

FAQs ON LEGAL METROLOGY AND PACKAGED COMMODITIES



Under Indian laws, packaged commodities are required to display information such as net quantity, price, name of manufacturer, packer/ importer among others. In India, packaging of commodities is governed by the Legal Metrology Act, 2009 (**Legal Metrology Act**) and the Legal Metrology (Packaged Commodities) Rules, 2011 (**Packaged Commodities Rules**). In this primer we have covered the standards prescribed under the Legal Metrology Act and the Packaged Commodities Rules in relation to packaging of commodities for the purpose of distribution or sale or such other connected matters.

1. What is the objective and applicability of the Legal Metrology Act?

The Legal Metrology Act establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and connected matters. The Legal Metrology Act is applicable to any transaction, dealing or contract in respect of any goods, class of goods or undertakings made by such weight, measure or number.

2. What are the commodities to which the Packaged Commodities Rules do not apply?

The Packaged Commodities Rules do not apply to (a) packages of commodities containing quantity of more than 25 kilograms or 25 litres; (b) cement, fertilizer and agricultural farm produce sold in bags above 50 kilograms; and (c) packaged commodities meant for industrial consumers or institutional consumers.

3. Do manufacturers, packers and importers of pre-packaged commodities require a registration under the Packaged Commodities Rules?

Yes. All manufactures, packers and importers of pre-packaged commodities need to mandatorily register under the Packaged Commodities Rules.

4. What is the process for obtaining registration of manufacturers, packers and importers under the Packaged Commodities Rules?

Under rule 27 of the Packaged Commodities Rules, all individuals, firms, societies, companies, or corporations who (a) pre-pack or import any commodity for sale;(b) distribute or deliver any commodity are required to obtain registration.

For the purpose of registration, the applicant is required to make an application to the Director or the Controller of Legal Metrology for the registration along with a fee of INR 500 (Indian Rupees Five Hundred). All such applications should be made within 90 (ninety) days from the date on which she or it commences such pre-packing. An application for this purpose should include the name and address of the applicant along with complete details of the commodity. The application for registration of manufacturer/ packers/ importers under rule 27 of the Packaged Commodities Rules can be made online on the portal <https://lm.doca.gov.in>

5. Who is a manufacturer under the Packaged Commodities Rules?

Under the Packaged Commodities Rules, a manufacturer in relation to any commodity in packaged form, means a person who, or a firm or association of person which, produces, makes or manufactures such commodity and includes a person, firm or association of person who or which puts, or causes to be put, any mark on any packaged commodity, not produced, made or manufactured by him or it, and the mark claims the commodity in the package to be commodity produced, made or manufactured by such person, firm or association of person, as the case may be.

