

**IN THE HIGH COURT OF DELHI AT NEW DELHI
WRIT PETITION (CIVIL) NO. 11901 OF 2015**

IN THE MATTER OF:

PUBLIC RESOURCE ORGANISATION, INC. & ORS. ...PETITIONERS

VERSUS

UNION OF INDIA & ANR. ...RESPONDENTS

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About BIS



BIS is the National Standard Body of India established under the BIS Act 2016 for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith or incidental thereto. BIS has been providing traceability and tangibility benefits to the national economy in a number of ways – providing safe reliable quality goods; minimizing health hazards to consumers; promoting exports and imports substitute; control over proliferation of varieties etc. through standardization, certification and testing. .

Keeping in view, the interest of consumers as well as the industry, BIS is involved in various activities as given below:

- ▶ Standards Formulation
- ▶ Product Certification Scheme
- ▶ Compulsory Registration Scheme
- ▶ Foreign Manufacturers Certification Scheme
- ▶ Hall Marking Scheme
- ▶ Laboratory Services
- ▶ Laboratory Recognition Scheme

- ▶ Sale of Indian Standards
 - ▶ Consumer Affairs Activities
 - ▶ Promotional Activities
 - ▶ Training Services, National & International level
 - ▶ Information Services
-

BIS has its Headquarters at New Delhi and its 05 Regional Offices (ROs) are at Kolkata (Eastern), Chennai (Southern), Mumbai (Western), Chandigarh (Northern) and Delhi (Central). Under the Regional Offices are the Branch Offices (BOs) located at Ahmedabad, Bangalore, Bhubaneswar, Bhopal, Coimbatore, Dehradun, Faridabad, Ghaziabad, Guwahati, Hyderabad, Jaipur, Kochi, Lucknow, Nagpur, Parwanoo, Patna, Pune, Rajkot, Raipur, Durgapur, Jamshedpur and Vishakhapatnam, which offer certification services to the industry and serve as effective link between State Governments, industries, technical institutions, consumer organization etc. of the respective region.



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Origin Of BIS

In the twilight years of British rule in India, when the country was faced with the gigantic task of building up the industrial infrastructure, it was the Institution of Engineers (India), which prepared the first draft of the Constitution of an Institution which could take up the task of formulation of National Standards. This led to the Department of Industries and Supplies issuing a memorandum on 03 September 1946, formally announcing the setting of an organization called the “Indian Standards Institution”. The Indian Standards Institution (ISI) came into being on the 06 January 1947 and in June 1947 Dr. Lal C. Verman took over as its first Director.

In the initial years, the organization concentrated on standardization activity. To provide the advantages of standardization to common consumers, the Indian Standards Institution started operating the Certification Marks Scheme under the Indian Standards Institution (Certification Marks) Act, 1952. The Scheme, which was formally launched by ISI in 1955-56, enabled it to grant licences to manufacturers producing goods in conformity with Indian Standards and to apply ISI Mark on their products. To meet the requirements of the Certification Marks Scheme, the nucleus of a laboratory was started in 1963. While the product certification was being operated under the Indian Standards Institution (Certification Marks) Act, 1952, the formulation of standards and other related work were not governed by any legislation. A Bill with this objective was therefore introduced in the Parliament of 26 Nov 1986.

Bureau of Indian standards (BIS) came into existence, through an act of parliament dated 26 November 1986, on 1 April 1987, with a broadened scope and more powers taking over the staff, assets, liabilities and functions of erstwhile ISI. Through this change over, the government envisaged building a climate for quality culture and consciousness and greater participation of consumers in formulation and implementation of national standards.

The Bureau is a Body Corporate consisting of 25 members representing both Central and State governments, Members of Parliament, industry, scientific and research institutions, consumer organizations and professional bodies; with Union Minister of Consumer Affairs, Food and Public Distribution as its President and with Minister of State for Consumer Affairs, Food and Public Distribution as its Vice-President.



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Bureau Members

Bureau Members		
Composition of Governing Council of BIS		
1.	Hon'ble Minister for Consumer Affairs, Food and Public Distribution, Government of India, Krishi Bhawan, New Delhi-110001	President, Ex-officio
2.	Hon'ble Minister of State for Consumer Affairs, Food and Public Distribution, Government of India, Krishi Bhawan, New Delhi-110001	Vice President, Ex-officio
3.	Secretary, Department of Consumer Affairs, Government of India, Krishi Bhavan, New Delhi- 110001	Member, Ex-officio
4.	Director General, Bureau of Indian Standards, New Delhi – 110002	Member, Ex-officio
Members of Parliament		
5.	Shri Bhola Singh, Member, Lok Sabha	Member
6.		Member

Bureau Members		
Representatives of the Ministries and Departments of the Central Government		
7.	Additional Secretary/Joint Secretary, Department of Consumer Affairs, Krishi Bhawan, New Delhi	Member
8.	Additional Secretary and Financial Adviser, Ministry of Consumer Affairs, Food and Public Distribution, Krishi Bhawan, New Delhi	Member
9.	Additional Secretary/Joint Secretary, Department for Promotion of Industry and Internal Trade, Udyog Bhawan, New Delhi	Member
Representatives from the State Governments and the Union Territories		
10.	Minister-in-charge of the Department having administrative control over quality and standards of State of Arunachal Pradesh	Member
11.	Minister-in-charge of the Department having administrative control over quality and standards of State of Madhya Pradesh	Member
12.	Minister-in-charge of the Department having administrative control over quality and standards of State of Rajasthan	Member
13.	Minister-in-charge of the Department having administrative control over quality and standards of State of Telangana	Member
14.	Minister-in-charge of the Department having administrative control over quality and standards of State of Uttar Pradesh	Member
Representatives of Recognized Consumer Organizations and Persons representing Consumer interests.		
15.	Shri Narayanbhai Shah, Adhyaksha, Akhil Bhartiya Grahak Panchayat, Galli No. 21, Makan No. 690, Joshi Road, Karaol Bagh, New Delhi – 110005	Member
16.	Shri G. Sundaram, Chairman, Consumer Voice, M-20, Lower Ground Floor, Lajpat Nagar-II, New Delhi – 110024	Member
Persons representing Farmers' interests or Farmers Associations		

Bureau Members		
17.	Shri Pasha Patel, Former Member of the Maharashtra Legislative Council	Member
Representatives of Industry Associations or Federations of All-India Level		
18.	President, Confederation of Indian Industry (CII),23-26, Institutional Area, New Delhi 110003	Member
19.	President, Federation of Indian Chambers of Commerce and Industry (FICCI),Federation House, Tansen Marg, New Delhi 110001	Member
20.	President, Associated Chambers of Commerce and Industry of India (ASSOCHAM), Allahabad Bank Building, 17, Parliament Street, New Delhi-110001	Member
Chief Executive of Central or State Public Sector Enterprise		
21.	Chairman and Managing Director, NTPC Limited, NTPC Bhawan, SCOPE Complex,Institutional Area, Lodhi Road, New Delhi – 110003	Member
Chairman or Managing Director of Industrial Organizations who is awardee of a National or an International Award for Quality		
22.	Managing Director, Gujarat Cooperative Milk Marketing Federation Ltd. (Amul), Amul Dairy Road, P.O. Box, No. 10,Anand, Gujarat – 388001	Member
Representative of Scientific and Research Institutions, Technical, Educational and Professional Organizations		
23.	Prof. Manindra Agrawal, Department of Computer Science and Engineering, Indian Institute of Technology(IIT) Kanpur,Kalyanpur, Kanpur, Uttar Pradesh – 208016.	Member

Bureau Members		
24.	Director General, Bhaskaracharya National Institute for Space Applications and Geo-informatics (BISAG-N), Near CH 'O' Circle, Indulal Yagnik Marg, Gandhinagar- Ahmedabad Highway, Gandhinagar, Gujarat-382007.	Member
25.	Vice Chancellor, Indian Institute of Foreign Trade (IIFT), IIFT Bhawan, B-21, Qutab Institutional Area, New Delhi – 110016.	Member
Representative of Regulatory Authorities or bodies		
26.		Member
Representative of National Accreditation Boards or bodies		
27.		Member



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DEPARTMENT OF CONSUMER AFFAIRS
Ministry of Consumer Affairs, Food & Public Distribution,
Kendri Bhawan, New Delhi, Government of India



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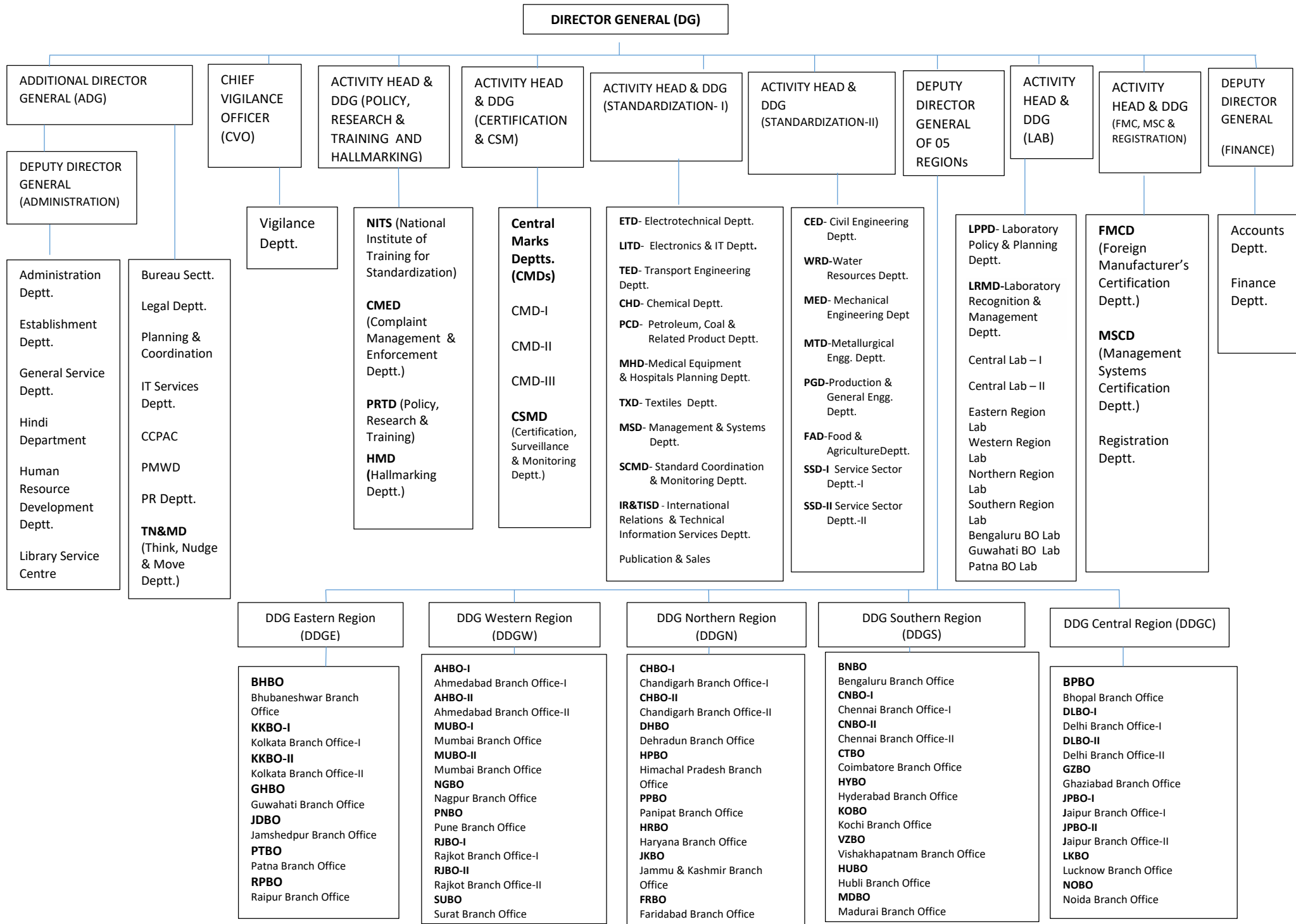
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ORGANISATION CHART OF BUREAU OF INDIAN STANDARDS



INDIAN STANDARDS INSTITUTION (CERTIFICATION MARKS) BILL

The Deputy Minister of Commerce and Industry (Shri Karmarkar): I beg to move:

"That the Bill to provide for the standardisation and marking of goods, as reported by the Select Committee, be taken into consideration."

In making this motion, I should like to refer to only one important change made by the Select Committee in the original Bill and that refers to clauses 3 and 8. Originally, as contemplated by the original Bill as it was placed before the House for its consideration, we had thought of vesting the Institution with powers of search and seizure in fulfilling the duties that were entrusted to the Institution. The Select Committee, after considering that point carefully, came to the conclusion that it might be much wiser not to entrust these powers to the Institution. There is also an amendment on that point. I would just like to say that while the Government considered it desirable to vest the Institution with such powers, in view of the report of the Select Committee, Government feel that for the time being the Institution might not have such powers. We leave the point entirely to the discretion of the House. I should not like to take the time of the House more on the other points because the principle underlying the Bill has been accepted and apart from a few minor changes, there have not been any substantial changes. There are two minutes of dissent to this report. One is by our esteemed friend Mr. Lakshmanan regarding these powers. He has a feeling that the Institution should have these powers for the adequate fulfilment of these duties. The other minute of dissent is by our hon. friend Mr. Guha. I will speak on that when we come to the relevant amendment which he has tabled.

Mr. Deputy-Speaker: Motion moved:

"That the Bill to provide for the standardisation and marking of goods, as reported by the Select Committee, be taken into consideration."

Shri Lakshmanan (Travancore-Cochin): Sir, I was a member of the Select Committee to which this Bill had been referred. But, I hold an opinion different from that of my colleagues and therefore I have appended a minute of dissent with regard to a vital point. The very purpose of the Bill is to secure standardisation of commodities with a view to infuse con-

fidence in the buyer that the articles are of a certain standard and that they may purchase these goods with a certain amount of assurance regarding quality. It has a direct bearing on and it will give an impetus to our trade both foreign and domestic. But, it carries with it a certain amount of responsibility. The Indian Standards Institution has to see that no spurious articles get into the market bearing Indian Standards Certification Marks. This is a very grave responsibility and it can be discharged only if the Institution is vested with powers of search and seizure so that no spurious articles could get into the market bearing its Certification Marks. The gravity and importance of this aspect cannot be under-rated because we see that the Indian Standards Institution has at present standardised several hundreds of commodities which now form very valuable items of export. It is quite unlike the infringement of a trade mark. Because, if it is only an infringement of a trade mark, the article that is brought into disrepute is one particular article and the sufferer is only one person or a firm which manufactures this article. But, if the Certification Mark is infringed, it is the Institution that is brought into discredit and the whole range of articles that have been standardised will be affected as a result of the infringement. Therefore, in considering whether the ordinary machinery or the ordinary procedure is sufficient for safeguarding the articles from the infringement of the Certification Mark, the standard to be applied is the 'quantum of mischief that would be brought as a result of the infringement. When I say that the ordinary procedure and the ordinary machinery is not sufficient for meeting this situation, the reason is that the Indian Standards Institution has, at present, standardised several articles which form the subject matter of export. The gravity of the situation can very well be realised. We are now trying to clothe the Indian Standards Institution with the authority to give the stamp of some quality to certain articles. If that guarantee is to be really a guarantee, there must be a capacity and an earnestness to secure efficiency in the matter of enforcing the standards. If the Institution has not got that authority, this Bill will serve no useful purpose. Therefore, my submission is that the provisions in the Bill as it originally stood, investing the Institution with powers of search and seizure, should not be taken away. It is a matter of common knowledge that when a particular commodity becomes popular in the market, there is an attempt to

counterfeit that article by certain anti-social elements in our country and they do it very surreptitiously. There must be a machinery which has got the power to search and seize those articles from the counterfeiting agencies. Therefore, my submission is that the Indian Standards Institution should be vested with powers of search in view of the extraordinary circumstances that are involved in these cases. My plea is that the House may agree to the amendment which I have tabled and restore the provision that was contemplated by the Government when the original Bill was brought before the House.

Shri Karmarkar: Sir, I have nothing more to add. We are contented for the time being to go along with the recommendations of the Select Committee. Under the ordinary law of the land, remissness or offences would normally be tried by the courts and the police would have sufficient powers for dealing with such matters. So I think for the time being we had better do without these powers.

Mr. Deputy-Speaker: The question is:

"That the Bill to provide for the standardisation and marking of goods, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Clauses 2 to 9 were added to the Bill.

Clause 10.—(Power to authorise the competent authority)

Shri A. C. Guha (West Bengal): I beg to move:

In page 3, line 51, omit "of any industry".

Sir, I have in my minute of dissent, given my reasons for this amendment. This amendment would not limit the scope of choice for the Government but would rather expand the scope. The idea of the Select Committee was rather to give such powers to scientific bodies and scientific institutions or some such bodies than merely to the industry itself. My point is that the impression should not be created that this power will be given only to organisations connected with the industry. I hope there will be no difficulty for the hon. Minister's accepting this amendment.

Shri Karmarkar: This amendment is just an enabling amendment and if they do not think it proper to exercise certain powers, Government can desist from exercising them. So I have no objection to accepting the amendment.

Mr. Deputy-Speaker: The question is:

In page 3, line 51, omit "of any industry".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 10, as amended, stand part of the Bill."

The motion was adopted.

Clause 10, as amended, was added to the Bill.

Clauses 11 to 21 were added to the Bill.

Clause 1 was added to the Bill

The Title and the Enacting Formula were added to the Bill.

Shri Karmarkar: I beg to move:

"That the Bill, as amended, be passed."

Shri A. C. Guha: Sir, I wholeheartedly support this Bill and I hope it will give some impetus to our export trade. There have been many reports from foreign countries about the quality of the articles exported from India, and I hope that with the introduction of the standard markings on our articles, the number of such complaints will come down. There is also a tendency even among us Indians when buying any article of Indian manufacture, to do so with some suspicion as regards its quality. But when there are these standard marks on these articles, I feel that the Indian consumers will prefer to use Indian articles to foreign articles as they will be sure of quality.

The Select Committee made certain improvements in the Bill and one of them which however, was not mentioned by the hon. Minister, was that the inclusion of agricultural goods and drugs among articles to be given standard marks. In the original Bill these were exempted from the operation of the Bill because there are already two Acts in existence for them. But these two Acts appear to be quite ineffective. In them there is no provision to give a definite standard as regards the quality of the agricultural article or the drugs. We know that particularly in the case of drugs the quality is not always up to the mark. And therefore the Select Committee has provided that even in these two matters also the Standards Institution should give their marks to signify their approval as to their quality. This is indeed an important improvement on the original Bill.

[Shri A. C. Guha]

With these words, I commend this Bill for the acceptance of the House.

Shri Karmarkar: I am grateful to the House for dealing with this Bill so soon and I hope the industries will take full advantage of its provisions. As the House is aware, the Indian Standards Institution has done a good job of it ever since it started working up to now and when this Bill is passed into law, the Institution will be enabled to go ahead further with its useful work. Government hope that the parties concerned will take full advantage of it because in the standardisation of our goods lies the road to our prosperity in the long run. We know that in the past certain influential sections of industry have rather shied at accepting standardisation as a principle. We hope that in view of this piece of legislation all parties concerned will take the fullest advantage of it in the interest of the country as a whole.

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

CINEMATOGRAPH BILL

The Minister of State for Information and Broadcasting (Shri Diwakar): I beg to move:

"That the Bill to make provision for the certification of cinematograph films for exhibition and for regulating exhibitions by means of cinematographs, be taken into consideration."

Sir, while moving this Bill I would like to bring to the notice of the House that the Bill that I am bringing forward for consideration is due to certain difficulties that have arisen in the matter of administering the Act as at present constituted. It so happened that when the last Bill was passed, the new Constitution of India had not yet come into operation and therefore that Bill contained provisions which were mixed up from the point of view of the legislative authority of the Union and of the States. So when the actual administration of the Act began, we found that there was some amount of confusion and points began to be referred to the Central Government as to which of the parts were applicable by the Central Government and which by the State Governments. So I thought that that confusion should be cleared. That could be done by separating the provisions according to the lists that the Constitution provides as

the Union List and the State List. In the 1935 Act it happened that the certifying of films was in the concurrent list. Therefore the last Act did not separate these powers. But now under the present Constitution certification of films for exhibition is entirely a Union subject, whereas licensing cinemas for the exhibition of certified films is entirely in the State list. Unless these two subjects are separated, it creates confusion at the time of administration. I would have as well called this Bill an amending Bill and tried to separate those provisions according to the lists in the Constitution but that may have created certain difficulties so far as drafting and other matters are concerned. Therefore I thought that it would be proper to separate these provisions into those which have to be operated by the Central Government and those which have to be operated by the State Governments. Therefore I have divided this Bill into Parts I, II, III and IV (last is a repealing part) and thus separated those provisions, so that no confusion might arise while putting them into force.

The subject of cinematograph and cinemas is really something which concerns practically the whole population. Recently it has happened that the International Film Festival has made us more cinema-minded and thus I think the Bill opens up a subject on which many of my hon. friends would like to speak. But it is necessary for me to explain that this Bill is not a substantial Bill nor does it make any changes in the present Act as it stands; but merely for administrative convenience and so that there might not be any delay in the administration on account of correspondence, references, and so on, this Bill has been placed before the House in the present form.

Looking into the history of the cinematograph industry, I think in this very House we have passed two amending Bills. One was as regards A and U. certificates—certificates which allow exhibition of films to the public in general which are called U. Certificates and certificates for exhibition of certain films only to the adults, which are called A. certificates. Later on there was another piece of amending legislation as regards the centralisation of censorship. Under that legislation, censorship which was a provincial subject and administered by provincial Governments, has now been centralised and thus the great inconveniences experienced previously by producers and exhibitors have now been laid at rest, so that once a certi-

HOUSE OF THE PEOPLE

THE INDIAN STANDARDS INSTITUTION (CERTIFICATION) MARKS BILL, 1951

(REPORT OF THE SELECT COMMITTEE)



PARLIAMENT SECRETARIAT
NEW DELHI.

