BRIEF OVERVIEW OF LEGAL METROLOGY LAWS



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INTRODUCTION

Metrology is the Science of Measurement. It includes theoretical & practical problems, the realization of the units of measurement and their physical representation as well as measuring instruments & their field of application.

Legal Metrology is the name given to all applied metrology subjected to regulations by law or government decree.

The extent of legal metrology varies from one country to another. In most countries legal metrology covers measurements in the protection of the individual from financial, health & environmental point of view.

According to international practices, legal metrology has application in three broad fields, namely, commercial transactions, measurements needed for ensuring public health and human safety and industrial measurements.

Legal Metrology" means that part of metrology which treats units of weighment and measurement, methods of weighment and measurement and weighing and measuring

instruments, in relation to the mandatory technical and legal requirements which have the object of ensuring public guarantee from the point of view of security and accuracy of the weighments and measurements. (Section 2(g) of Legal Metrology Act, 2009)

The Legal Metrology Act, 2009 (Act 1 of 2010) repeals and replaces the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The central government has appointed the date 01.04.2011 from which the provisions of the Act will come into force.

ADMINISTRATIVE MECHANISM OF LEGAL METROLOGY IN INDIA

1. Department of Consumer Affairs under Ministry of Consumer Affairs, Food and Public Distribution

The Department of Consumer Affairs under Ministry of Consumer Affairs, Food & Public Distribution is responsible for the formulation of policies for Monitoring Prices, availability of essential commodities, Consumer Movement in the country and Controlling of statutory bodies like Bureau of Indian Standards (BIS) and Weights and Measures.

The weights and Measures Unit in the Department of Consumer Affairs, is the central authority for dealing with the subject and is required to handle all matters falling within the purview of the Central Government. In addition, it has to guide, co-ordinate and supervise the enforcement activities of the state enforcement machinery.

The responsibility in relation to weights and measures is shared between the Centre and the States. Matters of national policy and other related functions such as, uniform laws on weights and measures, technical regulations, training, precision laboratory facilities and implementation of the International Recommendation are the concern of the Central Government. The State Governments and Union Territory Administration are responsible for the day to day enforcement of the laws.

2. Directorate Of Legal Metrology

Enforcement of Standards and Weights and Measures Act is entrusted with the Directorate of Legal Metrology in each state which is essentially a 3-tier Organisation comprising Inspectors of legal Metrology at the field level, Assistant Controller of Legal Metrology at the district level and Controller of Legal Metrology with four Deputy Controllers sitting at the State Level.

Legal standards of weights and measures of the States and Union Territories are calibrated in the four Regional Reference Standard Laboratories (RRSL) located at Ahmedabad, Bhubaneswar, Bangalore and Faridabad. These laboratories also provide calibration services to the industries in their respective regions. They are among the recognised laboratories for conducting the model approval tests on weights and measuring instruments.

OVERVIEW OF PROVISIONS OF LEGAL METROLOGY ACT, 2009

The organization of Weights & Measures was established in 1958 with the object of bringing about the uniformity in Weights & Measures in accordance with the international standards so as to facilitate trade and commerce.

The Standards of Weights and Measures Act, 1976 providing for establishing Standards of Weights and Measures, regulation of inter-State trade or commerce in weights and measures and other goods which are sold by weight, measure or number was enacted in 1976. In the year 1985, the Standards of Weights and Measures (Enforcement) Act, 1985 was enacted for enforcement of standards of weights and measures established by or under the 1976 Act.

Ever since in view of rapid advancement of science & technology and globalization of economies, there has been vast improvement in weighing and measuring techniques and has extended the scope of weights & measures. With the view to establish the standards of Weights & Measures, regulate trade and commerce in Weights & Measures and other goods which are sold or distributed by weight, measure or number and for matter connected therewith or incidental thereto, the Legal Metrology Act, 2009 was enforced on 1-4-2011.

Legislations enacted by Government to regulate Legal Metrology:

- 1. The Legal Metrology Act, 2009
- 2. The Legal Metrology (Packaged Commodities) Rules, 2011
- 3. The Legal Metrology (General) Rules, 2011
- 4. The Legal Metrology (Approval of Models) Rules, 2011
- 5. The Legal Metrology (National Standards) Rules, 2011
- 6. The Legal Metrology (Numeration) Rules, 2011
- 7. The Indian Institute of Legal Metrology Rules, 2011

Legal Metrology Act 2009 was enacted as it became imperative for the Government to combine the provisions of the existing two Acts to get rid of anomalies and make the provisions simple. It also became necessary to keep the regulation pragmatic to the extent required for protecting the interest of consumers and at the same time keep the industry free from undue interference. Recognition of certain "Government approved Test Centres" which will be empowered to verify prescribed weight or measure also was required.

