, rounded off to the nearest two decimal place, shall be declared on every pre-packaged commodities in the following manner, namely:-
 - per gram where net quantity is less than one kilogram and per kilogram where net quantity is more than one kilogram;
 - per centimeter where net length is less than one metre and per metre where net length is more than one metre;
 - per mililitre where net volume is less than one litre and per litre where net volume is more than one litre;
 - per number or unit if any item is sold by number or unit:

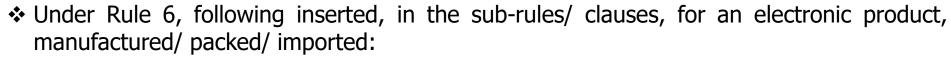
Provided that for packages containing **alcoholic beverages** or spirituous liquor, the State Excise Laws and the rules made thereunder shall be applicable within the State in which it is manufactured.

Provided further that declaration of unit sale price is not required for the prepackaged commodities in which **retail sale price** is **equal to the unit sale price**.

Recent Amendments in PCR w.e.f. 1.1.2024

- **❖ Rule 13(5)(ii) amended for declaration of net quantity in number that** [GSR 779(E) 2.11.2021]:
 - for items sold by number, the number or unit or piece or pair or set or such other word which represents the quantity in the package shall be mentioned
- **❖ Rule 18(2A) amended to incorporate the provisions of new Consumer Protection Act, 2019** [GSR 779(E) 2.11.2021]
- ❖ Rule 18(7) amended to correct the name of present tax which GST [GSR 779(E) 2.11.2021] (from VAT/ TOT turn over tax)
- ❖ Rule 33(2) omitted [GSR 226(E) 28.3.2022] (for permission of non prescribed sizes under second schedule)

Recent Amendments in PCR- Electronic Products



- □ (1)(a): declare the name of the manufacturer/ packer/ importer on the package itself and inform to scan the QR code for the address and other related information,
- (1)(b): inform to scan the QR code for the common or generic name of the commodity and where such package contains more than one product, then for the name and number or quantity of each product,
- \Box (1)(f): inform to scan the QR code for the size and dimension of the commodity,
- □ (2) declare the telephone number and e-mail address, on the package itself and inform to scan the QR code for other related information,
 - √ in case such information is declared through the QR Code and not declared on the package itself;

Amendments in PCR- GSR 648(E) dated 22nd August, 2022 (w.e.f. 01.01.2023)

❖ Garment or hosiery sold in loose or open are exempted from PC Rules at the point of sale (if consumer can inspect the products before buying)

- ❖ Such product shall bear:
 □ name and address of the manufacturer or marketer or brand owner or importer with country of
- origin or manufacture in case of imported products;
 - ☐ consumer care email id and phone number;
 - □ sizes in metric notation in terms of cm or m, as the case may be or with internationally recognizable size indicators such as S, M, L, XL, XXL and XXXL along with details in metric notation;
 - ☐ maximum retail price of the package inclusive of all taxes in Indian currency
- * everytion shall apply to sale of finished products alone
- ❖ exemption shall apply to sale of finished products alone
- ❖ the above information shall be displayed on e-commerce website if sold through e-commerce
- ❖ any manufacturer/ packer/ importer may declare the above information with immediate effect

Amendments in General Rules - GSR 763(E) dated 4.10.2022

- Section 49 of LM Act allows the companies to nominate any of its Directors as a person responsible for the business of the Company
- On request of industries the Legal Metrology (General) Rules,
 2011 are amended:
 allowing the companies having different establishments or
 - branches or different units in any establishment or branch
 to nominate an officer who has the authority and responsibility
 - to nominate an officer who has the authority and responsibility for planning, directing and controlling the activities of the establishments or branches or different units

Packaged Commodities Rules (w.e.f. 1.1.2024)

- In rule 6, in sub-rule (11), after the second proviso, the following proviso inserted, that:
 - "Provided also that declaration of unit sale price is not required for a combination package or a group package or a multi-piece package, under these rules or under any other law for the time being in force."