Feb, 1952

**Reports of Select Committees Presented
to Parliament in - 1952.**

. No.	Name of Bill	Date of Representation	Date of Publication <i>in the Gazette</i>
	(2)	(3)	(4)
.	The Delhi and Ajmer <i>Rant</i> Control Bill.	13-2-52	23-2-52
.	The Presidential and Vice-Presidential Elections Bill.	15-2-52	<i>23-2-52</i> 1-3-52
.	The Go-Samvardhan Bill.	15-2-52	1-3-52
.	The Indian Standards Institution (Certification Marks) Bill.	15-2-52	23-2-52
.	The Requisitioning and Acquisition of Immovable Property Bill.	19-2-52	1-3-52

THE INDIAN STANDARDS INSTITUTION (CERTIFICATION MARKS) BILL, 1951

REPORT OF THE SELECT COMMITTEE

We, the undersigned, members of the Select Committee to which the Bill to provide for the standardisation and marking of goods was referred, have considered the Bill, and have now the honour to submit this our report, with the Bill as amended by us annexed thereto.

Upon the changes proposed by us, which are not formal or consequential, we note as follows:—

Clause 2.—We think that the definition of “mark” should include “pictorial representation” also and we have accordingly amended clause 2(g).

Apart from the regulations which the Institution may make, we think that the rule-making power should be vested in the Central Government. Clause 2(h) has accordingly been amended.

It may not generally be possible to mark any process with the Standard Mark and we have omitted the word “or process” in clause 2(n).

Clause 3.—We consider that it is not necessary to vest the Institution with powers of search and seizure. We have accordingly omitted the existing part (f) and inserted a new part. We have also made slight drafting changes in parts (b) and (e).

We are of opinion that for the proper development of the export market of India, it is necessary to standardise articles of export and we recommend that such articles should, as far as practicable, be standardised.

Clause 4.—The existing clause provided for the constitution of the Certification Marks Division Council. We do not consider it necessary to provide for such constitution in the Bill.

The setting up of an effective machinery to deal with the question of marking of goods with Standard Mark may be left to the Institution and the rule-making power of the Central Government. We have therefore omitted the existing clause 4 and inserted a new clause to provide for the authentication of orders and instruments issued by the Institution.

Clause 6.—The word “Standard” is a common expression found in the names of many firms and companies and we do not consider it proper to prohibit the use of this expression. We have accordingly amended sub-clause (1) and omitted sub-clause (2) as being unnecessary.

Clause 8.—We have made slight drafting changes in sub-clause (1).

In part (b) of sub-clause (2), we have provided that Inspectors may also take samples of any articles and have made slight drafting changes in this part.

Parts (c) to (g) of sub-clause (2), vested the Inspectors with what may be called “police powers”. They were vested with powers of entry, search and seizure and also with powers to examine any person. We consider that it is not necessary to vest the Inspector with such powers. We have accordingly omitted parts (c) to (g) of this sub-clause.

We have omitted sub-clause (3) as being unnecessary.

In order that inspection may be effectively done, we recommend that experts with technical qualifications should be appointed as Inspectors in suitable cases.

Clause 9.—We think that the Institution should not demand returns and reports from licencees. All that it may require is certain information. We have re-drafted the clause accordingly.

Clause 10.—We are of opinion that power of delegation should not be vested in the Institution. Such power should be vested in the Central Government. We have accordingly amended clause 10.

Clause 11.—Under the existing provisions of the Bill, appeal lay in certain cases to the Institution and in other cases, to the Central Government. We think that in all cases, appeal should lie directly to the Central Government. We have re-drafted the clause accordingly.

Clause 12.—The changes made in this clause are merely consequential.

Clause 13.—We have omitted sub-clause (1) as being unnecessary and made consequential changes in sub-clauses (2) and (3).

We also think that the maximum amount of fine leviable should be increased from five thousand rupees to ten thousand rupees.

Clause 15.—We think that the Government should also be empowered along with the Institution to launch prosecutions. We have amended the clause accordingly.

Clause 17.—We have re-drafted this clause to make the intention clear.

New Clause 19.—The Indian Standards Institution was set up under a Resolution of the Government of India and its constitution is regulated under the Societies Registration Act, 1860. We are of opinion that the Central Government should have powers to amend, if necessary, the constitution and composition of the Institution. We have accordingly inserted this new clause to provide that the Central Government may, if satisfied that public interest so requires, issue general instructions to the Institution and such instructions may include directions to make or amend any bye-law relating to the composition of the Governing Body or other committees of the Institution and its powers and functions. The Institution should not depart from any general instructions issued by the Central Government.

New Clause 20 (original clause 19).—We are of opinion that the rule-making power should lie with the Central Government. We have accordingly amended this clause and have also made certain consequential changes.

New clause 21 (original clause 20).—While the rule-making power in all important matters should lie with the Central Government, we consider that the Institution should be vested with powers to make regulations in respect of matters of details for carrying out the day to day administration. We have accordingly inserted this new clause.

2. The Bill was published in the Gazette of India Extraordinary, Part II, section 2, dated 3rd February, 1951.

3. We think that the Bill has not been so altered as to require circulation under Rule 77(4) of the Rules of Procedure and Conduct of Business in Parliament, and we recommend that it be passed as now amended.

D. P. KARMARKAR
 MONO MOHON DAS
 J. N. HAZARIKA
 *P. K. LAKSHMANAN
 RADHELAL VYAS
 B. P. JHUNJHUNWALA
 R. K. SIDHVA
 SYAMNANDAN SAHAYA
 TEK CHAND
 BRAJA KISHORE PRASAD SINHA
 MAHESWAR NAIK
 *ARUN CHANDRA GUHA

NEW DELHI;
 The 15th February, 1952.

*Subject to a Minute of Dissent.

MINUTES OF DISSENT

I

The idea underlying the marking of an article with the Indian Standard Mark as is stated in the statement of Objects and Reasons appended to the Bill is to convey an assurance to the purchaser that the goods or services so marked have been inspected, tested and certified by some agency of competence and that they may be purchased with more than ordinary assurance that certain standards of quality have been met. This imposes a heavy responsibility on the Indian Standards Institution to see that no spurious article bearing the certification mark get into the market. This responsibility cannot adequately be discharged unless the Institution is vested with powers of search and seizure as is sought to be done under part (f) of clause 3 and parts (c) to (g) of clause 8. I am firmly of the opinion that the deletion of these powers will have the effect of defeating the very purpose of the measure. Subject to these observations I agree with the report.

P. K. LAKSHMANAN.

New Delhi;
The 15th February, 1952.

II

The language used in clause 10 of the Bill seems to me vague and ambiguous. I think it has not been the intention of the Select Committee to restrict the selection of competent authority only to persons or organisations belonging to or connected with any industry. At least my purpose was to make the scope much wider so as to include independent experts such as professors, engineers, technicians and independent scientific academicians and institutions. I hope the language would be made clear on this point.

ARUN CHANDRA GUHA.

New Delhi;
The 15th February, 1952.

THE INDIAN STANDARDS INSTITUTION (CERTIFICATION MARKS) BILL, 1951

(AS AMENDED BY THE SELECT COMMITTEE)

(Words *sidelined* or *underlined* indicate the amendments suggested by the Committee; asterisks indicate the omissions.)

A

BILL

to provide for the standardisation and marking of goods.

BE it enacted by Parliament as follows:—

1. Short title and extent.—(1) This Act may be called the Indian Standards Institution (Certification Marks) Act, 1952.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) “article” means (as respects standardisation and marking) any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured;

(b) “covering” includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper or other container;

(c) “Indian Standard” means the standard (including any tentative or provisional standard) established and published by the Indian Standards Institution, in relation to any article or process, indicative of the quality and specification of such article or process;

(d) “Inspector” means an Inspector appointed under section 8;

(e) “Institution” means the Indian Standards Institution set up under the Resolution of the Government of India in the late Department of Industries and Supplies No. 1 Std. (4)/45, dated the 3rd day of September, 1946, and registered under the Societies Registration Act, 1860 (XXI of 1860);

(f) “licence” means a licence granted under this Act to use the Indian Standards Institution Certification Mark, in relation to any article or process which conforms to the Indian Standard;

(g) “mark” includes a device, brand, heading, label, ticket, pictorial representation, name, signature, word, letter or numeral or any combination thereof;

(h) “prescribed” means prescribed by rules or regulations made under this Act;

(i) “process” includes any practice, treatment and mode of manufacture of any article;

(j) “registering authority” means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;

(k) "specification" means a description of an article or process as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or other characteristics to distinguish it from any other article or process;

(l) "Standard Mark" means the Indian Standards Institution Certification Mark specified by the Indian Standards Institution to represent a particular Indian Standard;

(m) "trade mark" means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark, whether with or without any indication of the identity of that person;

(n) an article * * is said to be marked with a Standard Mark if the article * * itself is marked with a Standard Mark or any covering containing, or label attached to, such article is so marked.

3. Powers and duties of the Institution.—The Institution may exercise such powers and perform such duties as may be assigned to it by or under this Act, and, in particular, such powers include power to—

(a) establish and publish, in such manner as may be prescribed, the Indian Standard in relation to any article or process;

(b) specify a Standard Mark to be called the Indian Standards Institution Certification Mark, which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian Standard;

(c) grant, renew, suspend or cancel, in such manner as may be prescribed, a licence for the use of the Standard Mark;

(d) levy such fees for the grant or renewal of any licence as may be prescribed;

(e) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without licence;

(f) do such other acts as may be prescribed.

4. Authentication of orders and other instruments of the Institution.—All orders and decisions of, and all other instruments issued by, the Institution shall be authenticated by the signature of such officer or officers as may be authorised by the Institution in this behalf.

5. Prohibition of improper use of Standard Mark.—(1) No person shall use, in relation to any article or process, or in the title of any patent, or in any trade mark or design the Standard Mark or any colourable imitation thereof, except under a licence granted under this Act.

(2) No person shall, notwithstanding that he has been granted a licence, use in relation to any article or process the Standard Mark or any colourable imitation thereof unless such article or process conforms to the Indian Standard.

6. Prohibition of use of certain names, etc.— * * * No person shall, except in such cases and under such conditions as may be prescribed, use without the previous permission of the Institution,—

(a) any name which so nearly resembles * the name of the Indian Standards Institution as to deceive or likely to deceive the public or which contains the expression * * "Indian Standard" or any * * abbreviation thereof; or 5

(b) any mark or trade mark in relation to any article or process containing the expressions * * "Indian Standard" or "Indian Standard specification" or any * * abbreviation of such expressions. 10

7. Prohibition of registration in certain cases.—(1) Notwithstanding anything contained in any law for the time being in force, no registering authority shall—

(a) register any company, firm or other body of persons which bears any name, or 15

(b) register a trade mark or design which bears any name or mark, or

(c) grant a patent, in respect of an invention, which bears a title containing any name or mark,

if the use of such name or mark is in contravention of section 5 or section 6.

(2) If any question arises before a registering authority whether the use of any name or mark is in contravention of section 5 or section 6, the registering authority may refer the question to the Central Government, whose decision thereon shall be final. 20

8. Inspectors.—(1) The Institution may appoint as many Inspectors as may be necessary for the purpose of inspecting whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without licence, and for the purpose of performing such other functions as may be assigned to them. 25

(2) Subject to any rules made under this Act, an Inspector shall have power to— 30

(a) inspect any operation carried on in connection with any article or process in relation to which the Standard Mark has been used; .

(b) take samples of any article, or of any material or substance used in any article or process, in relation to which the Standard Mark has been used; 35

* * * * *

(c) exercise such other powers as may be prescribed.

(3) Every Inspector shall be furnished by the Institution with a certificate of appointment as an Inspector, and the certificate shall, on demand, be produced by the Inspector. 40

9. Power to obtain information, etc.—Every licensee shall supply the Institution with such information, and with such samples of any material or substance used in relation to any article or process, as the Institution may require. 45

10. Power to authorise the competent authority.—(1) The Central Government may, in consultation with the Institution, by notification in the Official Gazette, direct that any power exercisable by the Institution by or under this Act shall, in relation to such matters and subject to such conditions as may be specified in the direction, be exercisable also by such authority or such organisation of any industry as may be specified in the notification (hereinafter referred to as the 'competent authority'). 50

(2) For avoidance of doubts, it is hereby declared that the Central Government may, by a like notification, withdraw the powers delegated to a competent authority under sub-section (1).

5 **11. Appeals.**—(1) Any person aggrieved by an order passed under clause (c) of section 3, whether by the Institution or by a competent authority, may prefer an appeal to the Central Government.

(2) The appeal shall be presented in such form and manner and within such time as may be prescribed.

10 (3) The Central Government shall, in dealing with appeals under this section, follow such procedure as may be prescribed.

12. Certain matters to be kept confidential.—Any information obtained by an inspector, competent authority, or the institution from any statement made or information supplied or in any evidence given or from inspection made under the provisions of this Act shall be treated as confidential:

15 Provided that nothing in this section shall apply to the disclosure of any information for the purpose of prosecution under this Act.

13. Penalty for improper use of Standard Marks, etc.—(1) Any person * * * who contravenes the provisions of section 5 or section 6 shall be punishable with fine which may extend to ten thousand rupees.

20 (2) Any court trying a contravention under sub-section (1) * * * may direct that any property in respect of which the contravention has taken place shall be forfeited to the Government.

14. Penalty for other offences.—Whoever contravenes any of the provisions of this Act or of any rules made thereunder shall, if no other penalty is elsewhere provided by or under this Act for such contravention, be punishable with fine which may extend to one thousand rupees.

30 **15. Cognizance of offences by courts.**—(1) No court shall take cognizance of any offence punishable under this Act, save on complaint made by or under the authority of the Government or the Institution or by an officer empowered in this behalf by the Government or the Institution.

(2) No court inferior to that of a presidency magistrate or a magistrate of the first class specially empowered in this behalf shall try any offence punishable under this Act.

35 **16. Protection of action taken under this Act.**—No suit, prosecution or other legal proceeding shall lie against the Central Government or the Institution or any person acting under the authority of the Central Government or the Institution for anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or regulation made thereunder.

40 **17. Act not to affect the operation of certain Acts.**—Nothing in this Act shall affect the operation of the Agricultural Produce (Grading and Marking) Act, 1937 (I of 1937) or the Drugs Act, 1940 (XXIII of 1940).

18. Savings.—Nothing in this Act shall exempt any person from any suit or other proceeding which might, apart from this Act, be brought against him.

45 **19. Directions by the Central Government.**—(1) The Central Government may, if satisfied that the public interest so requires, by order in writing for reasons to be stated therein, give to the Institution general instructions to be followed by the Institution and such instructions may, notwithstanding anything contained in the Societies Registration Act, 1860 (XXI of 1860), include

directions to make or amend any bye-law relating to the composition of the Governing Body or other Committees of the Institution and its powers and functions in such form and within such period as may be specified in the order.

(2) In the exercise of its powers and performance of its duties, the Institution shall not depart from any general instructions issued under sub-section (1).

Explanation.—In this section, the expression “bye-law” includes all rules, or regulations (by whatever name called) which the Institution is competent to make in the exercise of the powers conferred on it under the Societies Registration Act, 1860.

20. Power to make rules.—(1) The Central Government may, subject to the condition of previous publication, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the procedure and manner in which the Indian Standard, in relation to any article or process, may be established and published;

(b) the design of the Standard Mark in relation to each Indian Standard and the particulars which a Standard Mark may contain;

(c) authorisation of competent authority under section 10;

(d) the manner in which, and the conditions subject to which, a licence to use the Standard Mark may be granted, renewed, suspended or cancelled;

(e) the levy of fees for the grant or renewal of any licence;

(f) the mode of inspection by the Institution and the manner in which samples may be taken by it;

(g) the powers and functions of the Institution;

(h) the cases in which, and the circumstances under which, exemption may be granted from the prohibition contained in section 6;

(i) the powers of Inspectors;

(j) the form and manner in which and the time within which appeals may be preferred; the procedure to be followed in hearing appeals;

(k) the forms to be used under this Act;

(l) any other matter which has to be, or may be, prescribed under this Act.

(3) In making any rule under this section, the Central Government may provide that a breach thereof shall be punishable with fine which may extend to one thousand rupees.

21. Power to make regulations.—(1) The Institution may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations, not inconsistent with this Act and the rules made thereunder, to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the matters specified in clauses (a), (b) and (f) of sub-section (2) of section 20.

PARLIAMENT OF INDIA

Report of the Select Committee on the Bill to provide for the
standardisation and marking of goods.

(As amended by the Select Committee)

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THE INDIAN STANDARDS INSTITUTION (CERTIFICATION MARKS) ACT, 1952

No. XXXVI OF 1952

ARRANGEMENT OF SECTIONS

IONS

- . Short title and extent.
- . Definitions.
- . Powers and duties of the Institution.
- . Authentication of orders and other instruments of the Institution.
1. Prohibition of improper use of Standard Mark.
2. Prohibition of use of certain names, etc.
3. Prohibition of registration in certain cases.
4. **Inspectors.**
5. Power to obtain information, etc.
6. Power to authorise the competent authority.
7. **Appeals.**
8. Certain matters to be kept confidential.
9. Penalty for improper use of Standard Marks, etc.
10. Penalty for other offences.
11. Cognizance of offences by courts.
12. Protection of action taken under this Act.
13. Act not to affect the operation of certain Acts.
14. Savings.
15. Directions by the Central Government.
16. Power to make rules.
17. Power to make regulations.

Price annas 2 or 3d.

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Indian Standards Institution (Certification Marks)

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See India Code,
Volume VIII B.

[21st March, 1952.]

An Act to provide for the standardisation and marking of goods.

Enacted by Parliament as follows:—

1. Short title and extent.—(1) This Act may be called the Indian Standards Institution (Certification Marks) Act, 1952.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) “article” means (as respects standardisation and marking) any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured;

(b) “covering” includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper or other container;

(c) “Indian Standard” means the standard (including any tentative or provisional standard) established and published by the Indian Standards Institution, in relation to any article or process, indicative of the quality and specification of such article or process;

(d) “Inspector” means an Inspector appointed under section 8;

(e) “Institution” means the Indian Standards Institution set up under the Resolution of the Government of India in the late Department of Industries and Supplies No. 1 Std. (4)/45, dated the 3rd day of September, 1946, and registered under the Societies Registration Act, 1860 (XXI of 1900);

(f) “licence” means a licence granted under this Act to use the Indian Standards Institution Certification Mark, in relation to any article or process which conforms to the Indian Standard;

(g) “mark” includes a device, brand, heading, label, ticket, pictorial representation, name, signature, word, letter or numeral or any combination thereof;

(h) “prescribed” means prescribed by rules or regulations made under this Act;

(i) “process” includes any practice, treatment and mode of manufacture of any article,

(j) “registering authority” means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;

(k) “specification” means a description of an article or process as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or other characteristics to distinguish it from any other article or process;

(l) “Standard Mark” means the Indian Standards Institution Certification Mark specified by the Indian Standards Institution to represent a particular Indian Standard;

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(m) "trade mark" means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, connection in the course of trade between the goods and some person having right, either as proprietor or as registered user, to use the mark, with or without any indication of the identity of that person;

(n) an article is said to be marked with a Standard Mark if the article itself is marked with a Standard Mark or any covering containing, attached to, such article is so marked.

3. Powers and duties of the Institution.—The Institution may exercise powers and perform such duties as may be assigned to it by or under this Act, and, in particular, such powers include power to—

(a) establish and publish, in such manner as may be prescribed, an Indian Standard in relation to any article or process;

(b) specify a Standard Mark to be called the Indian Standards Institution Certification Mark, which shall be of such design and content as may be prescribed to represent a particular Indian Standard;

(c) grant, renew, suspend or cancel, in such manner as may be prescribed, a licence for the use of the Standard Mark;

(d) levy such fees for the grant or renewal of any licence as may be prescribed;

(e) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the Standard Mark has been used conforms to the Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without licence;

(f) do such other acts as may be prescribed.

4. Authentication of orders and other instruments of the Institution.—All orders and decisions of, and all other instruments issued by, the Institution shall be authenticated by the signature of such officer or officers as may be authorised by the Institution in this behalf.

5. Prohibition of improper use of Standard Mark.—(1) No person shall use in relation to any article or process, or in the title of any patent, or in any mark or design the Standard Mark or any colourable imitation thereof without a licence granted under this Act.

(2) No person shall, notwithstanding that he has been granted a licence in relation to any article or process the Standard Mark or any colourable imitation thereof unless such article or process conforms to the Indian Standard.

6. Prohibition of use of certain names, etc.—No person shall, except in such cases and under such conditions as may be prescribed, use without the permission of the Institution,—

(a) any name which so nearly resembles the name of the Standards Institution as to deceive or likely to deceive the public, or contains the expression "Indian Standard" or any abbreviation or

(b) any mark or trade mark in relation to any article or process containing the expressions "Indian Standard" or "Indian Standard specification" or any abbreviation of such expressions.

7. Prohibition of registration in certain cases.—(1) Notwithstanding anything contained in any law for the time being in force, no registering authority shall—

(a) register any company, firm or other body of persons which has in its name, or

(b) register a trade mark or design which bears any name or

(c) grant a patent, in respect of an invention, which bears a title containing any name or mark,

if the use of such name or mark is in contravention of section 5 or section 6.

(2) If any question arises before a registering authority whether the use of any name or mark is in contravention of section 5 or section 6, the registering authority may refer the question to the Central Government, whose decision thereon shall be final.

8. Inspectors.—(1) The Institution may appoint as many Inspectors as may be necessary for the purpose of inspecting whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without licence, and for the purpose of performing such other functions as may be assigned to them.

(2) Subject to any rules made under this Act, an Inspector shall have power to—

(a) inspect any operation carried on in connection with any article or process in relation to which the Standard Mark has been used;

(b) take samples of any article, or of any material or substance used in any article or process, in relation to which the Standard Mark has been used;

(c) exercise such other powers as may be prescribed.