The Legal Metrology Act, 2009, inter alia, provides for, -

(a) Regulation of weight or measure used in transaction or for protection;

(b) Approval of model of weight or measure;

(c) Verification of prescribed weight or measure by Government approved Test Centre;

(d) Prescribing qualification of legal metrology officers appointed by the Central Government or State Government;

(e) Exempting regulation of weight or measure or other goods meant for export;

(f) Levy of fee for various services;

(g) Nomination of a Director by a company who will be responsible for complying with the provisions of the enactment;

(h) Penalty for offences and compounding of offences;

(i) Appeal against decision of various authorities; and

(j) Empowering the Central Government to make rules for enforcing the provisions of the enactment.

Important terms under the Act

"**Label**" means any written, marked, stamped, printed or graphic matter affixed to, or appearing upon any pre-packaged commodity.

"**Protection**" means the utilisation 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.

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.

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 –

(i) certifying that such weight or measure conforms to the standard specified by or under this Act, or

(ii)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;

"Weight or measure" means a weight or measure specified by or under this Act and includes a weighing or measuring instrument.

Standard Weight or Measure

Any weight or measure which conforms to the standard unit of such weight or measure (based on metric system or prescribed derived units) and also conforms to the provisions of section 7 (i.e. the physical characteristics, configuration, construction details, materials, equipment, performance, tolerances, period of re-verification, methods or procedures of tests shall be such as may be prescribed) as are applicable to it will be the standard weight or measure. Every non-standard or un-verified weight or measure are liable to seizure and forfeiture.

Appointment of Controller and Other Officers of Legal Metrology

Officers will be appointed by the State Government under Section 14(1) but their qualification will be prescribed by the Central Government under Section 52(2)(h).

Declaration on Pre-packaged commodities

Manufacturing, packing, selling or importing any pre-packaged commodity is prohibited unless it is in a standard quantity and carries all prescribed declarations. Any advertisement mentioning retail price of packaged commodity should also contain the net quantity or number of the commodity contained in the package.

Approval of Model

All weights or measures, except cast iron, brass, bullion or carat weight, beam scales, length measure (but not measuring tape) and capacity measures up to 20 litre capacities, will require approval of model before manufacturing or importing.

Licence

No person should manufacture, sell or repair any weight or measure without obtaining a licence from the Controller of Legal Metrology. A licensee is required to maintain records and registers as prescribed. He is also required to produce the records and registers at the time of inspection.

Verification of Weights and Measures

Every weight or measure should be verified before putting them into use in any transaction. The Central Government will prescribe the kinds of weights and measures which should be verified by the Government Approved Test Centres. The Test Centres will be notified by the Central/State Governments.

Compounding of Offences

Some of the offenses may be compounded before or after the institution of a prosecution on payment of a prescribed sum. No offence can be compounded if the same or similar offence was committed earlier by the person within three years of date of first offence which was compounded.

Offences by Companies

A company may nominate a person who will be responsible for the conduct of the company. Such nomination should be communicated to the Director of Legal Metrology or the concerned Controller. The nominated person and the company itself will be held responsible for violation of provisions of the Act. When no person is nominated, the person who is in charge or responsible to the company will be held responsible. Even if a person is nominated, any other person responsible to the company and due to whose consent or negligence led to the violation will also be held liable for any offence committed. When a company is convicted, the Court may direct the company to publish its name and the offence committed by it in the newspapers at the cost of the company.

Appeal

Every decision or order of an officer of Legal Metrology will be appealable to the next higher authority within 60 days of passing the order or decision. The Central or the State Government may call for records from its officer for examination and passing appropriate orders.

PROFESSIONAL OPPORTUNITIES UNDER LEGAL METROLOGY LAWS

- 1. Registration as Importer under the Legal Metrology Act 2009
- 2. Obtaining licences from the Controller of Legal Metrology.
- 3. Advisory on the weights and measures to be used in the course of business.

- 4. Advisory on the declarations and particulars to be mentioned on pre-packaged commodities.
- 5. Obtaining approval of model of weights and measures before manufacturing or importing any weight or measure.
- 6. Verification and stamping of weights or measures at the Government approved Test Centres.
- 7. Maintenance of records and registers.
- 8. Compliance audit.
- 9. Representation before the concerned authorities on behalf of the client.