6. Who is a packer under the Packaged Commodities Rules?

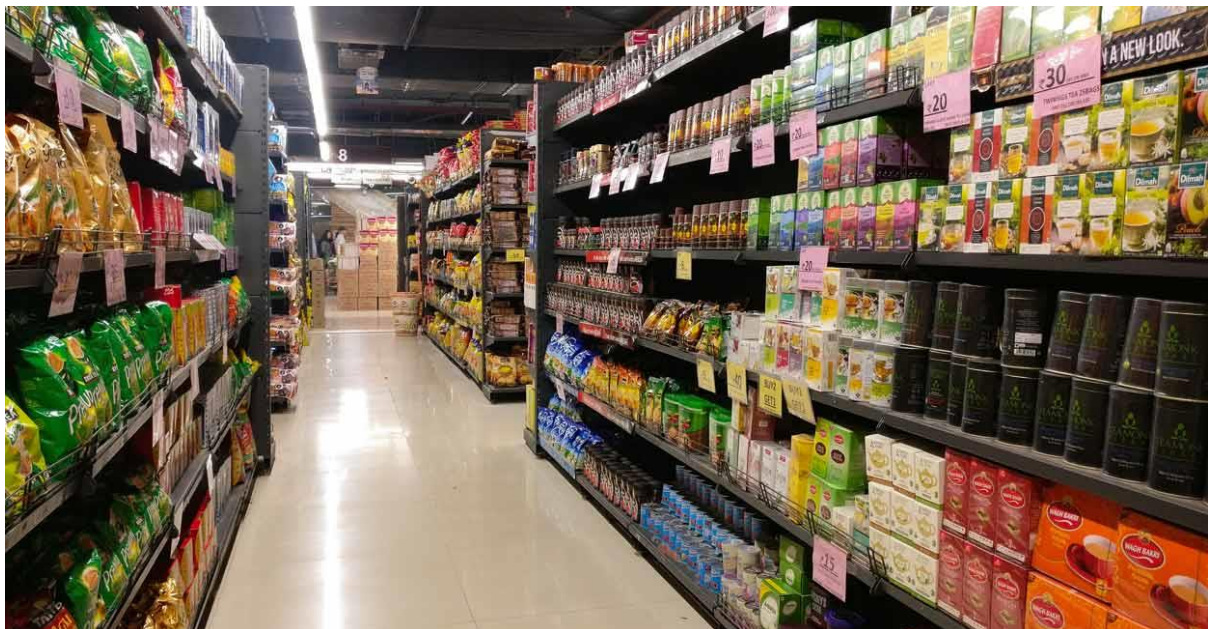
Under the Packaged Commodities Rules a packer means a person who, or a firm or an association of person, which pre-packs any commodity, whether in any bottle, tin, wrapper or otherwise, in units suitable for sale whether wholesale or retail.

7. What is a label?

In the Legal Metrology Act, a label is defined as any written, marked, stamped, printed or graphic matter appearing on any pre-packaged commodity.

8. What is a pre-packaged commodity?

A pre-packaged commodity is a commodity having pre-determined value which is placed in a sealed or unsealed package, without the purchaser being present.



9. Are there any prescribed sizes for packaging commodities?

As per the Packaged Commodities Rules, 19 commodities listed below are required to be mandatorily packed in specific quantities by weight, measure or number in accordance with the Packaged Commodities Rules. The 19 commodities are: (i) baby food;(ii) weaning food; (iii) biscuits;

(iv) bread (including brown bread but excluding bun), (v) un-canned packages of butter and margarine, (vi) cereals and pulses; (vii) coffee; (viii) tea; (ix) materials which may be constituted or reconstituted as beverages; (x) edible oils, vanaspati, ghee, butter, oil; (xi) milk powder; (xii) non-soapy detergents (powder); (xiii) rice (powdered), flour, atta, rawa and suji; (xiv) salt; (xv) soap (laundry soap, non-soapy detergent cakes/ bars, toilet soap including all kinds of bath soap (cakes)); (xvi) aerated soft drinks, non-alcoholic beverages; (xvii) mineral water and drinking water; (xviii) cement in bags; and (xix) paint varnish.

Please note that with effect from 01 April 2022, the above requirement of mandatory packaging in specific quantities by weight, measure or number of the said 19 commodities will no longer be applicable.



10. What is a maximum permissible error?

Maximum permissible error in relation to the quantity contained in an individual package, means an error in deficiency which does not exceed the limits as prescribed under the Packaged Commodities Rules. The Packaged Commodities Rules prescribe the maximum possible error on net quantities declared by weight, by volume, by length, area or number.

11. What are the main declarations to be made on a package?

As per the Packaged Commodities Rules, every package should have the following declaration:

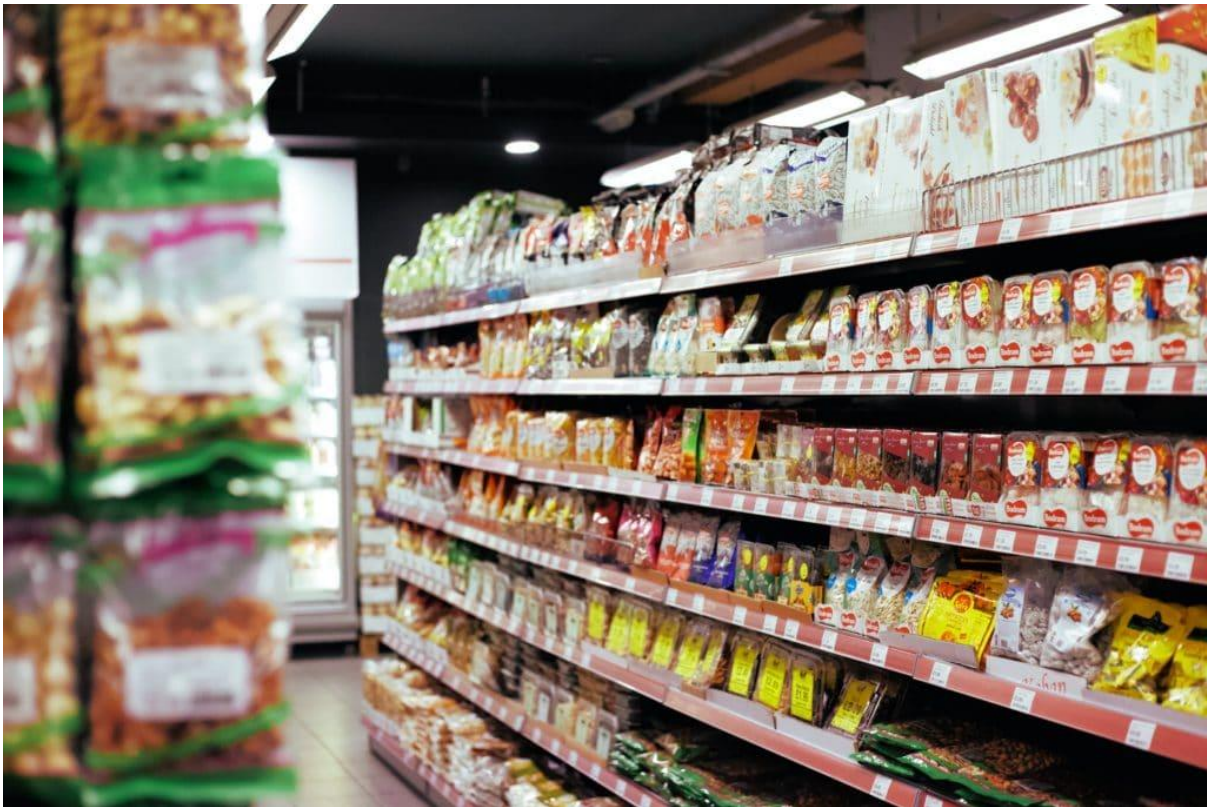
- (a) Name and address of the manufacturer, or where the manufacturer is not the packer, the name and address of the manufacturer and packer. In case of imported package, name and address of importer, name of the country of origin or manufacture or assembly should be mentioned on the package.
- (b) Common or generic names of the commodity contained in the package. Further, in case the package has more than one product, the name and number or quantity of each product should be mentioned on the package.
- (c) Net quantity of the commodity contained in the package, in terms of the standard unit of weight or measure and the number of commodities contained in the package where the commodity is packed or sold by number.

- (d) Month and year in which the commodity is manufactured or pre-packed or imported shall be mentioned in the package. However, with effect from 01 April 2022 only the month and year in which the commodity is manufactured is required to be mentioned. Package containing commodity which may become unfit for human consumption after a period of time, such package should mention the 'best before or use by the date, month and year'. In case of packages containing food articles, cosmetics and seeds shall be governed by the provisions of Prevention of Food Adulteration Act, 1954, Drugs and Cosmetics Rules, 1945 and Seeds Act, 1966 respectively.
- (e) The retail sale price of the package clearly indicating that it is the maximum retail price inclusive of all taxes, and the price in rupees and paise be rounded off to the nearest rupee or 50 paise. However, with effect from 01 April 2022 the retail sale price of the package should clearly indicate that it is the maximum retail price inclusive of all taxes in Indian currency. In case of packages containing alcoholic beverages or spirituous liquor, the state excise laws and the rules made there under shall be applicable within the state in which it is manufactured and where the state excise laws and rules made there under do not provide for declaration of retail sale price, the provisions of Packaged Commodities Rules shall apply. Further, if the retail sale price of any essential commodity is fixed and notified by the competent authority under the Essential Commodities Act, 1955 the same shall apply.
- (f) In case of commodities in which size is relevant, the package should mention the dimensions of the commodity contained in the package. If the dimensions of different pieces are different, the dimensions of each such pieces should be mentioned.
- (g) Name, address, telephone number, e-mail address of the person who can be or the officer who can be contacted, in case of consumer complaints.