(3) Every Inspector shall be furnished by the Institution with a certificate of appointment as an Inspector, and the certificate shall, on demand, be produced by the Inspector.

9. Power to obtain information, etc.—Every licensee shall supply the Institution with such information, and with such samples of any material or substance used in relation to any article or process, as the Institution may require.

10. Power to authorise the competent authority.—(1) The Central Government may, in consultation with the Institution, by notification in the Official Gazette, direct that any power exercisable by the Institution by or under this Act shall, in relation to such matters and subject to such conditions as may be specified in the direction, be exercisable also by such authority or such organisation as may be specified in the notification (hereinafter referred to as the 'competent authority').

(2) For avoidance of doubts, it is hereby declared that the Central Government may, by a like notification, withdraw the powers delegated to a competent authority under sub-section (1).

11. Appeals.—(1) Any person aggrieved by an order passed under clause (c) of section 3, whether by the Institution or by a competent authority, may prefer an appeal to the Central Government.

(2) The appeal shall be presented in such form and manner and within such time as may be prescribed.

(3) The Central Government shall, in dealing with appeals under this section, follow such procedure as may be prescribed.

12. Certain matters to be kept confidential.—Any information obtained by an Inspector, competent authority, or the Institution from any statement made or information supplied or in any evidence given or from inspection made under the provisions of this Act shall be treated as confidential:

Provided that nothing in this section shall apply to the disclosure of any information for the purpose of prosecution under this Act.

1 omitted by Act 36 of 1957, S. 3 & sch. 2.

13. Penalty for improper use of Standard Marks, etc.—(1) Any person who contravenes the provisions of section 5 or section 6 shall be punishable with fine which may extend to ten thousand rupees.

(2) Any court trying a contravention under sub-section (1) may direct that any property in respect of which the contravention has taken place shall be forfeited to the Government.

14. Penalty for other offences.—Whoever contravenes any of the provisions of this Act or of any rules made thereunder shall, if no other penalty is elsewhere provided by or under this Act for such contravention, be punishable with fine which may extend to one thousand rupees.

15. Cognizance of offences by courts.—(1) No court shall take cognizance of any offence punishable under this Act, save on complaint made by or under the authority of the Government or the Institution or by an officer empowered in this behalf by the Government or the Institution.

(2) No court inferior to that of a presidency magistrate or a magistrate of the first class specially empowered in this behalf shall try any offence punishable under this Act.

16. Protection of action taken under this Act.—No suit, prosecution or other legal proceeding shall lie against the Central Government or the Institution or any person acting under the authority of the Central Government or the Institution for anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or regulation made thereunder.

17. Act not to affect the operation of certain Acts.—Nothing in this Act shall affect the operation of the Agricultural Produce (Grading and Marking) Act, 1937 (I of 1937) or the Drugs Act, 1940 (XXIII of 1940).

18. Savings.—Nothing in this Act shall exempt any person from any suit or other proceeding which might, apart from this Act, be brought against him.

19. Directions by the Central Government.—(1) The Central Government may, if satisfied that the public interest so requires, by order in writing for reasons to be stated therein, give to the Institution general instructions to be followed by the Institution and such instructions may, notwithstanding anything contained in the Societies Registration Act, 1860 (XXI of 1860), include directions to make or amend any bye-law relating to the composition of the Governing Body or other Committees of the Institution and its powers and functions in such form and within such period as may be specified in the order.

(2) In the exercise of its powers and performance of its duties, the Institution shall not depart from any general instructions issued under sub-section (1).

*Explanation.—*In this section, the expression "bye-law" includes all rules, or regulations (by whatever name called) which the Institution is competent to make in the exercise of the powers conferred on it under the Societies Registration Act, 1860.

20. Power to make rules.—(1) The Central Government may, subject to the condition of previous publication, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the procedure and manner in which the Indian Standard, in relation to any article or process, may be established and published;

(b) the design of the Standard Mark in relation to each Indian Standard and the particulars which a Standard Mark may contain;

(c) authorisation of competent authority under section 10;

(d) the manner in which, and the conditions subject to which, a licence to use the Standard Mark may be granted, renewed, suspended or cancelled;

- (e) the levy of fees for the grant or renewal of any licence;
- (f) the mode of inspection by the Institution and the manner in which samples may be taken by it;
- (g) the powers and functions of the Institution;
- (h) the cases in which, and the circumstances under which, exemption may be granted from the prohibition contained in section 6;
- (i) the powers of Inspectors;
- (j) the form and manner in which and the time within which appeals may be preferred; the procedure to be followed in hearing appeals;
- (k) the forms to be used under this Act;
- (l) any other matter which has to be, or may be, prescribed under this Act.

(3) In making any rule under this section, the Central Government may provide that a breach thereof shall be punishable with fine which may extend to one thousand rupees.

21. Power to make regulations.—(1) The Institution may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations, not inconsistent with this Act and the rules made thereunder, to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the matters specified in clauses (a), (b) and (f) of sub-section (2) of section 20.

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Start with me

217 *Calling Attention
to a matter of*

[27 NOV. 1986]

*Urgent Public
Importance*

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the Nineteenth Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on action taken by Government on the recommendations contained in Tenth Report of the Committee on the Ministry of Transport (Department of Surface Transport) Reservations for, and employment of Scheduled Castes and Scheduled Tribes in Shipping Corporation of India Limited.

MESSAGE FROM THE LOK SABHA

The Bureau of Indian Standards Bill, 1986

SECRETARY-GENERAL: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose the Bureau of Indian Standards Bill, 1986, as passed by Lok Sabha at its sitting held on the 26th November, 1986."

Sir, I lay the Bill on the Table.

RE. DISALLOWING OF QUESTIONS

MR. CHAIRMAN: Now we will take up *"
Calling Attention. I make a request to the House that we should try to finish the Calling Attention before lunch, at 1.30.

SHRI ATAL BIHARI VAJPAYEE (Madhya Pradesh): Sir, before you take up Calling Attention, I would like to draw your attention to a very important point.

MR. CHAIRMAN: You should have come to me.

SHRI ATAL BIHARI VAJPAYEE: Sir, questions are being disallowed on flimsy grounds. Today I received a notice from the Secretariat saying...

MR. CHAIRMAN: Mr. Vajpayee, you should have come to my room. I will look into it because I cannot decide it in the House. You should have come to me and I would have looked into it.

SHRI ATAL BIHARI VAJPAYEE: Sir, always you are shielding them. But it is very difficult to come to you.

MR. CHAIRMAN: You want my assistance or you want to mention? If you want to mention you mention; if you want my assistance you come to my room.

SHRI ATAL BIHARI VAJPAYEE: Sir, I had been to your room—I was accompanied by Advaniji. A question was disallowed regarding Churhat Lottery on the ground that the matter is being looked into by a Parliamentary Committee. This is untenable. Today I have got a letter from the Secretariat saying that the question cannot be allowed regarding unemployed graduates because a Parliamentary Committee is looking into the matter. Sir, we have so many Parliamentary Committees, there are statutory committees and all subjects are being looked into by Parliamentary Committees. The questions should not be disallowed on this ground.

MR. CHAIRMAN: I will look into it.

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

Labour unrest and unemployment due to increasing incidents of lock-outs, layoff, closures and sickness in industrial sector

MR. CHAIRMAN: Mr. Gurudas Das Gupta, you should take only 15 minutes and try to finish it by 1.30.

SHRI K. MOHANAN (Kerala): Sir, we have to go home and take our spouses also.

MR. CHAIRMAN: Because we have to adjourn by 5 O'clock, I want to see that some work is done. It is only a request to you (*Interruptions*)

SHRI GURUDAS DAS GUPTA (West Bengal): Sir, I call the attention of the Minister of Labour to the labour unrest and unemployment due to increasing incidents of lock-outs, lay-off, closures and

The motion was adopted.

Clauses 14 to 20 were added to the Bill.

MR. CHAIRMAN : The question is :

"That Clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted.

Clause 1, the Enacting formula and the Title were added to the Bill.

MR. CHAIRMAN : Now the Minister.

SHRI VASANT SATHE : I beg to move :

"That the Bill be passed."

MR. CHAIRMAN : The question is :

"That the Bill be passed."

The motion was adopted.

14.12 hrs .

BUREAU OF INDIAN STANDARDS BILL, 1986

[English]

MR. CHAIRMAN : Now Shri H.K.L. Bhagat.

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND MINISTER OF
FOOD AND CIVIL SUPPLIES (SHRI
H.K.L. BHAGAT) : I beg to move :

"That the Bill to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality

certification of goods and for matters connected therewith or incidental thereto, be taken into consideration."

Sir, while moving this I would like to make the following observations :

The Indian Standards Institution was set up in the same year in which our country attained independence. It was established with the objectives of preparing and promoting standards. In pursuance of these objectives, ISI has done commendable work in formulating standards and in operating the certification marks scheme which is governed by the Indian Standards Institution (Certification Marks) Act, 1952 and rules and regulations framed thereunder.

ISI has built an image over the years both within the country and abroad. It has played a pioneering role in evolving national standards and their implementation, and in spreading quality consciousness in the country. In this connection, mention may be made of the significant part played by ISI in the introduction of the metric system in India. ISI has so far formulated more than 13,000 standards covering diverse areas such as civil engineering, chemicals, electronics and telecommunication, mechanical engineering, textiles and consumer products. At the end of October 1986, nearly 9,000 ISI certification marks licences were in operation. The certification scheme is basically voluntary in character. However for 112 items, affecting health and safety of the consumer, Government of India has made it obligatory through various statutory measures to make ISI marking mandatory for them. Government is considering to cover more products under mandatory certification marking.

ISI has played an important role as a developing country in standardisation at international level. ISI is a member and active participant in the two most important international organisations namely, International Organisation for Standardisation and International Electrotechnical

Commission. India is a member of 94 technical committees of these two organisations and has made effective contribution in their deliberations. India took a leading part in organizing the work in the sphere of standardisation, measurement and quality control under the Non-Aligned Movement and hosted the first Conference of the Group of Experts in New Delhi in 1985. ISI has so far conducted 18 international training programmes attended by participants from developing countries.

Hon'ble Members would appreciate that when ISI was established, India was on the threshold of planned economic development and massive industrialisation programme. There has been remarkable progress in various sectors of the Indian economy during the past four decades. The agricultural sector has witnessed the 'Green Revolution' which is spreading to more crops and more areas. The industrial development and growth has been phenomenal. The industrial sector has undergone structural and qualitative transformation. We have become self-sufficient in respect of almost all agricultural commodities and industrial product that we need. In fact we have developed some surpluses for exports.

In the first phase of our industrialisation we concentrated on creating new capacities, absorbing imported technologies and attaining self-sufficiency in as many products as possible. In the process, adequate attention was not paid to quality and standards of adequate goods produced. One of the most significant developments in our industrialisation has been the growth and development of modern small scale industry during the planning era which has now become a vital part of India's industrial economy.

It is in the background of these developments during the last 40 years that competition, quality and standards did not receive as much attention as is desirable in order to safeguard the interest of consumers, ensure production of goods comparable to international standards, promote exports and build up "quality

and standards culture." It is in this context that our Prime Minister emphasized recently : "The need of the hour is a national commitment to quality in all walks of life. We should not be satisfied with anything but the best in the goods and services that we produce."

It is, thus, obvious that a new thrust to the overall objectives of standards formulation, quality control and certification activities has to be given. A national strategy has to be evolved to give due recognition and importance to standards and the organization which makes them. The standards-making Institution has to gear up its activities in order to make the public and private sectors including small-scale industries to intensify efforts to produce more and more goods of quality so as to bring about faster growth, more competition, increased exports and customer satisfaction.

The standards organisation has to align its programmes with others both within the country and abroad so as to meet the challenges of dynamics of technology and industrial development. The standards organization has necessarily to dovetail its activities in accordance with the growth and development envisaged for various sectors of the economy as indicated in the Five-Year Plans and various programmes of the Government and industry. There is need for better integration of the activities of various organisations formulating standards and for this it would be necessary to have a statutory body so that Government is able to give policy directions to it. There are a number of organizations dealing with standards in the country. For a coordinated approach to standardization, it would be necessary to have a statutory institution of national importance. The proposed Bureau will thus be in a better position to achieve these objectives.

The present stage of our economic development calls for building up standards and quality culture and consciousness. This would need greater stress on (a) product standards (b) system standards covering parts and components and functions of a group of products, and (c)

[Shri H. K. L. Bhagat] : standards at all levels in a unit of production. For accomplishment of such task also, it is felt necessary by the Government to have an organization as envisaged in this Bill.

For the formulation and implementation of standards, there is need for more involvement of consumers and their representative organisations. The Bill provides for representation to consumers and their organizations in formulation and implementation of standards. A notable provision of the Bill is to give to the consumer and consumer organizations the right to complain regarding quality of products.

Here I might add that the Government is considering giving the right to the consumer in other laws also, which are relevant for consumer protection. This is in line with the Government's policy of developing an effective and broad-based consumer movement in the country.

It has been felt that a more broad-based legal status to certification marks scheme has become necessary in the light of experience gained. As envisaged in the Bill a product can be brought under mandatory certification marking. The Bill makes new provisions for ensuring better adherence to standards by the licensees. The penal provisions have been made more deterrent.

While the Bureau will now become a statutory body, it will have operational freedom in its day-to-day activities. The Government will provide, as has been stated by me earlier, broad directions in terms of policies, priorities and important programmes.

Thus, the Bill envisages to broaden the activities of ISI, making its working more effective and ensuring interaction with various interests, both within the country, and abroad. The Government will provide from time to time directions to the Bureau to ensure that its activities are in line with the national policies and priorities. It is expected that with broad-

ened scope and more powers, the Bureau will meet the challenges of the Eighties and Nineties in promoting standards, and quality effectively. Hon'ble Members will agree that in a fast changing technological environment, and global competition, the provisions of the Bill are vitally important for faster growth of the national economy and in the interests of the consumers.

MR. CHAIRMAN : Motion Moved :

"That the Bill to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto, be taken into consideration".

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : May I point out Madam, Chairperson, that there is no quorum in the House ?

MR. CHAIRMAN : The bell is being rung.

MR. CHAIRMAN : Now, there is quorum.

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : I welcome this Bill. In fact, it is a very very important Bill that has been brought forward for discussion in this House. Actually, this should have been brought forward much earlier in order to protect the poor consumer who was helped all these years. I congratulate the Government that at least now it has brought forward this Bill.

All these 39 years, millions of consumers have been exploited by the manufacturers, distributors, traders and the middle-men. An estimate says that due to under-weightment of articles purchased by consumers, every year the consumers, on an average, are cheated to the extent of nearly Rs. 1600 crores. It is very strange in this country that we find very few articles that may not be adulterated or sub-standard or contrary to the standards

that have been specified on the containers of the product. The greediness among the people has increased to such a level that they wantonly adulterate almost every item including our daily consumption items like food, milk, turmeric, etc. Even life saving drugs are not spared. There are several instances where very responsible medical officers have administered out-dated and expired injections to the patients and the patients have died. Even in Delhi, just before festival, when the Weights and Measures Department conducted raids on sweet shops it found that barring a few shops, almost all shops had resorted to this under-weighment. Though there is a provision that when the sweets are measured in paper boxes, they should put 50 gramme more, none is following that. Thereby the accumulated loss to the consumers in Delhi alone runs into tens of lakhs of rupees. It is a common experience that the farmers of our country are looted, cheated, duped to the extent of hundreds of crores of rupees due to adulteration...

SHRI MOOL CHAND DA'GA : I am on a point of order. There is a Prevention of Food Adulteration Act. Do you think that this Bill covers all these subjects ?

MR. CHAIRMAN : No point of order.

SHRI V. SOBHANADREESWARA RAO : Madam, you know the farmers' problems very well and you know the problem of sub-standard pesticides that are supplied to the farmers. Though technically the standards are prescribed there is lack of sufficient control over the quality of products leading to sub-standard pesticides that are supplied to the farmers because of which not only the farmers are losing money but they are getting less yield from the crops, which is another loss from them. Even in regard to fertilisers, especially in regard to fertiliser mixtures, the standard aspect is sacrificed in several companies. Even those items which we export to other countries are also contrary to the standard, contrary to the specifications, contrary to the agreement regarding the quality of the item which we are

exporting. It happened so in respect of tobacco previously when tobacco was returned back, which is a shame for the country. For several years we could not get sufficient orders from China. Only this year they have again started giving orders. What I would like to impress upon is the enormous damage due to lack of commitment by the manufacturers and by the exporters to adhere to the standards prescribed. It is resulting in the robbing of consumers and at the same time bringing very bad reputation to the country on the international front.

It may be strange to note that out of the sixteen electric bulb manufacturing units in the country, only two are having ISI certificate; the rest are not having the ISI certificate. They are following their own standards. Similarly, in regard to tooth paste also which we use daily, the weight is not as per the weight that is mentioned on the cover. It is less than the prescribed weight. In these circumstances, I congratulate the Government for having come forward with this Bill to standardise almost all articles of manufacture to protect the consumer.

In this respect, I would like to make a few suggestions regarding the Bill that has been brought forward. In clause 3 on page 4, there is a mention about the persons who are to represent. It says, "such number of other persons, to represent the Government, industry, and other interest". I suggest that representation should be given to agricultural sector and to consumers also. There should be people who have contributed to a great extent to enlighten the public, the consumers, regarding their rights, and the need to improve the quality of the articles of use. Such people also should be involved in this organisation.

In clause 5 there is an item regarding the constitution of Financial Committee, Certification Advisory Committee and like that. I suggest that a quality control committee should also be there. *Sho'mon* this committee should procure different articles periodically and find out the quality, examine them and take suitable steps;

[Shri V. Sobhanadreeswara Rao]

Similarly, in respect of clause 10 regarding the powers and functions of the Bureau, there should be another item.

This Bureau should help in conducting seminars, conferences to make consumer movement a peoples movement. Because of the utter poverty conditions in this country and inspite of our commitment that everybody should be literate, still only 50% are literate in this country. In these circumstances the Government, this Bureau should try its best to inspire the consumers, the people, regarding the consumer movement. A person like Ralph Nader single-handedly was able to build up a strong consumer movement in United States of America. He fought against a giant like a general motor Company. Unless the Bureau comes to the help of the consumer; unless it take this aspect as one of its functions which cannot be done from the consumer's side.

Page 12, clause 33 :

"Any member who contravenes the provisions of section 11, or section 12 or section 14 shall be punishable with fine which may extend to fifty thousand rupees."

There may be several instances when a manufacturer will be prepared to pay Rs. 50,000 fine because he may be getting lakhs and crores of rupees on an item which he produces. Until he is caught, he will be getting profit. So, there should be deterrent action against such people who want to make product which is not in tune with the specified standard. So, this penalty should not be Rs. 50,000 but Rs. 5 lakhs.

Some time back one higher authority had announced that in contravention to these provisions four years imprisonment will also be there. But I find it is missing in this Bill that has been brought forward before us. I request the hon. Minister to consider to include that provision also. Four years imprisonment also or at least

two years imprisonment should be there to deter such people who want to make money and rob the consumers.

Again on page 12, clause 33, there is a sentence—

"Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence."

In respect of the spurious pesticides, the distributor who sells to the farmer says that it is the fault of the manufacturer and the manufacturer says, no, it is done by the trader or he might have got it from somewhere else. My product is pucca. We are observing the standards. Like this they are escaping. This fact should be taken into consideration by the Government. Scope should not be given for escaping of unscrupulous people in that manner.

Also in this clause there is no penalty for violating the standard specifications. Heavy amount of fine as well imprisonment shall also be prescribed. It should also provide scope for the consumer to sue the manufacturers if that item is not up to the standard which is specified. These consumers should have right to sue for the compensation for the loss he had incurred because of sub-standard article.

In other countries even the doctors are very careful, they are very attentive and they fear from the patient, the man who is getting the treatment from him. The moment he gets any call, he will go there and attend on the patient. But in our country there are instances where doctors have left even the patient under operation and there are some instances where live people are thrown into the mortuary also. All those persons who have done that without any shame, without any responsibility, they even try to

manhandle the people when the serious lapses are brought into open but no action is taken against them. So, in future the consumer should be protected with all necessary provisions. I agree fully with all the objects and reasons that have been stated by the Minister and I would like to make one or two suggestions more.

Our standards should also correspond to the international standards. Otherwise our trade gap is increasing, we are not able to export as our targets and objectives. Our standards also should be in tune with the international standards so that our products also withstand the competition of the international market and we get more exports, and till now no statutory power to freeze these products in case of misuse is there. This lacuna should also be taken into consideration and necessary provision should be made in respect of this also.

The proposed Bureau should also launch a training programme to acquaint its personnel with the latest technology and bring them into closer contact with consumers as well as the manufacturers. They should be made aware of several practices that are being followed in other countries and here also they should be taught. If necessary, some of them may be sent to those places so that they can discharge their duties very effectively to protect the consumer interest.

In some countries like the U.S.A. and U. K. there is testing of the products periodically and they compare the quality of different products and they make available the information to the journals that are published by the consumers' organisations thereby the consumer, the common man, will be able to distinguish what is the quality of this product or that brand and similarly, here also some such efforts should be made by our Bureau. Also the public opinion of the consumers should be taken into consideration, how people are feeling, what is their practical experience etc. Our experience at Delhi or any State Capitals may be different, but what the villagers, the common men in the remote areas, what they are feeling about the quality of the products which they are

using, that information also should be taken back by the Bureau so that it can be a helping guide for the manufacturers to set their house in order and take all necessary steps so that they follow the standards. I hope in the coming days the Government will take all necessary steps to protect the consumers in this country. In other countries on almost all items the quality is mentioned. Actually we feel so happy, we will be astonished to find the quality of the items there, but here we feel very sorry. We hope in the coming years there will be some substantial change in the supply of the articles to the people. And this Bureau of Indian Standards which is going to be set up to improve and increase the standard of all items of consumption as well as industrial products will help the consumers also and help our country to attain our due place in the international markets.