New Definitions:

- "combination package" means a package intended for retail sale, containing two or more individual packages, or individual pieces, of dissimilar commodities; (ka)
 - Illustration: A package containing dissimilar commodities such as, spoons, knives, forks, cups, napkins, or the like is a combination package;

Packaged Commodities Rules (w.e.f. 1.1.2024)

New Definitions:

- □ "group package" means a package intended for retail sale, containing two or more individual packages, or individual pieces, of similar, but not identical (whether in quantity or size) commodities. (kb)
 - **Explanation**: Commodities which are generally the same but differ in weight, measure or volume, appearance or quality are similar, but not identical commodities.
 - Illustrations:
 - (i) A package containing,-
 - ✓ Two sponges -100 mmx 75 mm x 20 mm
 - ✓ One sponge -100 mmx 100 mm x 30 mm
 - ✓ Four sponges -100 mmx 50 mm x 15 mm
 - ✓ is a group package;
 - (ii) A package containing assorted biscuits is a group package;
 - (iii) A package containing similar commodities of different brands is a group package;
- "multi-piece package" means a package containing two or more individual packaged or labelled pieces of the same commodities of identical quantity, intended for retail sale, either in individual pieces or the package as a whole: (kc)
 - Provided that for packages containing food articles, the provisions of the Food Safety and Standards Act, 2006 (34 of 2006) and the rules made thereunder shall apply.
 - ❖ Illustration:
 - (i) A package containing "5 toilet soap cakes of net weight 20g each and total net weight of 100 g" is a multi-piece package;"

Packaged Commodities Rules- Declarations required (w.e.f. 1.1.2024)

- Declaration of Month and Year of Manufacture (MMYYYY) for <u>all</u> products sold in the country
- Flexibility accorded to declare Month and Year of Manufacture anywhere on the retail package
- Declaration in a visible and clearly legible manner
- Exemption given to spare parts and accessories provided they are:
 - Used for the purpose of servicing with a warranty.
- Formalises definition of Spare parts and Accessories as:
- "spare parts and accessories shall include any "part", "component", or "accessories that are complementary to the main or core product" of a machine, device or equipment by whatever name called, including parts that are sold separately for use in support or replacement of a damaged or worn-out part, in order to have intended operation or functioning of the machine, device or equipment".

Packaged Commodities Rules- Declarations required (w.e.f. 1.1.2024)

- Rule 26 (g) inserted that:
 - ☐ it contains loose commodities ordered through e-commerce channels, where consumers are aware of the ordered commodity, its type and quantity:
 - ☐ Provided that such commodities shall bear the following information, namely:-
 - name and address of manufacturer or marketer or brand owner or importer or seller with the country of origin or manufacture in the case of imported products;
 - consumer care email id and phone number;
 - retail sale price of the package inclusive of all taxes in the Indian currency;
 and
 - net quantity, in terms of the standard unit of weight or measure, or where the commodity is sold by number, the number of the commodity.

Advisories issued for e-commerce sites

- > All the e-commerce entities have been requested to:
 - prominently display all mandatory information required under the Legal Metrology (Packaged Commodities)
 Rules, 2011, at one place
 declaration of foreign country's name mandated under the law should be in full form and no abbreviation or
 - shortened form, whatsoever, should be used;

 * make a provision on the e-commerce website so that sellers should not be able to upload their products if all
- > For non-compliance of provisions of Act and Rules for Pre-Packaged Commodities (sec 18/36, Rule 6 of PCR):
 - Notices were issued to various manufacturers/ packers/ importers and e-commerce entities
 - Many of them have been compounded
 - Others have been filed/ are being filed in the court of law

the mandatory information are not displayed by them

- > For non-compliance of provisions of Act and Rules for weighing & measuring instrument (Sec 19, 22, 23 & 24, Rule 6 of PCR):
 - ❖ Notices were issued to various manufacturers/ importers and e-commerce entities
 - Few of them have been compounded
 - Others are being filed in the court of law



Thank You