- (h) A commodity consisting of a number of components and the components are packed in two or more units, for sale as a single commodity, the declaration mentioned from (a) to (f) above shall appear on the main package and such package shall also carry information about the other accompanying packages or such declaration may be given on individual packages and intimation to that effect may be given on the main package. Further, if the components are sold as spare parts, all declarations shall be given on each package.

- (i) Package containing genetically modified food should bear the word “GM” at the top of its principal display panel.



- (j) Package containing soap, shampoos, toothpastes and other cosmetics and toiletries should bear a red or brown dot for products of non-vegetarian origin and a green dot for products of vegetarian origin, on the top of its principal display panel. It is to be noted that the same was challenged by Indian Beauty and Hygiene Associate before the Bombay High Court wherein the Bombay High Court relying on the judgment of the Supreme Court in Indian Soaps and Toiletries Makers Association v. Ozair Husain and Others, held that the power to amend the provision with respect to declarations of labels of cosmetics or drugs, rested with the centre under the Drugs and Cosmetics Rules, 1945 in consultation with the drugs technical advisory board only.
- (k) An e-commerce entity should ensure that the mandatory declarations mentioned above are displayed on the digital and electronic network used for e-commerce transactions except the month and year of manufacturing or packaging of the commodity.
- (l) Where the package contains sheets like aluminum foil, facial tissue, waxed paper, toilet paper or other type of sheets, the declaration of quantity on the package should also include a statement as to the number of usable sheets contained in the package and the dimensions of each such sheet.
- (m) Where the package contains commodities like bedsheets, hemmed fabric materials, dhotis, sarees, napkins, pillow-covers, towels, table clothes or other similar type of commodities, the number and the dimensions of the finished size of such commodities should be declared on the package or on the label affixed thereto. Further, where the package contains more than one piece of different dimensions, the package shall also contain a declaration as to the dimensions and the retail sale price of each such piece. The dimensions of the commodities and the sale price thereof shall also be marked on each individual piece.
- (n) With effect from 01 April 2022, the unit sale price shall be declared as-

- (i) "Rs._ per g" for pre-packaged commodities with net quantity of commodity less than one kilogram;
- (ii) "Rs._ per kg" for pre-packaged commodities with net quantity of commodity more or equal to one kilogram;
- (iii) "Rs._ per cm" for pre-packaged commodities with net length of the commodity less than one meter;
- (iv) "Rs._ per meter" for pre-packaged commodities with net length of the commodity more or equal to one meter;
- (v) "Rs._ per number";
- (vi) "Rs._ per ml" for pre-packaged commodities with net volume of the commodity less than one litre;
- (vii) "Rs._ per litre" for pre-packaged commodities with net volume of the commodity more or equal to one litre.



12. Can commodities be sold at a price higher than the maximum retail price?

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

13. Can commodities be sold at a price lower than the maximum retail price?

Yes, however the same shall not cover the maximum retail price declaration made by the manufacturer or the packer, on the label of the package.

14. Whether individual stickers can be affixed on the package for altering or making declaration required under the Packaged Commodities Rule?

No, affixing individual stickers on the package for altering or making declaration under Packaged Commodities Rules is not permissible. However, affixing individual sticker for declaring reduced maximum retail price is not prohibited unless the individual sticker does not cover maximum retail price declaration made by the manufacturer or the packer, on the label of the package. Further, importers are allowed to use extra label for the declarations under the Packaged Commodities Rules.