SHRI SHANTARAM NAIK (Panaji) :
Madam Chairman, this Bill namely the Bureau of Indian Standards Bill, 1986, I would say, is one of the finest Bills that we have introduced during this session. Quality is our motto and the entire nation is today committed to quality. And, therefore, this Bill which seeks compulsory standardisation of articles is the most essential thing that the country needs not only for local consumption but also for increasing our exports.

The relevant clause 14 reads as under :

"If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may by order publish in the official Gazette,—

- (a) Notify any article or process, of any scheduled industry which shall conform to the Indian Standard; etc."

In this clause, there is a provision for compulsory standardisation of goods.

[Shri Shantaram Naik]

Now which are the articles or the goods, which are required to be compulsorily standardised, are given in a different legislation, namely, the Industries (Development and Regulation) Act, 1951. In this Act, there is an exhaustive list given in the first schedule in which more than 300 articles are mentioned, coming under about 38 headings — more than 300 articles are given which will be incorporated automatically in this Bureau of Indian Standards Act and in which the standardisation will be required. My suggestion would be that this entire schedule which is given in the Industries (Development and Regulation) Act which we have referred to and relied upon in this Bill, should have been included in the present Bill so that the list is available handy in this very Act itself. Although the idea is very clear, we have referred to the Industries (Development and Regulation) Act, 1951 and said that schedule will be applicable to this Bill. But if the very schedule has been reproduced as it is, making that schedule here, that would have been very nice.

Secondly, today various commodities are coming in the market. Take the simple example of tooth paste, as has been quoted by my learned colleague. Till today, we buy several tooth pastes on several occasions. I may say, in my family itself, there is always a conflict between myself and my wife as to which tooth paste should be used. One day, I suggested to my wife, "Whatever brand, you are using, let us mix both your brand paste and that of my brand, so that there is no quarrel between us." I am saying this because, let anyone say today, according to him, it is the best tooth paste. This education ought to have been given by the Government.

Even as far as the soap is concerned, we are using this week one soap next week other soap. Why we are doing it is because we do not know what are the standard commodities. As you see, even in washing powder, the battle is going on in TV, whether Nirma is good or Surf is good. The brands are fighting on the TV saying that one washing powder is cheap;

and the other, my washing powder is a standard washing powder and to purchase a standard washing powder, there should be *amajdari* and all these things. This conflict is there because people are not educated. The Government is also not coming forward to educate the people on the standard goods. These companies are minting money at our cost. One soap company, I have learnt, minted millions of rupees by just advertisements, saying this is the best product. So, the cost could also come down, if they have not advertised so much. If the Government has educated the people on the standard goods, we would have also benefited.

Thirdly, even in the markets, sometimes, one commodity, let us say, Dettol which we have been using for the last several years, is very good, as a disinfectant. But just because that Dettol has become very popular, one product, now Dettol Soap is coming. The other day I used the Dettol soap and my hair has started falling. I am giving this example because in one field a name has been created. There must be some standardisation because unless the goods in that line are checked, they will not come forward. Just because Ponds powder is very popular, Ponds tooth-paste cannot be that popular unless that tooth paste comes to standardisation. These are the things which should be controlled by the Government. Therefore, the Bureau is very good idea and if this Bureau acts properly, then real standardisation goals will be achieved. Whatever work Bureau has to do, it should be prescribed by the rules under the Act. The Bureau should not be given any power to frame regulation. What will then happen? The Government will frame rules and the Bureau will frame regulations. There will be a conflict and then, if one day I want to know what is the standardisation with respect to a given product, I would have to see rules framed by the Government and regulation also framed by the Bureau. If Bureau is allowed to frame regulations, I will not get that regulations. I will not get that regulation copy anywhere in the market. All sub-standard products will be available, except

the regulation prepared by the Bureau. As for ~~as~~ knowledge is concerned, it is essential that only rules are framed by the Government and all the activities of the Government are controlled through these regulations.

The Members of the Bureau have been suggested there. My colleague has also suggested that consumer agencies will be represented.

I also suggest that at least two Members from Lok Sabha and one Member from Rajya Sabha should be there. Why I am saying this is not because peoples' representatives can create miracles. But on a subject like quality, if representatives of the people are not there, at least we may have one or two, then there would not be a real watch-dog situation there. Therefore, I suggest that at least there should be two Members from Lok Sabha and one Member from Rajya Sabha on this.

I would suggest that these goods with respect to which standardisation certificates are given should be made known to the people. How can we know? One is standard Government Gazette which generally people may not read. Therefore, in each State, at least in one newspaper, these goods for which standardisation certificate is issued, must be published from time to time, so that people are aware of this list.

Against any order passed under the Act, an appeal has been provided for under Clause 16. Wherever an appeal is provided for, the time is always prescribed in the main Act. Here it is said :—

"Any person aggrieved by the order may under Section 15 prefer an appeal to the Central Government within such period as prescribed."

I would say instead of leaving this aspect to be prescribed by the rules, why not Act itself say 30 days or 40 days what-

ever it is? It should be in the main Act because this is a part of substantive law.

Coming to Clause 33 which provides for punishment, if standardisation is to be achieved with effectiveness, then it is essential that there must be very severe punishment to those who violate. Otherwise, we will not get quality goods. As my learned friend suggested, a fine of Rs. 50,000/- is not enough because if you sell a sub-standard product, you will mint lakhs of rupees. Rs. 50,000/— is nothing. Therefore, there must be some sort of compulsory fine which should be higher than Rs. 50,000/—and imprisonment to those who violate the Act with respect to standardisation. Otherwise, nobody will be bothered about standardisation. They can cheat the Government and the public and consumer like anything.

Lastly, I would submit that powers under this legislation should be given to voluntary agencies. You have taken very right initiative with respect to essential commodities. The Government is now going to vest powers in consumer organisation. Under this legislation, the statutory power should be given to voluntary organisation. The statutory power should be similar to the power which Government authorities enjoy so that they can guard and control the standardisation of goods.

[Translation]

SHRI MOOL CHAND DAGA (Pali): Mr. Chairman, Sir, I thank the hon. Minister for formulating this law but what is the objective of this law? The objective of this law is to give all the powers in the hands of bureaucrats and the Parliament will have no right over it. Bare outlines have been given and all other things will be done by the bureaucrats. There is only one thing in the section. I think it will take at least two years to frame the rules. It will increase your expenditure. You have brought this legislation in hurry without giving it proper thinking. If I am asked whether the Parliament should make it a substantive law or not, you can think what would be my reply. You can take

[Shri Mool Chand Daga]

up any clause and start it from anywhere. I read out one clause as an example.

[English]

Now, regarding constitution of the * Bureau, Clause 3, Sub-Clause 3 (c) says : "such number of other persons, to represent the Government, industry, scientific and research institutions and other interests..." etc. I would like to ask : what is the 'other interests' ? It has been said 'as may be prescribed'. So, It is for the the Parliament to decide the interest. 'As may be prescribed' means by whom ? It is by the Executive Agencies, by your subordinate officers and not by Parliament. Now, you say that you want to establish a Corporation of Bureau of Indian Standards. How many members will be there ? From your point of view, it is not necessary to mention. Further, what will be the term ? We cannot say that. The qualifications of those people have not been laid down. You do not know the term of the members and as to how many members will be there. What does the term 'such number of persons' mean ? That term may mean any number like 10, 15, 20, or 100.

As far as the establishment and incorporation of the Bureau is concerned, Clause 3(1) says :

"with effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Bureau, to be called the Bureau of Indian Standards".

Now, that would be called the Bureau of Indian Standards. Regarding the term of office, it has been mentioned in Clause, 3 Sub-clause (4) as follows :

"The term of office of the members referred to in clause (c) of sub-section (3) and the manner of filling vacancies among, and

the procedure to be followed in the discharge of their functions by, the members, shall be such as may be prescribed."

So, every Section, every Clause of this Bill says "as may be prescribed." You need not bother about the members. The members need not take any pains because after all you leave it to the Executive Agencies and the Bureau may with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee Clause 4(1) says :

"The Bureau may with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely" :

(a) Director-General of the Bureau... Clause 4(1) Sub-Clause (b) says :

"(b) "such number of members, as may be prescribed."

15.00 hrs.

We do not know how many members will be there on the Executive Committee. We do not know who will be the members and how many persons will be members of the Executive Committee. Clause 4(2) reads :

"The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such of the functions, powers and duties of the Bureau as may be prescribed..."

What will be the functions of the Executive Committee, nothing has been laid down. Today the few Members who are present in the House now are giving powers to whom ? It is said that there will be an Executive Committee. We do not know who will be the members of

the Executive Committee; we leave it to the bureaucrats. What will be their functions, we leave it to the bureaucrats to decide. What will be their qualifications, we leave it to the bureaucrats to decide. Procedural matters can be entrusted to them. But these are basic things. And you say here in the Bill :

“such number of members may be prescribed.”

“The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such of the functions, powers and duties of the Bureau as may be prescribed...”

We do not know what will be the duties and functions of the Executive Committee. It is the bureaucrats or your executive agencies who will decide that. The Minister of Parliamentary Affairs has to get these Bills passed hurriedly. But at least kindly lay down in this Bill that so and so will be the members of the Executive Committee, their term will be such and such their qualifications will be such and such. Otherwise, you do not know what will happen. You are giving the powers to the bureaucrats. That means, you say, it is better for Members of Parliament not to break their heads with such things, they may say just ‘yes’ and these powers may be given to the bureaucrats. Here, we are leaving everything to them. What will be the duties of the Executive Committee, how many members should be on the Executive Committee, every thing will done by them. They will decide...

MR. CHAIRMAN : Please try to conclude.

SHRI MOOL CHAND DAGA : It is a question of standards. If you hurry us like this, then the objectives will not be achieved...

MR. CHAIRMAN : I am interested in this.

SHRI MOOL CHAND DAGA : I know, you are interested. But you want to finish this Bill by 5.00 p.m. We had given notice of amendments, but unfortunately it was late and, therefore, they were not published.

Now I come to Clause 5. Clause 5 reads :

“Subject to any regulations made in this behalf, the Berau may, from time to time and as and when it is considered necessary, constitute the following Advisory Committees for the efficient discharge of its functions, namely :—

- (a) Financial Committee;
- (b) Certification Advisory Committee;
- (c) Standards Advisory Committee;
- (d) Laboratory Advisory Committee;
- (e) Planning and Development Advisory Committees;
- (f) such number of other committees as may be determined by regulations.”

It will be a very big empire. I tell you, the bureaucrats will never allow the public representatives to function according to their will.

They will always mislead the public representative. They say such number of other committees as may be determined by the regulation. In this one sentence, you can have as many committees as you like. At least there should be a big building for this. Then, it is said that each Advisory Committee shall consist of a Chairman and such other members as may be determined by regulations. Everything is done by regulations. If you want to achieve the objective then we must know at least the procedure of how

[Shri Mool Chand Daga]

will you achieve your objective. We don't know anything. All will depend upon the regulations and by-laws which will be framed by the executive agencies or by bureaucrats.

Now I come to the terms and conditions of service of DG. Clause 8(1) says :

"The Bureau may appoint such others officers and employees as it considers necessary for the efficient discharge of its functions under this Act."

Clause 14 directs the use of the Indian Standard under a licence as compulsory on such article or process.

[Translation]

If there is any evil in the country it is the Inspector Raj. You will find so many inspectors such as food Inspector, Sub Inspector, Boiler Inspector, Factory Inspector etc. and these inspectors, have lined their pockets. This Bureau will also appoint inspectors. We wanted to get rid of these inspectors but like shop inspectors, holiday inspectors and food inspectors, you are also appointing inspectors here.

[English]

The grant of renewal of the licence under sub-section (1) shall be subject to such conditions and on payment of such fees as may be determined by regulations. Don't give powers. How much fees to be collected must be determined by the Parliament and not by the executive agencies. Then, it says :

"No appeal shall be admitted if it is preferred after the expiry of the period prescribed thereof"

What is the period ? My friend Shri Shantaram Naik just said that it is to be prescribed by the executive agencies. Give

them 60 days for appeal. What is the fee ? Nothing, all right.

Clause 25 (1) says :

"The Bureau may appoint as many inspecting officers as may be necessary for the purpose of inspecting whether any article or process in relation to which the Standard Mark has been used conforms to the..."

At least they must have fixed the number, it may be 100, 200.

[Translation]

It is a big country and so many things are produced here and it is, therefore, possible that separate inspectors may be appointed for 300 or 400 commodities. Whenever you appoint these inspectors, you should take their weight and after two years you will be surprised to see that their weight has increased considerably and they have become heavyweight champions.

Yesterday, I had asked a question but I did not get any reply. I will not go into details. The equipments which had become obsolete had been imported in the name of technology. These imports have been made so liberally that it has disturbed our balance of payment position and we have not been able to improve it. We are importing so many things in the name of high technology. There is more discussion on quality but you apprise us of your own standard. You should convince the Members of the Parliament. Otherwise there will be no purpose of bringing this Bill. This Bill can be implemented only when its rules and regulations will be framed.

[English]

You cannot implement your Bill just now. It can only be implemented provided you have got your rules and regulations framed and that will not take less than two years. Each clause says 'as may be

prescribed' or 'as it may deem necessary'.

MR. CHAIRMAN: Please conclude. You have already taken lot of time. There are many other members who want to speak on this Bill.

SHRI MOOL CHAND DAGA: Now, I would like to draw your attention to Clause 27. It says:

"The Bureau may, by general or special order in writing, delegate to any member, member of the Executive Committee, officer of the Bureau or any other person..."

So, there will be sub-delegation of powers. The Bureau will be delegated certain powers and then Bureau will delegate these powers to other persons.

MR. CHAIRMAN: Please conclude.

SHRI MOOL CHAND DAGA: Now, I would like to draw your attention to Clause 34. Clause 34 says:

"No court should take cognizance of any offence punishable under this Act, save on a complaint made by or under the authority of the Government or Bureau or by any other officer empowered in this behalf....."

Why is it so? Why not a person can go directly and file a complaint.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT): Sir, this is there in the Bill.

[Translation]

SHRI MOOL CHAND DAGA: That is why; I was saying that you should

have apprised the Members of the basic things and also the purpose of the Bill. You should have specified the standards for each commodity. No schedule has been appended with the Bill whereas the schedule is necessary for these things. I would also like to say that such a large Board should not be constituted because it will become a group of bureaucrats only and the people will face difficulty. This Bill has been brought with good motive but if you think that after passing it, the consumers will get its benefits soon, I think that is not going to happen. We are going to be here in the House for the next three years, and we shall see what happens.

That is all I want to say.

[English]

SHRI R. P. DAS (Krishnagar): Mr. Chairman, I am glad that the Bureau of Indian Standards Bill, 1986 has been brought before the House for consideration. I do not have much difference with the opinion expressed by my learned friend just now. He has gone through the Bill and discussed almost all the clauses.

The Bill has been brought before this House for two express reasons. One, the consumers in general all over the country are being robbed at every level, be it in the villages or in the big cities without any exception. Though we have the Indian Standards Institution at present, this Bill has been brought to strengthen this organization further.

Secondly, the Minister is all praise for the Indian Standards Institution, but at the same time he is also very much aware that the ISI does not have a good image in the export market. As we know, the entire internal and export market has been flooded with sub-standard and low quality goods. Even articles with ISI markings do not have a good standing in the export market.

The ISI has made a little impact in

[Shri K.P. Das]

the internal market. Only the educated people, those who are living in the urban areas, are aware of the existence of ISI and its standards, and may perhaps give a little weightage to the ISI markings while making their purchases. However, the ISI has no meaning for the people in the villages, in the hilly areas, or those belonging to the lower sections of the society, or those who are not at all educated. They are not aware of the functions of the ISI. These people are always robbed by the shopkeepers, retailers, wholesale dealers or industrialists; in fact, they become victims at the hands of all these people from whom they have to purchase their requirements.

The Minister has rightly said that this organization needs to be strengthened so that its impact could be felt on the internal and external market and the Indian articles manufactured in this country bearing ISI markings could have a ready market in India and abroad. But our hon. Minister has expressed his opinion in a press conference that consumers should stick to the ISI mark. If ISI were to be a good organisation, ensuring standardisation and having quality control, then it will certainly have a good impact on the consumers of all sorts. But if it could not be made effective, then it is going to be the same as it was in the past and in the future also, it will not make any impact either on the market or on the consumers.

There is also an idea of self-discipline in the industry. Industry has been asked to improve the quality of products. Well, it will be quite a good thing for the people if industry follows standard norms for the articles that they manufacture. It is really good if they could produce quality articles. But this is a wild cry. It has no meaning in our market. Time and again industry and other people are asked to enter into gentlemen agreements or things like that. But they never have any discipline. They are always guided only by profit motive. They only want that their articles must be sold as hot cakes in the market. They are always

guided by the principle of demand and supply and since supply is never equal to demand, they need not feel the necessity of making good quality articles. Therefore, self-discipline is a word which does not carry meaning.

There is yet another idea about consumers protection movement. You cannot organise a consumers movement from the lowest to the highest level. It is not possible at all under the present set up. Even your part does not have a good movement or good organisation from the village to the national level. When the political parties themselves are not able to build up such organisations from the lowest level to the national level, how is it possible for any governmental organisation or governmental agency to organise consumer protection movement? On the other hand, it may take another form. In this regard we have had a very bad experience. Some year back, I think it was 20 years back, this consumers movement turned into consumers resistance movement. Of course, there is a term in economics, known as consumer resistance. Then it turned into violent and things were changed into a different manner. In this way, every thing may end up in a mess and chaotic conditions will be created in the name of this consumer movement. People at the lowest level are robbed in such a manner and to such an extent that if such an organisation is built up or if such a movement is at all created, it may so happen that those people who are responsible for distribution of products or articles in the villages and towns may become targets for attack. If they are attacked, then articles may vanish from the market. With the disappearance of articles from the market, there will be chaotic conditions and essential goods also will not be available in the market. This idea of consumers' protection movement without a proper leadership would mean a shipwreck in the stormy seas.

Lastly, I would like to say that this ISI could be made viable, if we want to organise the public distribution system as a very effective system.

Now, we do have, I hope, not more

than 3 lakhs fair price shops all over the country, but this country requires about seven and a half lakhs of these shops all over the country and without that it is not possible to distribute the essential or other commodities to all the people at fair price and at the same time quality of the articles could not be controlled.

Madam, therefore, I am in favour of having this public distribution system all over the country through which this standardisation of quality goods could be maintained because in that case, the people need not go the retail shops operated by different types of people or business community or those who work by traditional practice of cheating and robbing the people. Therefore, P. D. S. is the answer and to some extent, it could be checked, if this is extended all over the country.

With these few words, I conclude and support this Bill also.

PROF. N. G. RANGA (Guntur) : Madam, Chairman, we are all prepared to support this Bill for strengthening our industrial standards but then quite a number of very relevant criticisms have been made by my friend Shri Mool Chand Daga and also by other friends, Shri Nair and Mr. Rao. This is a kind of counter-part to the police that we have in regard to ordinary citizenry. If there is a trouble, we need the assistance, support, as well as the protection of the police. Similarly, madam, we need this Bureau in regard to all these commodities which are being produced by the industries, the help and assistance of this Bureau and I am glad it is going to be established and strengthened. But then how strong it is going to be, we do not know. On the whole, I think, a wrong procedure has come to be in fashion with the drafting of these Bills in the Law Ministry and also their acceptance by the other Ministries. When they bring forward such Bills, so many details—vital details—which are to be placed before the House, are not mentioned at all here. In regard to the personnel, of the executive or the Bureau itself and then the number

of these Advisory Committees and Councils and so on and what is worse is that there is no representation at all provided for the Members of Parliament—both Houses. It is a very useful suggestion which was made by hon. friend Mr. Rao that atleast two from this House and one from the other House should be placed in this Council. But now it is too late. I do not know whether my hon. friend, the Minister in charge of it, has got any official amendment to advance in regard to this.

Now, this raises a very important point in regard to all these Bill, and a serious consideration will have to be given by my hon. friend Bhagatji who also happens to be the Minister of Parliamentary Affairs in regard to all these Bills. Should we not have any details at all, even about the essential items? Earlier, there used to be a better practice, even then it was not good enough, but it was much better than what is now pursued by the Ministry in charge of law drafting these Bills and also for other Ministries who are responsible for placing this Bill before the House. I am particular, first now, to raise one particular point in regard to this consumers' movement. My hon. friend the representative of the Communist Party, has got some doubt, that it may not work. Supposing we invoke the aid of the organized trade unions, and the Krishak Samaj and the other organization also that we have, viz. Rural People's Federation, certainly it should be possible to protect consumers, at least to some content. They are responsible organizations. I would like my hon. friend Mr. Bhagat to keep this in mind and see that if and when they formulate their proposals for fixing the personnel of these various committees, due representation comes to be given to the representatives of All India Krishak Samaj, Rural People's Federation, and the Trade Union Congresses—both the wings, viz. INTUC and AITUC. They would help, I think.

Then there is this question of supplying fertilizers, manures and tested seeds, if anything goes wrong in that direction, crores and crores worth of damage would

[Prof. N. G. Ranga]

come to be inflicted upon our farmers. And that is the reason why some time ago, when the attention of the House was drawn to the complaints in regard to the adulteration of pesticides and manures, the hon Speaker exhorted us, Members of Parliament to take special notice of such crimes and said that exemplary punishment should be given to those people who include in such crimes. I hope this Bureau would pay special attention to this aspect, because from time to time pests begin to attack our crops. Our poor farmers are dependent upon pesticides. They are becoming popular. The farmers go to the market. They do not know whether anything that is passed off as a suitable pesticide is good enough, or not. Some certificate must be there. That certificate must be associated with the bill or receipt saying that according to such and such a certificate, the certification given by the Bureau, this pesticide is considered to be good for such and such pests.