USEFUL WEBSITES

http://www.fcamin.nic.in - Ministry of Consumer Affairs, Food & Public Distribution

About the Author

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Mr.Rajkumar S Adukia is an eminent business consultant, academician, writer, and speaker. A senior partner of Adukia & Associates he has authored more than 34 books on a wide range of subjects. His books on IFRS namely, "Encyclopedia on IFRS (3000 pages) and The Handbook on IFRS (1000 pages) has served number of professionals who are on the lookout for a practical

guidance on IFRS. The book on "Professional Opportunities for Chartered Accountants" is a handy tool and ready referencer to all Chartered Accountants.

In addition to being a Chartered Accountant, Company Secretary, Cost Accountant, MBA, Dip IFR (UK), Mr. Adukia also holds a Degree in Law and Diploma in LaborLaws. He has been involved in the activities of the Institute of Chartered Accountants of India (ICAI) since 1984 as a convenor of Kalbadevi CPE study circle. He was the Chairman of the Western Region of Institute of Chartered Accountants of India in 1997 and has been actively involved in various committees of ICAI. He became a member of the Central Council in 1998 and ever since he has worked tirelessly towards knowledge sharing, professional development and enhancing professional opportunities for members. He is a regular contributor to the various committees of the ICAI. He is currently the Chairman of Committee for Members in Industry and Internal Audit Standard Board of ICAI.

Mr. Adukia is a rank holder from Bombay University. He did his graduation from Sydenham College of Commerce & Economics. He received a Gold Medal for highest marks in Accountancy & Auditing in the Examination. He passed the Chartered Accountancy with 1st Rank in Inter CA & 6th Rank in Final CA, and 3rd Rank in Final Cost Accountancy Course in 1983. He started his practice as a Chartered Accountant on 1st July 1983, in the three decades following which he left no stone unturned, be it academic expertise or professional development. His level of knowledge, source of information, professional expertise spread across a wide range of subjects has made him a strong and sought after professional in every form of professional assignment.

He has been coordinating with various professional institutions, associations' universities, University Grants Commission and other educational institutions. Besides he has actively participated with accountability and standards-setting organizations in India and at the international level. He was a member of J.J. Irani committee which drafted Companies Bill 2008. He is also member of Secretarial Standards Board of ICSI. He represented ASSOCHAM as member of Cost Accounting Standards Board of ICWAI. He was a member of working group of Competition Commission of India, National Housing Bank, NABARD, RBI, CBI etc.

He has served on the Board of Directors in the capacity of independent director at BOI Asset management Co. Ltd, Bharat Sanchar Nigam Limited and SBI Mutual Funds Management Pvt Ltd. He was also a member of the London Fraud Investigation Team.

Mr. Rajkumar Adukia specializes in IFRS, Enterprise Risk Management, Internal Audit, Business Advisory and Planning, Commercial Law Compliance, XBRL, Labor Laws, Real Estate, Foreign Exchange Management, Insurance, Project Work, Carbon Credit, Taxation and Trusts. His clientele include large corporations, owner-managed companies, small manufacturers, service businesses, property management and construction, exporters and importers, and professionals. He has undertaken specific assignments on fraud investigation and reporting in the corporate sector and has developed background material on the same. Based on his rich experience, he has written numerous articles on critical aspects of financeaccounting, auditing, taxation, valuation, public finance. His authoritative articles appear regularly in financial papers like Business India, Financial Express, Economic Times and other professional / business magazines. He has authored several accounting and auditing manuals. He has authored books on vast range of topics including IFRS, Internal Audit, Bank Audit, Green Audit, SEZ, CARO, PMLA, Antidumping, Income Tax Search, Survey and Seizure, Real Estate etc. His books are known for their practicality and for their proactive approaches to meeting practice needs.

Mr. Rajkumar is a frequent speaker on trade and finance at seminars and conferences organized by the Institute of Chartered Accountants of India, various Chambers of Commerce, Income Tax Offices and other Professional Associations. He has also lectured at the S.P. Jain Institute of Management, Intensive Coaching Classes for Inter & Final CA students and Direct Taxes Regional Training Institute of CBDT. He also develops and delivers short courses, seminars and workshops on changes and opportunities in trade and finance. He has extensive experience as a speaker, moderator and panelist at workshops and conferences held for both students and professionals both nationally and internationally.. Mr. Adukia has delivered lectures abroad at forums of International Federation of Accountants and has travelled across countries for professional work.

Professional Association: Mr. Rajkumar S Adukia with his well chartered approach towards professional assignments has explored every possible opportunity in the fields of business and profession. Interested professionals are welcome to share their thoughts in this regard.