15. What is principal display panel?

In relation to a package, principal display panel means the total surface area of the package where information required to be declared under the Packaged Commodities Rules should be displayed in the following manner, namely (i) all the information could be grouped together and given at one place; or (ii) the pre-printed information could be grouped together and given in one place and on line information grouped together in other place.

16. Where should the declarations appear?

As per the Packaged Commodities Rules, every declaration required to be made should appear on the principal display panel. The area surrounding the quantity declaration should be free from printed information above and below by a space equal to at least the height of the numeral in the declaration, and to the left and right by a space at least twice the height of numeral in the declaration. For soft drink, ready to serve fruit beverages or such other like, the bottle, which is returnable by the consumer for being refilled, the retail sale price can be indicated either on the crown cap, or on the bottle or on both. If the retail sale price is indicated on the crown cap or the bottle, it is sufficient to indicate the retail sale price in the form of "MRP Rs....".

17. What is the manner in which declaration should be made?

The Packaged Commodities Rules prescribes that the declaration should be either in Hindi in Devnagri script or in English. The Packaged Commodities Rules do not prevent the use of any other

language in addition to Hindi or English language. The below standard should be followed while making a declaration:

- (a) Every declaration should be legible and prominent;
- (b) Retail sale price and net quantity should be printed, painted or inscribed on the package in a colour that contrasts conspicuously with the background of the label. However, (i) where any label information is blown, formed or molded on a glass or plastic surface such information need not be required to be presented in a contrasting colour and (ii) where any declaration on a package is printed either in the form of hand-writing or hand-script, such declaration shall be clear, unambiguous and legible;
- (c) Declaration should not be made in a manner which would require it to be read through any liquid commodity contained in the package;
- (d) Package with an outside container or wrapper, which are not transparent, should also contain all the declarations which are required to appear on the package.

18. What is net quantity?

Net quantity in relation to a commodity contained in a package, means the quantity by weight, measure or number of such commodity contained in that package excluding the weight of wrappers and materials other than the commodity.



19. What are the declarations to be made on every wholesale package?

All declarations on wholesale packages should be legible, definite, plain and conspicuous manner and should include the name and address of the manufacturer and packer or importer, the identity of the commodity in the package, and the total number of retail package contained in such wholesale package, or the net quantity of the commodity contained in wholesale package.

20. What is the manner in which quantity should be declared?

The declaration of quantity shall be expressed in terms of unit of weight, measures or number or a combination of weight, measures or number to give an accurate and adequate information. While declaring the net quantity of the commodity, the weight of wrapper and materials other than the commodity should be excluded. Where a commodity in package is likely to undergo negligible variations in weight or measure because of change in environmental conditions, the declaration of

quantity shall be made after taking into account such variation. However, where the quantity is likely to undergo significant variation because of change environmental conditions the word “when packed” should be used. All kinds of soaps, lotions, cream (other than cream of milk) and camphor are likely to undergo significant variations in weight or measures on account of environmental or other conditions may be qualified by the words “when packed”.



21. What commodities are exempted from the provisions of the Packaged Commodities Rules?

The provisions of the Packaged Commodities Rules are not applicable to following:

- (a) Where net weight or measure of the commodity is 10 (ten) gram or 10 (ten milliliter or less, if sold by weight or measure excluding tobacco and tobacco products;
- (b) Where the package contains fast food items packed by restaurant or hotels;
- (c) Where the package contains scheduled formulations and non-scheduled formulations covered under the Drugs (Price Control) Order, 2013; and
- (d) Any thread which is sold in coil to handloom weavers.

22. Can relaxation be granted to a manufacturer, packer or importer who has inadvertently omitted making certain declarations?

The central government may, after ascertaining the genuineness, permit a manufacturer or packer to pack for sale, the packages for a reasonable period by relaxing one or more provision of the Packaged Commodities Rules with corrective measures.

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