Similarly about manures also, this kind of a certification must emanate from the Bureau. If that is not attached to the sales receipts, then the farmer would know that there must be something funny about it. He would begin to be suspicious, and he would be expected to make representations to the kisans' organisations whatever Kisan organisation may be available in that particular area, in such a way that some protection might be afforded to our kisans. This protection is very urgently needed.

Take now, for instance, the cotton crops or the tobacco crop. What is known as the white fly has begun to attack it. It is very terrible thing: our farmers have suffered in the last three years, crores' worth of losses.

What is a pesticide? We do not know. Some pesticide has to be discovered, and it has to be certified also. Similarly, manures too. In manures, ordinary rocks, *chunam* and such things are turned into dust; and that dust is mixed into the manure, and that is passed off as good enough manure, and we pay heavily for it. And after that, what happens?

We expect good results from our crops. In the end, we come to be disappointed.

15.34 hrs.

[SHRI SHARAD DIGHE *in the chair.*]

Therefore, the farming community as a whole got to be protected very assiduously, and diligently. Till now, we do not have that kind of protection. I hope some protection would come from this Bill provided, of course, this Bureau comes to be strengthened with the necessary staff, good enough staff, and honest staff also. We know how the Police is behaving. Similarly, these people are also likely to go bad, go wrong. They can be corrupt. They can be corrupted from both sides also. Therefore, there should be an element of check, even over these people: from which centres, from which spheres can we expect that kind of a check?

From the trade union organisations and similar organisations that we are having now in the towns going in the name of consumer organisations and so on. Therefore, in all these directions, my hon. friend will have to give necessary instructions and advice to his own officers to see that our people are protected from these anti-social elements.

SHRI V. S. KRISHNA IYER (Bangalore South) : Mr. Chair-person, Sir, I welcome this Bill. It is long over-due. Though the ISI has been in existence for the past 3½ decades, it has been one of most neglected organisations; it has no funds; it has no teeth. I would like to ask the Minister how many people know that there is an organisation of the ISI, and what are its functions and for whose benefit it is?

I am happy now that the hon. Minister has brought forward the Bill which envisaged a constitution of a Bureau by which I am sure there will be more and more contacts between the public and the consumers and the organisation. I would not like to go into the clauses. I would only touch one or two clauses about which Mr. Daga had also referred. In clause 3, sub-clause (e) the number of members is not specific. In a statutory organisation like this, it is

absolutely necessary that you should mention the number of persons. Now, here it has been mentioned; it is left to the discretion of the executive. Even now, I think the hon. Minister is not late; he should see that the number of persons both in the Bureau as well as the executives should be specified.

Another dangerous clause is that you have not mentioned the term of the members. It is also necessary to mention the term of the members; it cannot be indefinite or at the whims and pleasure of the Government; it should be specified whether it should be three years or five years or whatever it is; the Government must specify it. I am sure the hon. Minister will take note of it and see that the number is mentioned.

We have a number of legislations. We have already got a number of laws to protect consumers. Unfortunately, they are only paper tigers. We have got the Weights and Measures Act; we have also got the Anti-Adulteration Act; we have got so many Acts which are supposed to be in the interest of the consumers. But what is happening? Just now, the hon. member Shri Ranga and the hon. member Shri Rao mentioned about it. Even today we find that the public are being cheated by the traders because they are able to enforce these laws. To enforce these laws, I personally feel that it would be necessary to have a Bureau, if it really works in accordance with the objectives or the purpose for which it has been constituted, then, I am sure, these Weights and Measures Act and the Anti-Adulteration Act, all these Acts can be effectively implemented, if these come into force.

I feel that it is absolutely necessary that we should promote. Standardisation and quality control both in agriculture and industry. When this Institution came into existence, then our country had not developed. Now, we have got modernisation of the industry and also agriculture. It is absolutely necessary that there should be quality control. Unless there is quality control, India's image cannot find a place anywhere in the world. It is very nece-

sary that we should have proper standard and also quality control.

Another point which I would like to bring to the notice of the hon. Minister is for whose benefit are we making all these laws? It is for the benefit of the consumer. We must see that whatever the Bureau does, it must have the interest of the consumer. So, whether it is quality control or standardisation, I personally feel that the organisation of the Bureau must have in their minds the interest of the consumer. We must see that the consumer gets quality goods at the cheap rates. Now, we have got only a few articles subject to certification.

It is reported in one of the reports of the ISI that the ISI has developed 12000 standards. I personally feel that almost all the articles of consumption, must be covered by this Act. That is absolutely necessary. Even in the question of implementation the Government must have a clear method to ensure that the implementation is properly done. Even in the Government organisation they do not observe the ISI standards. Not only in the production but in the manufacture of several goods the Government comes into the picture. It is the producer and consumer also in many cases.

There are also lot of complaints about the fertilizers to which many hon. Members referred. Almost all the fertilizers are in the public sector. So if there is adulteration or under-weight who is responsible for it? It is not clear that the Government is indirectly responsible for it?

Similarly in the case of many consumer products the Government is the main producer. You know that there are a number of occasions when the officers of Government do not care to go on for ISI certified goods for their Departments. Several directives given by the Commerce Ministry have not been heeded.

Very recently I want to mention, I came to know about the cases of petrol and diesel being adulterated. In this case

[Shri V. S. Krishna Iyer]

Government is itself a producer. Government should be an ideal producer and an ideal consumer.

PROF. N. G. RANGA : Ideal producer also !

SHRI V. S. KRISHNA IYER : Yes, I said, 'ideal producer'. Then only the Government will be able to inspire the confidence of the public. Unless you inculcate such confidence in the minds of the public, you cannot enforce these laws. Even for the normal goods of consumer interest the ISI certificate should be there. Even in the case of clinical equipment like thermometer and B. P. apparatus they do not have any certification marks. So, I once again request that all such articles of mass consumption should be brought under this Act.

This is a very good piece of legislation. But it should not be a paper legislation. It should be effectively implemented. My esteemed friend Bhagatii has done this creditable service by bringing forward this Bill. But he must see to it that it is effectively enforced in the spirit in which it has been brought before the House. Of course, lot of changes will take place in the Cabinet and I am sure that as long as he is there he will do it.

Another point about the under-weight. Have you heard of this ? In my own constituency I have heard complaints about the consumer goods being under weighed. Gas cylinders, you take. Who produces ? It is one hundred percent in the public sector. How can there be under-weight of cylinders ? Government should ensure that is not done. So also distribution of petrol. All the oil companies are in the public sector only. If petrol is adulterated, whose responsibility is it ? Diesel is mixed with oil and sold in the market and what is the effect of that on the population in the cities ? Pollution in the cities is more on account of this mixed petrol and oil than anything else. So, the Government must see that adulteration of petrol and diesel does not

take place. ISI should ensure that proper standards are maintained.

Another point which I want to bring to the notice of the hon. Minister is that consumer movement should be encouraged. We do not have a movement at all. People are illiterate. We should talk to people and see that they realise the importance of this consumer movement. Illiterate people should be enlightened. Even we educated people we do not make any complaint about sub-standard goods, then could we ask the illiterate people to do ? It is absolutely necessary that for anything that you purchase, there should be official stamp of ISI. This organisation must grow into a mass movement. Unless it does so, it will not serve the purpose.

I am told that the present ISI membership is 30,000 or so. Whatever it is, it must protect the interest of consumers and implement the Act. For that it is very necessary that you should have very honest and efficient officers to implement the Act.

The hon. Minister was also saying that India is a member of the International Standards Organisation. I welcome this. But when we go as member of the International Standards Organisation and speak about the standards, we must set an example to other countries. We must see that Indian goods are of standard quality. Now there are complaints that some of our goods are of sub-standard quality and they are very unpopular. You must ensure that whatever is meant for export, that is of very good quality.

Another very happy and good news is that even the NAM countries are also planning to establish a Fund to have co-operation in the matter of standards and quality control among NAM countries. I welcome that.

I would like to know as to how you are going to control and monitor the standards and quality. Of course, ISI has branches all over the country. It is

reported in one of the papers that you are going to have some sort of a computer with multiple terminals to monitor and control the entire movement. I cannot say now how efficient it will be. If it proves effective in having control and monitor, I welcome that.

Regarding the membership of the Bureau, Mr. Ranga has also mentioned about the representation. You have said in the Bill that representation will be there from the Government, industry, scientific and research industry and other interests as prescribed under the rules. I have certain experience about the word 'prescribed'. Even in your speech you have said that consumer organisations will be represented. Also you have said in the Statement of Objects and Reasons that consumer organisations will be represented. But why have you not mentioned it in the Bill itself? Tomorrow a particular Minister may say that since it is not mentioned in the Act, it may not be necessary because everybody is a consumer. It is very necessary and you should specifically state that consumers organisations will be represented in the Bureau.

While welcoming the Bill, I once again, reiterate that Government must discuss it at the National Development Council and ask the Chief Ministers to see that this legislation is implemented in letter and spirit. Unless State Governments cooperate in this, you cannot implement the legislation because ultimately it is they who have to implement the legislation and take action. At the same time, Government must issue instructions to all the Ministries and Departments that they should go in, whenever they call for tenders, only for ISI certified articles.

With these words, I welcome the Bill.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara) : Mr. Chairman, Sir, I rise to support the Bureau of Indian Standards Bill. The should have come years ago.

The Government has thought of this belatedly but one has taken a right step. This Bill should have been brought at the earliest so that the consumers may not get sub-standard items. The people in this country should get standardised items so that they may remain healthy. Instead, people are getting adulterated commodities and no one is there to look after these things. An Institution has been set up which puts ISI mark, guaranteeing good quality goods but experience in this regard is better. There are people who are bringing bad name to the country. They have amassed crores of rupees for themselves but have brought a bad name to the country. There is one such scandal about which you too must have heard. The case was reported in 'India Today'. In this case 'Parmal' rice worth crores of rupees was exported by traders as 'Basmati' rice. Thereby they pocketed profit of crores of rupees in collusion with our officers. Such people are bringing disrepute to our country.

First of all, the hon. Minister should, as far as possible, strengthen this Institution so that people may not get sub-standard commodities. It should also be ensured that the commodities being exported are of good standard which may raise the image of the country.

Secondly, the consumer movement, which is almost missing in our country and has no protection from the Government, needs to be strengthened so that the consumers are saved from those people who try to cheat them by getting the ISI mark stamped on sub-standard items.

Besides, I submit that standardisation of each and every article should be made compulsory. You have brought the Bill but you are aware that how much expenditure will have to be incurred on standardisation. This provision of 11 or 12 crore rupees is not going to be sufficient because a large organisation will be needed with branches in all the States, which would look after the entire arrangements. Several types of exports will have to be appointed. Presently, even any the DGS&D the Government agency

[Shri Girdhari Lal Vyas]

for procurement does not have experts. The result is that substandard articles are procured from foreign countries and after fixing wrong markings are recommended as of good quality. This is the position existing in the country at present. Therefore, I want to say that the provisions made in the Financial Memorandum is inadequate. It is not going to be sufficient. Therefore, a serious thought will have to be given about the size, branches etc of the Organisation and also about the number of inspectors and officers to be appointed, who would organise and man it and will implement the entire scheme. I am of the view that neither you nor the officials have thought over it. They prepared the Bill and you have presented it here. The intention is very good that the articles should be standardised and people should get standard commodities but no thought has been given as to how this scheme will be implemented? You should think seriously about the size of this Organisation and the procedure to be adopted to set up its branches in the entire country so that selling of substandard commodities is checked? Presently, inferior quality items are sold in every field. Medicines, life saving drugs are substandard which can cause death any time. People spend money to live but these medicines become source of death. When even life saving drugs are spurious, what will be the position of other articles? Edibles are marked ISI but which of them, whether it is turmeric, chillies or 'dhan' is not adulterated? Have you ever thought as to how all these things must be affecting the health of the people of the country? Has any action been taken against persons who sell such inferior quality goods. If some big businessman starts producing motor cars, then in the beginning he produces good motor cars, but the profiteering motive of the people of this country is so strong that everything is turned sub-standard. People try to export inferior quality goods after obtaining good raw material with a view to earn more profits. This brings a bad name to the country. Today, all the big businessmen in this country are indulging in such practices. This problem, therefore, requires serious attention. You will have

to think as to how the Bill which has been brought here will be implemented, and what provisions are to be made for its implementation. The biggest weakness of this Bill is that a provision for only a fine of Rs. 50,000 has been made for making sub-standard goods or using a wrong mark. There is no provision for imprisonment. The big capitalists fear imprisonment and not fine. They are not going to suffer any losses due to a fine of Rs. 50,000. You should include a provision for imprisonment also in this penal clause. This system cannot be effective unless there is provision for imprisonment for one or two or five years. Mere fine does not affect the big capitalists in any way. They invest crores of rupees in their business ventures. Our official machinery is such that it detects one out of a thousand cases. Most of the people go scot free. No action is taken against them. In such cases exemplary punishment should be given, which is not there in the Bill. Therefore, your Bill is not going to affect big capitalists in any way. They manufacture sub-standard goods and your officers provide them ISI. Mark and no legal action is taken against them. Therefore, it is necessary to implement this law strictly.

16.00 hrs.

This is an age of advertisement—be it through T. V., radio or newspapers. Both the quality goods producers as well as those who produce inferior goods go in for publicity. These advertisements are cheating the public. I want that only ISI marked products should be allowed to be advertised in the Government controlled media whether it is T.V., radio or newspapers. You should impose such restrictions through this law as may ensure that the common man in the country is not cheated. The provision is absolutely necessary which this Bill lacks completely. I want that this thing should be kept in mind while framing the rules and should be incorporated in them so that inferior quality goods are not advertised.

As Shri Daga was just now telling, all the enactments made by you lack all those provisions which were necessary. Why do

you not include in this Bill all the necessary provisions like rules governing the bureau, powers of the bureau for efficient functioning etc. This aspect requires your attention.

As regards its membership, I am not in favour of making M.Ps and other representatives of the people its members. Hon. Minister will be its Chairman but members should be drawn from the consumers so that they may inform as to who produces sub-standard goods. You will come to know through them as to who are cheating the public and this country. Thereby you will be able to take action against them. A proper implementation of this system is very much required.

Another point is that a complete list of those articles which you are going to standardise should be published in a gazette or newspapers. If you publish a list of such articles then the public will come to know of it and will buy standardised goods according to that list. It should be ensured that this is done without fail.

I want to point out one thing about the F.C.I. F.C.I's wheat is spoiled by rains as it is stored in open, with the result that the public gets sub-standard wheat. Have you ever thought that such a big organisation receiving crores of rupees as subsidy from the Government, keeps what in open due to lack of godowns which ultimately becomes so inedible that even animals would not like to eat that wheat. But it is sold to people through fair price shops. This aspect needs to be looked into. We agree that you are short of funds and due to that you cannot keep the goods in godowns and they remain in open. Will then our Government ensure that the people of our country do not get such inferior goods which may ruin our health and may cause many diseases. It should be ensured that sub-standard goods are not given to the public. It is not marked ISI as it is supplied by the Government and is sold through ration shops.

You can take examples of other goods

also. Even ISI marked edible oils are adulterated and the people are cheated. You do not have any machinery to distinguish between sub-standard and quality goods. You must have some machinery to identify sub-standard commodities. An hon. Member was just now speaking about diesel. Petrol is also adulterated but kerosene oil is certainly adulterated heavily which is increasing pollution to a large extent. It requires attention and strict steps are needed to check adulteration. You should seriously think over this problem.

I want to reiterate that you have not made provision for imprisonment in the penal clause and it has not been made a cognizable offence. The problem of adulteration and manufacturing sub-standard goods is a very serious matter but it has not been made a cognizable offence. You have provided that individual complainant can initiate prosecution. When you are not appointing an authority and do not have any system to apprehend the adulterators, who will dare to file reports against these big persons and file suits in court. In my view the absence of this provision has totally defeated the objective of this Bill and it has become useless. Therefore, I want that this offence should be made cognizable. You must have noticed that in foreign countries capital punishment is provided for the offence of adulteration but you have made a provision of a fine of Rs. 50,000 only in this Bill and nothing else. It should, therefore, be made a cognizable offence. You yourself are a lawyer and know much about these things. Why will any one be interested in filing suits against these powerful persons. Common man dare not file suit against these persons. Only the Government has power to file suits against these persons. You should, therefore, seriously think over this issue. Make it a cognizable offence and impose such a heavy penalty which may deter people from indulging in such crimes. Only such a provision can make this law effective.

With these words I conclude.

SHRI HARISH RAWAT (Almora) :
Mr. Chairman, Sir, after Shri Mool Chand

[Shri Harish Rawat]

Daga and Shri Girdhari Lal Vyas's speeches, I do not think an ordinary person like me can say much. When the ISI was formed, the circumstances were different from those obtaining today. That is why the hon. Minister had said while introducing the Bill, that keeping in view the changed circumstances and the progress made in the industrial and other sectors and also the increasing export possibilities, it is essential that some institution should be there to meet the demands. This institution must work both efficiently as well as effectively and that is why the Indian Standards Bureau should take over the work of the Indian Standards Institute.

So far as the spirit behind the Bill is concerned no one has any objection to it. The hon. Minister should be congratulated for the fact that he has understood its significance and has therefore, brought this Bill. I wish to draw the attention of the hon. Minister to a certain fact. You have said that the Bureau should be made more effective and in this connection you have talked of creating an enforcing agency which may check misuse of ISI markings. It is not necessary that some firm or factory will copy the product which has been certified and thus will violate the ISI standards. About creating the enforcing agency, referred to by the hon. Minister, I think the traditional machinery available in the States as well as in the Centre can be made equally effective and ISI itself can be so effective that it can punish those persons who misuse ISI markings. It is for this reason that the hon. Minister has not made it a cognizable offence and he has left it to the people to ensure that there is no misuse of it. The people can themselves file suits against those who indulge in such activities. I do not think that in India where lakhs of people live below the poverty line, are poor, illiterate and lack the required resources will be able to understand the significance of the ISI marking or what their rights are in this respect. How can they be expected to initiate legal action against those who misuse the ISI markings.

You have thought about an elaborate

plan but I do not think that your plan can be implemented. Therefore, I would urge that provision for the enforcing agency as well as the punishment to be awarded should be made in this Bill itself. Provisions for the procedure of awarding punishment and the quantum of punishment should both be made in the Bill itself. The provisions of this Bill are inadequate in this respect. I do not think that keeping in view the prevailing conditions in the country and the way adulterators are playing with the lives of people, it would be possible to check adulteration by just forming a Bureau, giving it certain powers and nominating certain people in it.

You have rightly said that you will nominate people in it from different groups. But in the Bill, the qualifications and experience of the persons to be nominated to the Bureau have not been laid down. The people who are nominated should at least represent their own field. From 'their own field' I mean the different fields of activities. In whatever field the need arises to certify products, there should be representative of that field in the Bureau. This Bureau should have a very good representative character. The present Bill does not provide for it. Therefore, I will request the hon. Minister that this Bureau should have a representative character and experts drawn from various fields should be associated with it so that the short comings could be identified and the required attention paid to it.

We are formulating big plans for increasing our exports and for bridging our trade gap. We are also hoping to bring about improvements in our economic system. We are aiming at improving the quality of our products. If our products are of an inferior quality, then it affects our economy. Some cases have been cited here. I would also like to draw your attention. It is especially true in the case of automobile sector where standardisation is completely being misused. You do not have an agency to check such cases. Recently, some African countries rejected our consignments a second time because the items supplied were not of the same

quality as of the sample shown. The same thing happened in the case of engineering goods, fertilizers and several other products. Therefore, I want to request that it should be ensured that people have faith in a commodity that has been certified by you.

Again, you talked of consumer movement while introducing the Bill. I want to urge that the issue of consumer movement has been raised more than once in the House but who is going to build the movement. Mere sermons cannot yield desirable results; we, as well as the Ministers keep on sermonising here but it should have some affect on people. People should be mentally prepared, they should be impelled to identify areas where adulteration is taking place, where underweighing is being resorted to, and substandard and uncertified commodities are being sold. A Force comprising such people has to be organised and this work can be undertaken either by the political parties or by the Government.

These days articles of inferior quality are advertised through the Government media, more the commodities are substandard, more publicity is given on T V., radio, newspapers etc. I want to request the hon. Minister that the Government media and machinery should be utilised for building up a consumer movement. Until a consumer movement is properly built up, this work cannot be done successfully. The Government enforcing agencies should also be strengthened and controlled so effectively that ISI markings are not misused and the people who indulge in such activities are punished. This cannot be achieved merely by a Bill or framing an Act of the Parliament for it would make people feel that the Parliament is merely an Act formulating agency. What is needed is to award punishment to such people who violate the set standards and play with the lives of the people. Otherwise we will all become laughing stock of the people. Your ideas are worthy of respect and should be welcomed but those should be implemented effectively as well. The proposed Bureau should work efficiently and should be given necessary powers. It should be able to identify and plug the loopholes of the Indian Standards

Institute. You must pay due attention in this direction.

SHRI RAMASHRAY PRASAD SINGH (Jehanabad) : Mr. Chairman, Sir, through you, I welcome this Bill but would like to tell the hon. Minister, that the purpose for which this Bill has been brought forward is not going to be achieved. You can frame laws in this House but if the law enforcing machinery is not efficient, the mere enhancement of punishments is not going to serve the purpose. Even if stringent punishment is provided, it will not help in stopping people from indulging in such practices. Whatever the hon. Members have said in this connection is very true. I want to point out that the purchases made by the Government for use in its own departments are of very inferior quality although the vouchers are made for superior quality commodities. What can the Government do in such situations? The motor parts being presently manufactured are all substandard.

How will you apprehend them? I want to tell you about the situation in my rural area. The Government formulated a scheme to provide tubewells to the poor Harijans having small holding so that they may use modern methods in cultivation. For this purpose, pipes were bought from the Government undertakings whereas these were to be bought from Tata. These were purchased at a price of Rs. 11 per foot instead of Rs. 28. How will you check it? All the pipes failed. This is the condition of the bureaucracy. It is true that there are a lot of shortcomings in Democracy. The discussion being done by us is useless as nothing is going to happen. Mention of substandard drugs was also made here. These are causing loss of life. The people who produce such drugs are sitting in this House also. If they are elected to this House after spending Rs. 75 lakhs, what quality of drugs will they produce? You must tell us how you are going to nab them? I have seen petty shopkeepers being caught for selling adulterated stuff. When a Health Inspector reports that turmeric is coloured or the oil is adulterated, the

[Shri Ramashary Prasad Singh]

manufacturer is not caught who has supplied hundreds of tins of that oil; it is the petty oil seller who is caught. The big capitalists who are responsible for it, are the hon. Members of the House. Therefore, this law will not apply to them. You cannot catch them. I would like to give you an example, Indira Diesel pump was approved by the Government and people took it for granted that it will be of good quality. The farmers bought it by taking loans but it did not work even for two months. Now their fields are being sold because they have to repay their loans. The custodians of law are themselves violating the law. You have various departments. There is a Department of Weights and Measures which checks weights and meters. You can see as to how consumers are being cheated by the traders. Who indulges in malpractices? Law is there but even then people are being cheated on large scale because the custodians of law indulge in corrupt practices, for whom these laws are being made then? Now, I tell you about FCI in Gaya. The wheat which is given to the people under N.R.E.P., is of such an inferior quality that even animals cannot eat it. But even then the poor have a capacity to tolerate all this. We cannot eat the wheat. The poor people who work for the whole day get this kind of wheat. Now you can well imagine what type of health will they maintain with such stuff? Framing of law is all right but implementation of the law honestly can bring the desired results. There is adulteration in every commodity but you cannot detect it—be it soap or the fertilizers. Fertilizers are being sold with salt mixed in it. How will you curb such a large scale adulteration? Only the future will tell whether you have been successful or not. You will be reduced only to a law making agency. An hon. Member has said that there is a good programme of law making, but the laws are not being implemented. You make a law against the child labour but still the children are working. Therefore, you should give a serious thought to it as to how the Bill should be implemented which is being introduced by you so that one may not make a fun of law. Otherwise, framing of laws will not benefit

the poor. Largely, the farmers and the poor will fall victim to it who are already suffering because they are unable to differentiate. There are lots of people who can identify drugs, clothes etc. from the markings on them but there are crores of people who do not know even this much. They simply go to a shop and buy whatever is given by the shopkeepers. Therefore, you should form such an agency which should honestly get this law implemented. The aim with which this law has been brought is noble but you should get it implemented in a right manner and that is what we want.

[English]

SHRI K. S. RAO (Machilipatnam): Mr. Chairman Sir: May I say that a Bill of this type is very much desirable particularly in view of the adulteration and not keeping upto the standards? Not keeping upto the standards is also causing terrible loss by way of extensive damages to health, damages to the standards and damages to the machinery and equipment. So, bringing this Bill with a view to maintaining the standards of various commodities, manufacturing products and other articles is good and desirable.

The Bill serves the purpose only when adequate measures are taken to see that it is enforced properly. While making this Bill, it is mentioned in Clause 3 (3) that the Minister and the State Minister are also the President and the Vice President respectively of the Bureau. In case the Minister, the State Minister and the Secretary are also to be the members, I don't think we will have any means to find fault with any laps on the part of the Bureau. So, I wish the hon. Minister will think whether it is desirable to keep these two people as well as the Secretary as ex-officio members in the Bureau.

In regard to the appeal also, as stated in Clause 16 (1) the Central Government is the appealing authority. The Central Government, by virtue of the presence of the Minister, the State Minister and the Secretary who are there in the Bureau itself as members, I could not

understand how and who else would be the appellate authority. Possibly, the Prime Minister alone be the appellate authority. This aspect may also be taken into account. If possible, these three people can be deleted as members because enough powers are already given to the Central Government.

No specific provision has been made for the representation of the consumer council and for the consumers in this Bill. We have been discussing time and again the need for organising consumer protection which alone can bring the desirable protection to the quality of products and which can save the interest of the consumers. Sir, including representation of various consumer protection councils in various parts of the country or their national forum in this Bill as members in adequate number will help achieving the goals of this Bill. So, if the Hon. Minister cannot provide it today, he must take adequate precaution to see that consumer representation is made in good number.

In Clause 24 (2) it is said that it must be only a printing error.

“The decision of the Central Government whether a question is one of policy or not shall be trial”

If the word is ‘final’ and not ‘trial’ then it is okay. In Clause 33 (i) there is provision for a penalty of Rs. 50,000/- but until and unless there is a fear of imprisonment this Rs. 50,000/- will not serve the end. A number of manufacturers are prepared to have such facility of paying the penalty without undergoing imprisonment because it might be profitable for them to commit any number of mistakes and based on the law of probability of getting caught for the offence it may be advantageous to pay Rs. 50,000/- as penalty. Only the fear of imprisonment will have the desired effect in their minds so that they should not resort to adulteration and maintain the standards. Penalty alone will not serve the purpose.

Coming to rules and regulations in this Bill I find rules and regulations are sepa-

rated. The power of making rules is given to the Government and power of making regulations is given to the executive committee, of course, with the prior consent of the Government of India. Once again the Central Government has all the powers of giving directions which are final. The power of making rules also can be given to the executive committee which constitutes members who are experts in various lines and who alone can say what is required and what is not required and also if there is delay on the part of the Central Government for not laying the rules on the table of the House then the responsibility lies with them only. So we cannot contradict our own actions in Parliament. I prefer that power should be transferred to the executive committee and insist on their placing these rules and regulations in time. Our earlier experience shows that rules and regulations are not being laid on the Table of the House in time and they are being delayed. Clause 39 (i) gives validity to all those actions. An amendment should be brought so that time limit is mentioned within which the rules and regulations must be laid on the Table of the House. Parallel emphasis must be laid in ensuring maximum number of representation is given to consumer protection councils and public personalities with proven integrity and experience in various directions. They should be there in good number rather the officers as ex-officio members.

[Translation]

SHRI MANVENDRA SINGH (Mathura): Mr. Chairman, Sir, I support the Bureau of Indian Standards Bill. I would also like to give some suggestions.

In our country the question of adulteration is very serious and critical. Day by day this tendency is increasing. Cases of adulteration in food items, in particular are on the increase. Edible items like ghee, oil and spices are largely being adulterated, about which there are frequent Press reports. You must have read in the newspapers that at some place hundreds of ‘baratis’ in a marriage ceremony suffered from food poisoning

[Shri Manvendra Singh]

due to the use of adulterated ghee. In the case of spices also, there is large scale adulteration. For example, dung is mixed in coriander, yellow dust is mixed in turmeric and urea is mixed in sugar. Likewise, there are many other adulterated things which adversely affect our health. You should pay special attention to it.

So far as taking of samples is concerned, the Department does take these samples but some manipulation takes place afterwards. This is a matter of regret towards which I want to draw the attention of the hon. Minister. When samples are taken at the place of testing, there these are replaced for some consideration. Corruption is rampant there. This way though on the complaints by the people, the items are seized but those are later on declared unadulterated.

Regarding drugs, a lot of complaints are received. The patients die on account of spurious drugs. Therefore, through you, I would like to make request to the hon. Minister to provide for deterrent punishment in the Bill. In the case of fertilizers also you will find the same condition. India's 75 per cent population depends on agriculture and by doing this sort of adulteration they are playing havoc with their future and with farmers' occupation as well. These traders are misleading the poor farmers and thereby harming them. Such people should be treated as traitors and dealt with severely. They are causing harm to the country.

Along with this, I am told that insecticides like B.H.C. Gamaxine or D.D.T. are also adulterated. When godowns were inspected then white ants were found in the bags of B. H. C. Therefore, I want to draw the attention of the hon. Minister that adulteration in the insecticides etc. which are supplied to the villages, causes great resentment. When we go to the villages the people complain to us of adulteration and state that those insecticides do not kill the mosquitoes. The same is the situation with the gas cylinders. It is quite a complicated issue. When inspected, a lot of cylinders were de-

tected which had already been rejected. I would urge the hon. Minister to formulate strict laws to meet the situation. This offence should be made nonbailable and only then people would get relief.

With these words, I conclude and thank you for providing me an opportunity to speak.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT): Mr. Chairman, Sir, first of all, I want to thank all the hon. Members for taking interest in the discussion on this Bill and also for giving some suggestions, which I think will be of help to me.

An important thing that has emerged after the discussion is that almost all the hon. Members have said that the aim of this Bill is very good and it should have been introduced much earlier and that strengthening of I. S. I. is necessary. Broadly, the House has supported the introduction of this Bill. Now, I will mention about the suggestions and points made regarding this Bill. Some hon. Members while giving their suggestions have expressed certain doubts but they have also welcomed this Bill for which I want to thank them. Some of the suggestions are quite enlightened.

I want to mention that the aim of this Bill is to strengthen the I. S. I. More items should be brought under it, more items should be standardized, should have certification mark enforcement should be done in a better way and whosoever violates the certification mark should be punished. Besides, there should be coordination among the various agencies working under it and consumers should get representation in it. These are the main objectives of Bill. Most of the points mentioned are very relevant and essential. The points raised by the hon. Members are correct and I do not deny them. I do not say that merely strengthening of I.S.I. will solve all the problems of the consumers all over the country. Strengthening

of I. S. I. is one step to protect the interest of the consumers and for this purpose there is not one but many legislations. I will discuss them briefly. Strengthening of I. S. I. means providing a base for strengthening of standards and making them compulsory. Some Members have also praised this step. Food articles were discussed a lot. Other articles were also discussed. There are a number of items under the Prevention of Food Adulteration Act whose technical standards etc, have been fixed. According to them, if there is any adulteration in these items then action should be taken under this Act. I feel that there are several laws like the Food Adulteration Act or the Drugs Act or the Essential Commodities Act which need to be properly enforced. There are certain laws which are under the jurisdiction of the Central Government. Those should be enforced vigorously by it. Certain laws come under the jurisdiction of the State Governments. In my capacity as the Civil Supplies Minister I have written to them many a time that laws relating my Ministry should be enforced vigorously. They have assured me to some extent and have taken some action also. What I want to say is that standards for many of the articles including food articles have been fixed. Regarding fertilisers, I fully agree that the agriculturist should get full protection. I also agree that it is not wrong to say that the consumers as well as agriculturists are cheated in this country. There is no doubt in it. Now what is to be done is to check this tendency. So far as fertilisers are concerned, standards have been fixed for them and the enforcement of the quality is ensured by the Agriculture Ministry under the Agmark Act. In this Act, agricultural commodities are covered, which include fertilisers also. The States have powers regarding those commodities which come under the Essential Commodities Acts of the States. I will convey the feelings of the House to the Agriculture Ministry. As Minister of Civil Supplies I can ask the State Governments about this and I will definitely ask them.

One thing more. Maximum number of articles should get ISI mark by fulfilling

the requirements of the standards fixed. Principally, it is quite correct and I like it. This Bill has been brought with this intention. If you look at section 14, you will find that so far it was not compulsory. In certain Acts, it was compulsory for certain things. Now we have assumed power to make it compulsory. I read out section 14 :

[English]

"If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order, publish in the official Gazette,—

- (a) notify any article or process, of any scheduled industry which shall conform to the Indian standard; and
- (b) direct the use of the Indian Standard under a licence as compulsory on such article or process."

[Translation]

Further, in Explanation it has been stated :

[English]

"For the purposes of this section, the expression "Scheduled industry" shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951,"

[Translation]

All the industries have been enumerated in scheduled-I. Some of the hon. Members have stated that the schedule should be appended with it. Schedule-I is already there. Almost all the industries have been included in it. If certain industries have been left, those can be included by amending the schedule.

[Shri H.K.L. Bhagat]

This Bill provides scope for covering the maximum number of articles. But to bring more & more articles under it for fixing the standards, ISI should have the full capacity. If we cover all the articles at a time without having technical support and other requisite infrastructure, that will have a good impact. We want to augment the capacity of ISI.

An hon. Member has said that it is going to be a large institution which will have branches at different places and for that we should provide adequate funds because provision made is inadequate. ISI has already several branches. These are to be strengthened at many places. We learn something after every experience. A study was made in the Institute of Management, Ahmedabad, which had recommended that ISI should be given this shape. This type of institution exists in several countries of the world, particularly in Japan and other countries. Therefore, we thought it fit to strengthen ISI. Thus, with increase in the capacity of ISI, more and more articles will be brought under it.

It is true that consumers' items should be given priority. Now there are many articles which are manufactured by the small industries as well as by others. To enlarge its scope further this Bill has been brought.

One of the questions raised by the hon. Members was that the punishment prescribed in it is confined to only a fine of Rs 50,000. I beg your pardon. It is our mistake. A corrigendum has been issued which provides for one year's imprisonment or Rs. 50,000 fine. There cannot be two opinions that provision for imprisonment should be there. Some hon. Members have pleaded for two or four years imprisonment, some other have suggested to make it a cognizable offence. Let us have some experience. If necessary we can think of making it a cognizable offence. Government is not averse to it but the law should be such as can be implemented properly.

A very important step has been taken through this Bill. It has been provided that the consumers or some recognised Associations of the consumers can file a complaint directly against someone. In the earlier law, only an inspector or an officer could file a complaint. Now it has been decided that if the consumer feels, he can himself file a complaint. As I have said earlier, the Government is not averse to provide protection to the consumers. The Government is thinking of empowering the consumers and consumer Associations to invoke the law so that consumer movement is encouraged. It should get encouragement. This will create awareness in the consumers. I think that will be a good thing.

A mention was made about its composition also. I may tell that I respect the hon. Members. Some of the hon. Members have said that the Law Ministry has not prepared the Bill properly. The Law Ministry is not at fault. Whatever we suggest to them they frame the legislation on those lines. If there are certain shortcomings we are responsible for them and not the Law Ministry. About the composition, it has been stated that this has not been clarified as to what will be the number of Members of the Bureau or in the Council or in the Executive Committee. Usually these things are mentioned. This time different categories have been shown. I want to assure the House that in the formation of the agencies mentioned in the Bill, consumers will be adequately represented. There is no question of not giving them full representation. A suggestion to take MPs in it has also come; we shall think over it. Some hon. Members were of the view that MPs should be taken, others opposed it. We shall think over it. There is no bar on taking them in such bodies. Some hon. Members were of the view that everything has been left to the bureaucracy or officialdom. It is not so. The rules which will be framed will be laid before the House. 'Prescribed under the rules made by the Central Government' does not mean that the final power has been given to some institution or bureaucracy. The rules are subsequently laid before the House. Regulations too cannot be

framed without the Central Government's sanction. I also want to assure you that though the bureaucracy or the executive will have its own role because it is an important institution of our country and you cannot ignore it totally; but whatever is necessary along with the Bureaucracy will also be done. I want to assure that these institutions which will be set up will neither be the preserves of the bureaucracy nor will they be dominated by it. All interests, whether they belong to trade, science, technology or consumers, will find place in it so that it may work in the best possible way. One suggestion put forward was that trade unions and farmers' societies should also be nominated in it. This will be thought over as to who can be the representatives of the consumers. Every one can be accommodated in it to get the best type of work. About these categories also a thought can be given. That is why it has not been detailed in it because once the entire composition is given, it becomes difficult to change that. This is the reason why it has been kept open so that action can be taken according to the suggestions received. This is done quite often in the Bills. It is not a new thing in the Bill. Parameters are broadly laid down and then rules are framed after considering all the aspects. This Bill has not been brought hurriedly too. Frankly speaking I have no hitch in telling that it has been brought belatedly. This Bill should have been brought quite earlier. A beginning had been made long back and as such it would have been wrong to delay it for two or three years more. It has also been said that in framing rules two to three years time will be taken and nothing tangible will be done. I want to say that till this Bill comes into force, rules in regard to the present ISI will remain applicable. It is not that the work of the ISI will remain applicable. It is not that the work of the ISI will come to a halt. Moreover, I want to assure that rules will be framed at the earliest and this Bill will be enforced as early as possible so that the difficulties are reduced.

Exports too were referred to. It is true that the standards for the export items are fixed by ISI and all the indust-

ries and public undertakings can be covered under this system. ISI should fix standards for better quality items but in the matter of export items it is the Export Council which decides finally in consultation with the ISI.

About advertisements it was stated that these cause great harm. It cannot be denied that advertisements do have a motivating effect and the people start purchasing the items. It is possible that some of the items may not be of good standard and some people may be allured to purchase certain articles resulting in undue profit to some people. For this there is a separate law. As you are aware, there is a provision in the Monopolies and Restrictive Trade Practices Act which deals with unfair trade practices. Action can be taken against such advertisements under this provision. In certain cases, action has been taken. However, I agree that some way to deal with this issue should be found out. The advertisements should not be allowed to harm the consumers. There is one thing more to think about. In certain countries consumers are cautioned through media about the articles found below standard so that they may come to know that a particular item has not been found upto the mark or the manufacturer has been punished. I think these are good things on which we must think over. At the time of framing rules, this thing will be kept in mind that the people who are found to have done a wrong thing should be exposed. On the one hand it was said that the number of inspecting officers will be quite large but on the other hand it is said that the laws are not being enforced properly. If there are no inspecting officers, who will inspect the things? Someone has to be there to go and check the articles. The question is of human machinery. I fully agree with the view that howsoever good a law may be, the main thing is implementation. If the human machinery is good, enforcement will be good. If there is something lacking in the human machinery, our effort will be to improve it. It is not that these things have not been looked into. It is possible that you might have considered them more deeply than us but these surely have been considered

[Shri H.K.L. Bhagat]

by us also. We have to improve them collectively.

An hon. Member has made a reference to FCI. Standard for FCI foodgrains has been fixed in the Food Adulteration Act. Quality tests and checks are made for them. They too have taken samples at places. I cannot claim that nowhere there is sub-standard stock. Complaints from certain places have been received and action has been taken on them. By and large, standard foodgrains are supplied and these are checked. Arrangements have been made with the State Governments for double sampling. An hon. Member whom I hold in great esteem has stated that stocks remain lying in the open. It is not like that. These stocks are kept in the covered godowns or other covered places. Nowhere FCI stocks are lying in the open. It does not mean that FCI stocks do not get damaged. To a certain extent they do but efforts are made to ensure that there is minimum damage. However, the quantum of foodgrains getting damaged is not much. It has been said here that favour is shown to the FCI. It is not so.

As regards the consumer movement, I would like to say that consumer consciousness to some extent exists in our country but not to the desired extent. If we want to encourage consumer consciousness, the people of India will have to come forward to take the lead. The Government can help by creating the infrastructure. It can help partly by enacting laws and partly through other means.

[English]

Ultimately it has to be a voluntary movement of the consumers and the consumer organisations.

[Translation]

We want that consumer movement should get an impetus in the country. Women are particularly conscious about it. In all the consumer forums our Ministry

will give proper representation to the women so that their experience may help us. Just now one of our friend referred to diesel and kerosene. Standards for these items are fixed. In case of adulteration in them, action is taken under the Adulteration Act. An hon. Member had said that nothing will be done and no action will be taken against any big person as Government consists of rich people. I do not want to give political colour to this consumer movement but this much I will definitely say that during the last two years several big fish have been caught in the net, and cases have been filed against them. All this has happened in this Government's tenure. I would like to know from these hon. Members who were saying these things—I do not have any complaint against their Government—how many big persons have been touched by the Government of their Party with the powers of detention available under the Essential Commodities Act with the State Governments?

17.00 hrs.

One thing more. An hon. Member has said that the rule making power should also be entrusted to the Executive Committee. I do not agree with that. It will give chance for complaints. The power of appeal to the Central Government starts from lower to higher authority. About delegation of power, I am of the view that we shall be able to do something only when certain powers are delegated. All told, it is a good step. What is needed is its proper implementation. There is need to expand ISI, to set up good laboratories and to coordinate and to create awareness in the entire country and also to improve the different laws concerning consumer protection. In other laws also, it is being thought that the consumers should get their rights. The Government is thinking of fighting cases for consumer organisations because it is quite a lengthy process and it takes time to decide such cases. In such a situation the Government is thinking of bringing forward some comprehensive consumer laws which may remain in force concurrently with other laws whereby a set up should be available to the consumers for getting an early

relief. The Government is thinking on these lines. Views have been expressed on ISI. If on the one hand, I say that it is not functioning well and on the other hand, I say that it is having a good image, that will be saying two opposite things. Actually, it is doing good work. Its area of functioning is quite large. There is no doubt that it has offices in other countries which command good respect in the international forum. The confidence of the people in it has increased but with the passage of time its responsibilities have also increased. There has been interaction with the non-aligned countries which has resulted in increased responsibilities. There are no two opinions that it needs to be strengthened. I think very good views have been expressed by the hon. Members during the discussion. We will try to do our best to get its provisions implemented. I thank the hon. Members for extending cooperation to this Bill basically.

[English]

MR. DEPUTY SPEAKER : The question is :

"That the Bill to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER : We shall now take up Clause by Clause consideration of the Bill.

The question is :

"That Clauses 2 to 42 stand part of the Bill."

The motion was adopted.

Clauses 2 to 42 were added to the Bill.

Clause 1, the Enacting Formula and the title were added to the Bill.

SHRI H. K. L. BHAGAT : Sir, I beg to move :

"That the Bill be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

17 05 hrs.

ATOMIC ENERGY (AMENDMENT)
BILL, 1986

[English]

THE MINISTER OF STATE IN THE MINISTRY OF SCIENCE AND TECHNOLOGY AND MINISTER OF STATE IN THE DEPARTMENTS OF OCEAN DEVELOPMENT, ATOMIC ENERGY, ELECTRONICS AND SPACE (SHRI K. R. NARAYANAN) : I beg to move :

"That the Bill further to amend the Atomic Energy Act, 1962, be taken into consideration."

The Atomic Energy Act of 1962 provides for the development control and use of Atomic Energy for the welfare of the people of India and for other peaceful purposes and for matters connected therewith.

Section 6 of the Act deals with disposal of uranium and provides that any mineral, concentrate or other material which contain uranium in its natural state in excess of such proportion as may be prescribed by notification by the Central Government shall, on service of a notice and payment of compensation in accordance with section 21, become the property of the Central Government. A reading of this provision in section 6(2) which makes payment of compensation a condition precedent to vesting of the property in the material in the Central Government combined with section 21 (1) (a) which provides for fixation of compensation by agreement, could give rise to an argument that the element of mutual consents is not altogether excluded

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[Shri Nirmal Chatterjee] 2 digits. The budget provision was also higher than last year's. I am sorry I am a little discouraged. I thought you were collecting much more. There is 10 per cent rise in prices. So the collection should have been much more. I am a little surprised by your figures. Let us see what happens in the course of the rest of the year.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): The question is;

"That the Bill to provide for the adjudication, by an appellate tribunal, of disputes with respect to the determination of the rates of duties of customs and Central Excise on goods and to the valuation of goods for the purposes of assessment of such duties, in pursuance of article 32B of the Constitution, and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted. 6.00

P.M.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 34 were added to the Bill.

Clause 1, the Enacting and the Title were added to the Bill.

SHRI JANARDHAN POOJARI: Sir, I beg to move:

That the Bill be passed."

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): The question is:

"That the Bill further to amend the Customs Tariff Act, 1975 as

passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Now, we shall take up clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 1, the Enacting and the Title were added to the Bill.

SHRI JANARDHAN POOJARI: Sir, I move;

That the Bill be returned."

The question was Put and the motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): The question

"That the Bill further to amend the Central Excise Tariff Act, 1985, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): We shall now take up clause-by-clause consideration of the Bill.

Clause 2, the First Schedule and the Second Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI JANARDHAN POOJARI: Sir I beg to move;

"That the Bill be returned."

The question was put and the motion was adopted.

181 *Statutory Resolution re. [9 DEC. 1886]*
Notification of G/I Finance

**STATUTORY RESOLUTION KE.
 APPROVAL OF THE NOTIFICATION
 OF THE GOVERNMENT OF INDIA IN
 THE MINISTRY OF FINANCE
 (DEPARTMENT OF REVENUE) NO.
 473/86-CUSTOMS, DATED THE 27TH
 NOVEMBER, 1986, INCREASING THE
 EXPORT DUTY LEVIABLE ON
 BLACK PEPPER**

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): Now we shall take up the Statutory Resolution.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): Sir, I beg to move the following resolution:

"That in pursuance of sub-section (2) of section 8 read with sub-section (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975), this House approves the Notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 473/86-Customs, dated the 27th November, 1986, published in the Gazette of India under G.S.R. No. 1235(E), dated the 27th November, 1986, increasing the export duty leviable on black pepper from the level of Rs. 3 per kilogram to Rs. 5 per kilogram from the date of issue of the said Notification laid on the Table of the Rajya Sabha on the 27th November, 1986."

Black pepper is specified under Heading No. 2...

SHRI NIRMAL CHATTERJEE (West Bengal): He has to lay it in the Table.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): It is in the Agenda.

SHRI NIRMAL CHATTERJEE: Is he introducing the Bill?

SHRI JANARDHAN POOJARI: It was laid earlier. As per rules, we have to pass the resolution.

Sir, black pepper is specified under Heading No. 2 of Second Schedule to

Increasing Export Duty 182
on Black Paper

Customs Tariff Act, 1975. The rate of export duty prescribed therefor has been Rs. 3 per kilogram since May, 1985 when the export value realisation of black pepper was Rs. 40 per kilogram. Since then, international prices of pepper have started going up steadily during 1986. The Government has been watching the trend of export Prices for quite some time. The latest export value realisation of black pepper has been around Rs. 65 per kilogram. Accordingly no-tification No. 473/86-Customs dated 27-11-86 has been issued subjecting black pepper to export duty at the rate of Rs. 5 per kilogram. This measure is expected to bring an additional revenue of Rs. 10 crores in a year against an expected of 50,000 tonnes in a year.

Sir, changes in export duty on traditional items of export are made from time to time after ensuring that only a part of the gain arising from the rise in international prices is mopped up and that such levy does not adversely affect our exports. This is also the case with the present increase in export duty.

Sir, I commend the Resolution for consideration and passing.

SHRI NIRMAL CHATTERJEE: I am on a point of order. What I wanted to know is that as mentioned that at 6 p.m. the Papers will be laid on the Table

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): That will be done immediately after this.

There is one Amendment but the Member is absent. I shall now put the Resolution to vote. The question is:

That in pursuance of sub-section (2) of section 8 read with subsection (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975) this House approves the Notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 473/86'

Customs, dated the 27th November, 1986, published in the Gazette of India under G.S.R. No. 1235(E), dated the 27th November, 1986, increasing the export duty leviable on black pepper from the level of Rs. 3 per kilogram, to Ry. 5 per kilo. gram from the date of issue of the said Notification, laid on the Table of the Rajya Sabha on the 27th November, 1986."

The motion was adopted.

PAPERS LAID ON THE TABLE

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA); Now the hon. Minister will lay the Papers on the Table,

Notification of the Ministry Of Finance (Department of Revenue) and related papers.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI); Sir, I beg to lay on the Table a copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), together with an Explanatory Memorandum thereon: —

(1) Notification No. 462/86-Central Excises dated the 9th December, 1986, reducing excise duty on fuel efficient light commercial motor vehicles of pay-load not exceeding 4000 kilograms from 20 per cent to 10 per cent *ad valorem* valid till 31st March, 1988. (Placed in Library. See No. LT.3649/86]

(2) Notification No. 463/36-Central Excises dated the 9th December, 1986, reducing excise duty on light commercial motor vehicles of pay-load not exceeding 4000 kilograms and employing indirect injection type diesel engines manufactured under a programme approved by the Ministry of Industry

and DGTD from 20 per cent to 10 per cent *ad valorem*, valid till 31st December, 1986.

[Placed in Library. See No. LT-3650/86]

SHRI NIRMAL CHATTERJEE (West Bengal); Sir, I want to seek a clarification from the hon Minister. Is it in response to the recession in the light motor vehicle sector? I think, this entire motor vehicle sector is now in the grip of recession. So would the Minister consider this that there can be different route to help the motor vehicle sector—after all, you are laying emphasis on this sector—and that different route could be reduction in the prices of fuel? You are giving the concession to the light commercial vehicles. But the recession is affecting not only this sector but also the heavy motor vehicles, motor cars and buses. Therefore, would he kindly consider this, that the alternative route to bring them out of this recession is to reduce the fuel cost which will once again make the demand for these cars more emphatic? This is all that I wanted to say.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA); This is a suggestion for consideration.

SHRI ATAL BIHARI VAJPAYEE (Madhya Pradesh); Sir, according to the second Notification, the reduction in excise duty will be valid till 31st December, 1986. Is the date correct? You require the reduction only for this limited period, that is till 31st December, 1986?

SHRI JANARDHAN POOJARI; Sir, we will keep in mind the suggestions made by Shri Nirmal Chatterjee. And also about this date, it is up to 31st December, 1986.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA); Now, the House will take up further consideration of the Bureau of Indian Standards Bill, 1986. Mr. Matto has to continue his speech.

THE BUREAU OF INDIAN STANDARDS BILL, 1986—Contd.

SHRI GHULAM RASOOL MATTO (Jammu and Kashmir): Mr. Vice-Chairman, Sir, the Bureau of Indian Standards Bill, 1986, has been introduced by Shri H. K. L. Bhagat. It is in lieu of the Indian Standards Institute Act that was passed in 1962. Sir, at the fag end of the day, I would like to make only a few suggestions and would request the hon. Minister to react to these. Sir, the Bureau shall consist of the following members; Number (1) is the Ministry; Number (2) is the Minister of State; Number (3) is the Secretary and Number (4) is the Director General. Sir, the number of other members is not given. So, that gives me the hope.

SHRI ATAL BIHARI VAJPAYEE (Madhya Pradesh): If you have the hope then carry on.

SHRI GHULAM RASOOL MATTO: That gives me the hope that the hon. Minister will take into consideration the different interests to be associated with the Bureau because such number of other persons, to represent the Government, industry, scientific and research institutions and other interests, as may be prescribed may be appointed by the Central Government. I would request the hon. Minister to consider the association of representatives of the States, number one, and Associations of the representatives of the consumers, those which are consumer societies and other societies and one Member each from the Lok Sabha and the Rajya Sabha. This is very essential to associate the States with this thing. But my emphasis is on the representatives of States, that is more important than the inclusion of the Members of Parliament. Why I say so, Sir, is because under this new revised Act a very good provision has been made and sweeping powers have been taken by the Government, which to my mind, are very good that is the Central Government, after consulting the Bureau, is of the opinion that it is neces-

sary or expedient to do so, in the public interest, it may, by order published in the Official Gazette (a) notify any article or process of any scheduled industry which shall conform to the Indian Standard; and (b) direct the use of the Standard Mark under a licence as compulsory on such article or process. This is important because in case of ISI it was voluntary but, in this it is mandatory. Time has come when the Government must be armed with this authority. Why it is so, Sir, is because there is a misunderstanding amongst all of us that we are mixing two Acts one is the Standard Act and the other is the Adulteration Act. The Adulteration Act is an entirely different Act and the Standards Act is an entirely different Act. But I will only see and notice the honesty of the Government- if within the next few days of the passing of this Act the Government will notify certain scheduled industries in which this standard must be prescribed and I include in that edible oils, vanaspathi, because in edible oils this non-standard thing has come up and it is very essential that in order to inculcate a sense of discipline amongst the manufacturers it is essential that at least a minimum of 10 scheduled industries must be notified within the next two months before the Budget session which will signify that a compulsory ISI mark is to be done in this thing. This is very essential! and this must be taken into consideration. (Time bell rings). My second point is with regard to the controversion of the rules.

Now, Sir, I would like to inform the Minister that all was not well with the ISI also. As he has himself said. That is why the Government had to come in. But I would like that under rules, it may not be in the Act, under the rules just as you have the CBI and then on that you have the IB and on that is the RAW, similarly the inspectorate of the Bureau of Indian Standards should also be under the surveillance of some other agency-

[Shri Ghulam Rasool Mattoo]

which should oversee that this inspectorate and these officials who are responsible for giving this ISI mark are also brought to book whenever unnecessary. This is very essential because unless that is done, this thing cannot be rectified.

Now, Sir, with regard to the penalty, while a penalty of Rs. 50,000 has been prescribed. I think it is very less. I think it should be increased and the punishment should also be prescribed, if it has not been so provided already in the rules. And punishment should be awarded to those who are found guilty of having given the ISI mark whereas their goods are not sligible for ISI mark. This is very essential and this should be taken into consideration.

I think it was Shri Sukul who suggested yesterday change in the ISI mark. I would like to know from the hon. Minister what other mark he proposes to introduce instead of ISI mark and what will happen to those goods which have been given this ISI mark but have not yet been marketed. Mr. Sukul also mentioned about the financial aspect. It is provided in the Financial Memorandum that the proposa] before the Government regarding the expenditure on the Bureau is of the order of around Rs. 11.74 crores and total income from non-Governmental sources will be around Rs. 10.18 crores. I hope this has been taken care of Mr. Sukul gave the instance of sugar lobby... (Interruptions).

SHRI P. N. SUKUL (Uttar Pradesh): I said about self financing.

SHRI GHULAM RASOOL MATTOO: I hope the Bureau will be self-financing. But I again repeat the vital point and would request the hon. Minister to inform me how many scheduled industries he proposes to bring into the orbit of compulsory ISI mark upto the Budget Section.

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND THE MINISTER
OF FOOD AND CIVIL SUPPLIES (SHRI
H. K. L. BHAGAT): Mr. Vice-Chairman, I
am very grateful to the hon. Members for
the great interest shown by them in the dis-
cussion on this Bill, on the Bureau of Indian
Standards and the anxiety they have shown
about improvement of quality, fixation of
standards, enforcement and
implementation. I must say that by some of
the suggestions, I have been enlightened.

Some very relevant points were raised
and I would briefly give my observations.

First point was about the composition of
the Bureau. Why we came to this ISI, and
from ISI to Bureau of Indian Standards,
there is a history behind it. This was studied
by the Indian Institute of Management at
Ahmedabad and finally it was considered by
the Executive Committee of the ISI itself,
and the feeling was that ISI as it stands
today, is not able to fulfil the expectations
which now exist in the country in view of
lots of new things, new changes, and
development, and in view of the need to
have good standards for our goods, because
we have to compete with the world in terms
of our exports, and so on. Therefore, it was
with that end that the present Bill has been
brought. Now, a question has been raised
about the composition of the Bureau. I
entirely agree with the hon. Members that it
should not be just a bureaucratic preserve. I
can assure them that neither it will be a
bureaucratic preserve not it will be
dominated by bureaucracy. I can give that
categorical assurance to hon. Members. But
bureaucracy cannot be just wished out.
Bureaucracy is a part of the system, with
more Constitutional guarantees than, us.
The late Shri Raghuramiah used to say that
we politicians are permanently temporary
while the bureaucrats are permanent. But
they have

certainly made their contribution to the development of the country and we cannot just wish them out. But I assure you that in the constitution of the Bureau, it will not be either dominated by bureaucracy nor will it be a preserve of bureaucracy, and consumer representatives in adequate strength will be there, and the suggestion of putting Members of Parliament also there can be considered. There is no difficulty in considering that suggestion. That is why it is open in the rules. Suppose we are tied down in the rules; in that case, our hands would have been tied. Certain things are mentioned. The number of Members may be one, two. But the opening is very much there. Now, as I said, this should be a sort of a technically competent, professionally competent body and, at the same time, it should, with resolute courage and clarity, watch the interests of the consumers not only in India, but also from the point of view of maintaining international standards. This is the approach. It is not just a question of putting some white collared gentry in it and making it a showroom thing. We want it to be really practical.

The second question which he has raised is a very important one. Hon. Member wants an assurance from me right now on the floor of the House. He says he will judge our honesty if we give the promise that we will bring in all the scheduled industries. I hope, he does not want me to give any false promise. Nor will I give one, even if he wants it. I am sure, he does not want it. There are 112 items for which there is mandatory certification marking under some Acts. In addition, 12 items, which are electrical appliances mostly used in homes, are under active consideration. It is easy for me to give the promise that we will bring in all the industries for standards marking. But I cannot do it immediately because we have to take into account the capacity of the ISI

to frame standards. It takes a long time. There is also the question of availability of laboratories. The ISI has six or seven laboratories of its own. But it is using 200 other private laboratories which are co-operating with the ISI. Therefore, I can only give the promise which I can fulfill. I can assure you that the provision which you yourself have quoted, section 14 gives us an opportunity to bring in all the industries mentioned in the Schedule to the Industries (Development and Regulation) Act under mandatory marking scheme. Almost all the industries are mentioned in that Schedule. But I cannot say that we will bring all of them under the mandatory marking. We can only bring in those which the ISI can do, for which the ISI has the capacity and the capability. We cannot just shoot in the air. I agree that there are some consumer items. We will try to give as much preference to them as we possibly can do. But there are also certain other vital sector of the industry which need attention.

Now, the question of punishment. Previously, it was voluntary. If somebody has taken a licence and he does not follow it, or "he does not follow the rules, the punishment was Rs. 10,000. Now, this has been increased to Rs. 50,000 and one year imprisonment. This has been provided. I agree that some people say that this is not adequate. We shall watch the situation and enhance it if necessary. But let us remember that this is not the only remedy, against substandard goods, bad quality goods. This is only one of the several pieces of Legislation. Tomorrow, I will be coming before you with the Consumer Protection Bill and six or seven other Bills. There are other Bills which are preventive and punitive in nature. The punishment provided is much more. In some cases, a minimum punishment has been provided. I do not claim that with the establishment of this Bureau, the heavens will at

[Shri Ghulam Rasool Matto]

once come on us, that adulteration will disappear, that substandard goods will disappear. I do not expect that. I only say that this has given us an opportunity to improve things which we seriously wish to improve and I am confident that things will improve to a great extent.

Another major thing in this and in the other legislations which we are bringing before you tomorrow is that, so far, making a complaint has been the preserve only of the officers, the inspectors, the Government people. They can only complain that this is of bad quality and so on. I do not say that all the officers are bad, all the inspectors are bad. There may be good people, there may be bad people. But this was the position. Now, in this as well as in the other legislations which will be coming up, a complaint can be filed by any aggrieved consumer or by any registered society of consumers so that everybody can become a complainant. This is a major step which is being taken through these various legislations.

A question was raised whether the industry was consulted. Some hon. Member said that we are getting a revenue of Rs. 60—80 lakhs per month from a large number of industries which are members, donors and so on and that we will be losing it. About consultation of the industry. I would respectfully submit that there has been a complaint that the ISI is a highly industry-dominated institute. While consultation and association of the industry is there, it will remain there in various committees. There is no doubt about that. But we certainly want that the Bureau of Indian Standards, is fair, objective and independent as far as possible. Certainly, we will be losing revenue of Rs. 60 to 70 lakhs but we would try to collect that revenue by raising the fees which are there on sample testing, licences and other things. Now the fees are not much. Also so far as the financial position of the ISI is concerned, it takes very little from

the Government, a couple of per cent only. It has its own revenue, it has its own collections and the ISI's efforts should be to be self-sufficient as far as possible. If some help from Government is necessary that they will take.

Then the question about vanaspathi was raised, compulsory standard for vanaspathi is already laid down. Any breach of standard, is an offence.

Regarding edible oils, they do not come under compulsory ISI certification making, but there are standards fixed under some other Act like the Prevention of Food Adulteration Act. We shall consider the point which the hon. Member is suggesting.

Then the question was raised, why should we have national standard, why not have international standard? Well, we have to have our own standard. We have to do our best to see that we compete with the international standard. We can be equal and there is a liaison between various international institutions and organisations that are signatory to the GATT Agreement. India has been given some work. We are also doing an important work so far as Non-alignment is concerned. In fact, ISI has an image or status. It is a member of a large number of international committees. It is doing good work. We have to do our best to see that our standards improve and are up to the mark. Wherever necessary, we can adopt international standards. We can certainly adopt international standards. This is very important from the point of view of our exports.

So far as fertilizer is concerned, for fertilizer also standard is fixed. It is administered under fertilizer control order by the Ministry of Agriculture. They administer that. But so far as the standard is concerned, it is fixed.

So far as drugs are concerned, they are governed by the Drugs and Cosmetics Act. They fix standards and they are administered under that Act.

One important question that was raised by Sukulji was, why are you calling it Bureau, why don't you call it by any other name? Perhaps there is some point in that, but I feel there are other countries also where they have different names. For example, Britain calls it BIS. Ours will also become BIS. Now the question is of the mark that we give, whether we will continue with the same ISI mark. The ISI mark has been there for a long time. It has gone on, but it is open for us to consider whether to continue with this ISI mark or return to BIS and so on and so forth, but the issue is open to us.

One most important question was raised yesterday by some hon. Member that consumers are cheated and in many cases false kinds of advertisements, luring advertisements are given, taking the consumers to the Heavens, go that they purchased these things. Now, I do not know whether I can ban the advertisements on the TV but we shall examine the question that those companies whose standards are found to be defective or those who have standards but are not using those standards and in other ways, those who are found to have been convicted of certain offences, why can't they be publicised on radio and TV? Let the people know that they are this type of people so that the people know whom to deal with and whom not to deal with. We will certainly examine that suggestion. That is what is done in certain countries. That is the point. Then we want, it is unfortunate...

SHRI NIRMAL CHATTERJEE (West Bengal): There is a provision in the MRTP Act! and such advertisements can be sent to them.

SHRI H. K. L. BHAGAT: Thank you very much for pointing this, out. I know there is a provision in the MRTP Act and in the Consumer Protection Bill which has been passed by the Lok Sabha today and we are coming to you tomorrow with the 1617 RS—7

same, there is division of work with regard to the unfair trade practices. For your information, Mr. Vajpayee, it has been passed unanimously by the other House with every Member of every party supporting it. Every body was saying, no Select Committee—I am going off the record a bit—now it should not be delayed because the Bill is so good. We can later on, if we find anything wrong, amend it.

Then my hon. colleague is right when he says there is some provision in the MRTP Act. It is there with regard to unfair trade practices, in the new Bill which is coming to you tomorrow, unfair trade practices have also been brought under the Consumer Protection Bill, with the difference that the MRTP Act will deal with only unfair trade practices which relate to monopoly houses; others will be dealt with by the National Consumers Commission. Whatever powers are available to us under this or any other law or administratively, we are strongly for using them on the media to expose those who do such black deeds.

Now, so far as food articles are concerned, standards of a number of food articles are fixed under the Prevention of Food Adulteration Act. About complaints I have already said. Now a point was made by an hon. Member that you must have a check and a counter-check and a counter-check, a wheel over a wheel over a wheel so that proper enforcement is done. Naturally in the ISI itself, if I accept this suggestion as it has come to me, it shall mean putting a number of people on this, one after another, and it will mean lot of expense and more staff, which we would like to avoid. But I can assure you that We will do our best to enforce it so that things are seen in a proper manner.

Now supposing somebody who has a standard is using spurious standard.

[Shri H. K. L. Bhagat]

In regard to that there are other laws and other legal agencies. But what is required in regard to consumer protection is coordination in the administration of different laws, multi, ple laws dealing with the consumers and also chasing them and, sort of, 'having a tetter enforcement. We shall do our best to enforce them as best as we can. Under the ISI itself, the laboratories need to be ungraded, new technology, machines, ' instruments and other things have to he brought in. They have drawn up a plan of action for that purpose and some funds—I think gome crores of rupees—have been provided in the Seventh Plan and they are going ahead. We shall do our best in the matter of improving the ISI. But ISI alone—I mean the Bureau of Indian Standards alone—or this Bill alone cannot provide all the results, and this is the basic thing. We would like to have as many articles as we can. Then the other things have been taken care of in some other Bills. But all the Bills together, mere legislation, mere legislative measures, will not be enough in this country. If we want real results for the consumers, it can only be by development of a very well-organised consumer movement at the grassroot level. A consumer movement cannot be developed by the Government, ghould not be dependent on Government, should not bo sponsored by Government. Government should encourage it as it can, and possibly it can, but it has to grow up from the grassroot level and I have no doubt that today consumer organisations exist in some parts of the country and they are doing work. But we do not have a consumer movement as it should be. We all have—you and me—confidence in the people of India. This idea is catching up and in due course of time—I do not know when; I may see it or may not see it, I can't say—have no doubt that in India in \v years to come a very powerful, organized, disciplined consumer movement is necessary. Consumers will

have to be responsible also-disciplined, better organised — and particularly women will have to play a larger role in that. For that I will come to you with the subject when the Bills come.

I feel this Bill is good; it will improve things in many ways; it is far better than the arrangements which exist already. I, therefore, request that the Bill may be passed.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): The question is:

"That the Bill to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI H. HANUMANTHAPPA): We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 42 were added to the Bill. Clause 1, the Exacting Formula, and the title were added to the Bill.

SHRI H. K. L. BHAGAT; Sir, I beg to move-

"That the Bill be passed."

The question was put and the motion was adopted.

MESSAGES FROM THE LOK SABHA —contd.

- (II) The Delhi Apartment Ownership Bill, 1986.
- (HI) The Indian Post Office (Se-
cond Amendment) Bill, 1986.
- (IV) The Consumer Protection Bill,
1986
- (V) The Standards of Weights and
Measures (Amendment) Bill, 1986.

The Bureau of Indian Standards Act, 1986 [Repealed]

(Bureau of Indian Standards Act, 1986 [Repealed])

[Act 63 of 1986]

[23rd December, 1986]

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Bureau of Indian Standards Act, 1986

[Act 63 of 1986]

[23rd December,
1986]

[Repealed by Act 11 of 2016]

An Act to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto

Be it enacted by Parliament in the Thirty-seventh Year of the Republic of India as follows:

Prefatory Note—Statement of Objects and Reasons.—The Indian Standards Institution was registered as a society under the Societies Registration Act, 1860 in January, 1947 to prepare and promote standards. The Indian Standards Institution (Certification Marks) Act, 1952 covers the operation of the certification marks scheme, while the formulation of standards and other related work is not governed by any legislation.

2. When the Indian Standards Institution was established, the industrial development in the country was still in its infancy. During the last 39 years, there has been substantial progress in various sectors of the Indian economy. The industrial and agricultural sectors have undergone structural and qualitative transformation under the Five-Year Plans. In this context a new thrust has to be given to standardisation and quality control. A national strategy for according appropriate recognition and importance of standards is to be evolved and integrated with the growth and development of production and exports in various sectors of the national economy. The public sectors and private sectors including small scale industries have to intensify efforts to produce more and more standard and quality goods so as to help in inducing faster growth, increasing exports and making available goods to the satisfaction of the consumers.

3. The standards making organisations for formulating standards have has to be given due recognition and status to enable it to discharge its functions effectively and efficiently in acceptance and promotion of Indian standards not only in this country but even abroad. Apart from the representations of the industry, such an organisation should also have adequate representation of users and consumer organisations, Central and State Governments, research organisations and regulatory agencies. For all these reasons, it is considered necessary to have the organisation for standards as a statutory institution which will have adequate autonomy and flexibility in its operations and will also ensure that priority is given to various aspects of its functions in line with national priorities.

4. To achieve these objectives, it is proposed to set up a Bureau of Indian Standards as a statutory institution.

5. The Bill provides that the Bureau of Indian Standards will be a body corporate and specifies its composition and the constitution of an Executive Committee to carry on the day to day activities of the Bureau. The proposed Bureau will take over the staff, assets and liabilities of the Indian Standards Institution and perform all functions which are now being performed by Indian Standards Institution. The Bill will provide access to the Bureau's standards and certification marks to suppliers of like products originating in General Agreement on Trade and Tariff (GATT) code countries. The Bill also makes provision for the making of grants and the advancing of loans to the Bureau by the Central Government and the necessary provisions for the better administration of a body corporate like constitution of fund, accounts and audit etc. The Bill provides for the repeal of the Indian Standards Institution (Certification Marks) Act, 1952.

Chapter 1 PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the Bureau of Indian Standards Act, 1986.

(2) It extends to the whole of India.

(3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,—

(a) "article" means (as respects standardisation and marking) any substance, artificial or natural, or partly artificial or partly cultural, whether raw or partly or wholly processed or manufactured;

(b) "Bureau" means the Bureau of Indian Standards established under Section 3;

(c) "consumer" means a consumer of any article or process;

(d) "covering" includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper or other container;

(e) "Executive Committee" means the Executive Committee constituted under sub-section (1) of Section 4;

(f) "Fund" means the Fund constituted under Section 18;

(g) "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes—

(i) any standard recognised by the Bureau under clause (b) of Section 10; and

(ii) any standard established and published, or recognised, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau;

(h) "Indian Standards Institution" means the Indian Standards Institution set up under the Resolution of the Government of India in the late Department of Industries and Supplies No. 1 Std. (4)/45, dated the 3rd day of September, 1946, and registered under the Societies Registration Act, 1860 (21 of 1860);

(i) "inspecting officer" means an inspecting officer appointed under Section 25;

(j) "licence" means a licence granted under Section 15 of use the Indian Standards Certification Mark in relation to any article or process which conforms to the Indian standard and includes any licence granted under the Indian Standards Institution (Certification Marks) Act, 1952 (36 of 1952) and is in force immediately before the date of establishment of the Bureau;

- (k) "manufacturer" means the manufacturer of any article or process;
- (i) "mark" includes a device, brand, heading, label, ticket, pictorial representation, name, signature, word, letter or numeral or any combination thereof;
- (m) "member" means a member of the Bureau;
- (n) "prescribed" means prescribed by rules made under this Act;
- (o) "process" includes any practice, treatment and mode of manufacture of any article;
- (p) "registering authority" means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;
- (q) "regulations" means regulations made by the Bureau under this Act;
- (r) "rules" means rules made by the Central Government under this Act;
- (s) "specification" means a description of an article or process as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or other characteristics to distinguish it from any other article or process;
- (t) "Standard Mark" means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian standard and also includes any Indian Standards Institution Certification Mark specified by the Indian Standards Institution;
- (u) "trade mark" means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark, whether with or without any indication of the identity of that person;
- (v) an article is said to be marked with a Standard Mark if the article itself is marked with a Standard Mark or any covering containing or label attached to, such article is so marked.

Chapter 2

THE BUREAU OF INDIAN STANDARDS

3. Establishment and incorporation of Bureau of Indian Standards.—(1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Bureau, to be called the Bureau of Indian Standards.

(2) The Bureau shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by the said name sue and be sued.

(3) The Bureau shall consist of the following members, namely:

- (a) the Minister in charge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex officio President of the Bureau;
- (b) the Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex officio Vice-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;
- (c) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the

Bureau ex officio;

(d) the Director-General of the Bureau ex officio;

(e) such number of other persons, to represent the Government, industry, scientific and research institutions and other interests, as may be prescribed, to be appointed by the Central Government.

(4) The term of office of the members referred to in clause (e) of sub-section (3) and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by the members, shall be such as may be prescribed.

(5) The Bureau may associate with itself, in such manner and for such purposes as may be prescribed, any persons whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Bureau relevant to the purposes for which he has been associated but shall not have the right to vote.

4. Constitution of Executive Committee.—(1) The Bureau may, with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely:

(a) Director-General of the Bureau, who shall be its ex officio Chairman;

(b) such number of members, as may be prescribed.

(2) The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such of the functions, powers and duties of the Bureau as may be delegated to it by the Bureau.

5. Constitution of the Advisory Committees and other committees.—(1) Subject to any regulations made in this behalf, the Bureau may, from time to time and as and when it is considered necessary, constitute the following Advisory Committees for the efficient discharge of its functions, namely:

(a) Financial Committee;

(b) Certification Advisory Committee;

(c) Standards Advisory Committee;

(d) Laboratory Advisory Committee;

(e) Planning and Development Advisory Committees;

(f) such number of other committees as may be determined by regulations.

(2) Each Advisory Committee shall consist of a Chairman and such other members as may be determined by regulations.

(3) Without prejudice to the powers contained in sub-section (1), the Bureau may constitute, as and when considered necessary, such number of technical committees of experts for the formulation of standards in respect of articles or processes.

6. Vacancies, etc., not to invalidate proceedings of Bureau, Executive Committee, etc.—No act or proceedings of the Bureau, the Executive Committee or any Committee constituted under Section 5 shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of the Bureau or the Committee; or

(b) any defect in the appointment of a person acting as a member of the Bureau or Committee; or

(c) any irregularity in the procedure of the Bureau or the Committee not affecting the merits of the case.

7. Director-General of the Bureau.—(1) The Central Government shall appoint a Director-General of the Bureau.

(2) The terms and conditions of service of the Director-General of the Bureau shall be such as may be prescribed.

(3) Subject to the general superintendence and control of the Bureau, the Director-

General of the Bureau shall be the Chief Executive Authority of the Bureau.

(4) The Director-General of the Bureau shall exercise and discharge such of the powers and duties of the Bureau as may be determined by regulations.

8. Officers and employees of the Bureau.—(1) The Bureau may appoint such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of service of officers and employees of the Bureau appointed under sub-section (1) shall be such as may be determined by regulations.

Chapter 3

TRANSFER OF ASSETS, LIABILITIES, ETC., OF THE INDIAN STANDARDS INSTITUTION TO THE BUREAU

9. Transfer of assets, liabilities and employees of Indian Standards Institution.—(1) On and from the date of establishment of the Bureau,—

- (a) any reference to the Indian Standards Institution in any law other than this Act or in any contract or other instrument shall be deemed as a reference to the Bureau;
- (b) all properties and assets, movable and immovable, of, or belonging to, the Indian Standards Institution shall vest in the Bureau;
- (c) all the rights and liabilities of the Indian Standards Institution shall be transferred to, and be the rights and liabilities of the Bureau;
- (d) without prejudice to the provisions of clause (e), all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Indian Standards Institution immediately before that date, for or in connection with the purposes of the said Institution shall be deemed to have been incurred, entered into, or engaged to be done by, with or for, the Bureau;
- (e) all sums of money due to the Indian Standards Institution immediately before that date shall be deemed to be due to the Bureau;
- (f) all suits and other legal proceedings instituted or which could have been instituted by or against the Indian Standards Institution immediately before that date may be continued or may be instituted by or against the Bureau; and
- (g) every employee holding any office under the Indian Standards Institution immediately before that date shall hold his office in the Bureau by the same tenure and upon the same terms and conditions of service as respects remuneration, leave, provident fund, retirement or other terminal benefits as he would have held such office if the Bureau had not been established and shall continue to do so as an employee of the Bureau or until the expiry of a period of six months from that date if such employee opts not to be the employee of the Bureau within such period.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947 (14 of 1947) or in any other law for the time being in force, the absorption of any employee by the Bureau in its regular service under this section shall not entitle such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.

Chapter 4

POWERS AND FUNCTIONS OF THE BUREAU

10. Functions of the Bureau.—(1) The Bureau may exercise such powers and perform such duties as may be assigned to it by or under this Act and, in particular, such powers include the power to—

- (a) establish, publish and promote in such manner as may be prescribed the

- Indian standard, in relation to any article or process;
- (b) recognise as an Indian standard, in such manner as may be prescribed, any standard established by any other Institution in India or elsewhere, in relation to any article or process;
 - (c) specify a Standard Mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian standard;
 - (d) grant, renew, suspend or cancel a licence for the use of the Standard Mark;
 - (e) levy fees for the grant or renewal of any licence;
 - (f) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without a licence;
 - (g) seek recognition of the Bureau and of the Indian Standards outside India on such terms and conditions as may be mutually agreed upon by the Bureau with any corresponding institution or organisation in any country;
 - (h) establish, maintain and recognise laboratories for the purposes of standardisation and quality control and for such other purposes as may be prescribed;
 - (i) undertake research for the formulation of Indian Standards in the interests of consumers and manufacturers;
 - (j) recognise any institution in India or outside which is engaged in the standardisation of any article or process or the improvement of the quality of any article or process;
 - (k) provide services to manufacturers and consumers of articles or processes on such terms and conditions as may be mutually agreed upon;
 - (l) appoint agents in India or outside India for the inspection, testing and such other purposes as may be prescribed;
 - (m) establish branches, offices or agencies in India or outside;
 - (n) inspect any article or process, at such times and at such places as may be prescribed in relation to which the Standard Mark is used or which is required to conform to the Indian Standard by this Act or under any other law irrespective of whether such article or process is in India or is brought or intended to be brought into India from a place outside India;
 - (o) co-ordinate activities of any manufacturer or association of manufacturers or consumers engaged in standardisation and in the improvement of the quality of any article or process or in the implementation of any quality control activities;
 - (p) perform such other functions as may be prescribed.

(2) The Bureau shall perform its functions under this section in accordance with, and subject to, such rules as may be made by the Central Government.

11. Prohibition of improper use of Standard Mark.—(1) No person shall use, in relation to any article or process, or in the title of any patent, or in any trade mark or design the Standard Mark or any colourable imitation thereof, except under a licence.

(2) No person shall, notwithstanding that he has been granted a licence, use in relation to any article or process the Standard Mark or any colourable imitation thereof unless such article or process conforms to the Indian standard.

12. Prohibition of use of certain names, etc.—No person shall, except in such cases and under such conditions as may be prescribed, use without the permission of the

Bureau,—

- (a) any name which so nearly resembles the name of the Bureau as to deceive or likely to deceive the public or which contains the expression “Indian Standard” or any abbreviation thereof; or
- (b) any mark or trade mark in relation to any article or process containing the expressions “Indian Standard” or “Indian Standard Specification” or any abbreviation of such expressions.

13. Prohibition of registration in certain cases.—(1) Notwithstanding anything contained in any law for the time being in force, no registering authority shall—

- (a) register any company, firm or other body of persons which bears any name or mark; or
- (b) register a trade mark or design which bears any name or mark; or
- (c) grant a patent, in respect of an invention, which bears a title containing any name or mark,

if the use of such name or mark is in contravention of Section 11 or Section 12.

(2) If any question arises before a registering authority whether the use of any name or mark is in contravention of Section 11 or Section 12, the registering authority may refer the question to the Central Government whose decision thereon shall be final.

14. Compulsory use of Standard Mark for articles and processes to certain scheduled industries.—If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette,—

- (a) notify any article or process of any scheduled industry which shall conform to the Indian Standard; and
- (b) direct the use of the Standard Mark under a licence as compulsory on such article or process.

Explanation.—For the purposes of this section, the expression “scheduled industries” shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951 (65 of 1951).

Chapter 5 LICENCE

15. Grant of licence.—(1) The Bureau may, by order grant, renew, suspend or cancel a licence in such manner as may be determined by regulations.

(2) The grant or renewal of the licence under sub-section (1) shall be subject to such conditions and on payment of such fees as may be determined by regulations.

16. Appeal.—(1) Any person aggrieved by an order made under Section 15 may prefer an appeal to the Central Government within such period as may be prescribed.

(2) No appeal shall be admitted if it is preferred after the expiry of the period prescribed thereof:

Provided that an appeal may be admitted after the expiry of the period prescribed therefor if the appellant satisfies the Central Government that he had sufficient cause for not preferring the appeal within the prescribed period.

(3) Every appeal made under this section shall be made in such form and shall be accompanied by a copy of the order appealed against and by such fees as may be prescribed.

(4) The procedure for disposing of an appeal shall be such as may be prescribed:

Provided that before disposing of an appeal, the appellant shall be given a reasonable opportunity of being heard.

Chapter 6

FINANCE, ACCOUNTS AND AUDIT

17. Grants and loans by the Central Government.—The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Bureau grants and loans of such sums of money as that Government may consider necessary.

18. Fund.—(1) There shall be constituted a Fund to be called the Bureau of Indian Standards Fund and there shall be credited thereto—

(a) any grants and loans made to the Bureau by the Central Government under Section 17;

(b) all fees and charges received by the Bureau under this Act;

(c) all sums received by the Bureau from such other sources as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting—

(a) the salary, allowances and other remuneration of the members, Director-General, officers and other employees of the Bureau;

(b) expenses of the Bureau in the discharge of its functions under Section 10;

(c) expenses on objects and for purposes authorised by this Act.

19. Borrowing powers of the Bureau.—(1) The Bureau may, with the consent of the Central Government or in accordance with the terms of any general or special authority given to it by the Central Government, borrow money from any source as it may deem fit for discharging all or any of its functions under this Act.

(2) The Central Government may guarantee in such manner as it think fit, the repayment of the principal and the payment of interest thereon with respect to the loans borrowed by the Bureau under sub-section (1).

20. Budget.—The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Bureau and forward the same to the Central Government.

21. Annual report.—The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

22. Accounts of audit.—(1) The Bureau shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Bureau shall be audited by the Comptroller and Auditor-General of India at such intervals as any be specified by him and any expenditure incurred in connection with such audit shall be payable by the Bureau to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Bureau shall have the same rights and privileges and the authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Bureau.

(4) The accounts of the Bureau as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

23. Annual report to be laid before Parliament.—The Central Government shall

cause the annual report to be laid, as soon as may be after it is received, before each House of Parliament.

Chapter 7 MISCELLANEOUS

24. Power of Central Government to issue directions.—(1) Without prejudice to the foregoing provisions of this Act, the Bureau shall, in the exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time:

Provided that the Bureau shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of policy or not shall be final.

25. Inspecting officer.—(1) The Bureau may appoint as many inspecting officer as may be necessary for the purpose of inspecting whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been properly used in relation to any article or process with or without licence, and for the purpose of performing such other functions as may be assigned to them.

(2) Subject to any rules made under this Act, an inspecting officer shall have power to—

- (a) inspect any operation carried on in connection with any article or process in relation to which the Standard Mark has been used; and
- (b) take samples of any article or of any material or substances used in any article or process, in relation to which the Standard Mark has been used.

(3) Every inspecting officer shall be furnished by the Bureau with a certificate of appointment as an inspecting officer and the certificate shall, on demand, be produced by the inspecting officer.

26. Power to search and seizure.—(1) If the inspecting officer has reason to believe that any article or process in relation to which the contravention of Section 11 or Section 12 has taken place are secreted in any place, premises or vehicles, he may enter into and search such place, premises or vehicle for such article or process.

(2) Where, as a result of any search made under sub-section (1), any article or process has been found in relation to which contravention of Section 11 or Section 12 has taken place, he may seize such article and other things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act:

Provided that where it is not practicable to seize any such article or thing, the inspecting officer may serve on the owner an order that he shall not remove, part with, or otherwise deal with, the article or things except with the previous permission of the inspecting officer.

(3) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974), relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this section.

27. Delegation.—The Bureau may, by general or special order in writing, delegate to any member, member of the Executive Committee, officer of the Bureau or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under Section 38) as it may deem necessary.

28. Power to obtain information.—Every licensee shall supply the Bureau with such information, and with such samples of any material or substance used in relation to any article or process, as the Bureau may require.

29. Savings.—Nothing in this Act shall exempt any person from any suit or other

proceeding which might, apart from this Act, be brought against him.

30. Certain matters to be kept confidential.—Any information obtained by an inspecting officer or the Bureau from any statement made or information supplied or any evidence given or from inspection made under the provisions of this Act shall be treated as confidential:

Provided that nothing in this section shall apply to the disclosure of any information for the purpose of prosecution under this Act.

31. Members, officers and employees of the Bureau to be public servants.—All members, officers and other employees of the Bureau shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of Section 21 of the Indian Penal Code (45 of 1860).

32. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Government or any officer of the Government or any member, officer or other employee of the Bureau for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

33. Penalty for improper use of Standard Mark, etc.—(1) Any person who contravenes the provisions of Section 11, or Section 12 or Section 14 or Section 15 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to fifty thousand rupees, or with both.

(2) Any court trying a contravention under sub-section (1) may direct that any property in respect of which the contravention has taken place shall be forfeited to the Bureau.

34. Cognizance of offences by courts.—(1) No court shall take cognizance of any offence punishable under this Act save on a complaint made by or under the authority of the Government or Bureau or by any officer empowered in this behalf by the Government or the Bureau, or any consumer or any association recognised in this behalf by the Central or State Government.

(2) No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class specially empowered in this behalf shall try any offence punishable under this Act.

35. Offences by companies.—(1) Where an offence under this Act has been committed by company, every person who at the time the offence was committed was in charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

(b) “director”, in relation to a firm, means a partner in the firm.

36. Authentication of orders and other instruments of the Bureau—All orders and

decisions of, and all other instruments issued by, the Bureau shall be authenticated by the signature of such officer or officers as may be authorised by the Bureau in this behalf.

37. Power to make rules.—(1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:

- (a) the number of members of the Bureau and the interest such members, would represent under clause (e) of sub-section (3) of Section 3;
- (b) the term of office of the members of the Bureau, the manner of filling vacancies and the procedure to be followed in the discharge of their functions by the members under sub-section (4) of Section 3;
- (c) the manner in, and the purposes for, which the Bureau may associate with itself any person for assistance and advice under sub-section (5) of Section 3;
- (d) the number of members of the Bureau who will be members of the Executive Committee under clause (b) of sub-section (1) of Section 4;
- (e) the terms and conditions of service of the Director-General of the Bureau under sub-section (2) of Section 7;
- (f) the design and the particulars to represent a particular Indian Standard under clause (c) of sub-section (1) of Section 10;
- (g) the purposes for which laboratories for the purposes of standardisation and quality control shall be established by the Bureau under clause (h), of sub-section (1) of Section 10;
- (h) the purposes for which agents may be appointed by the Bureau in India or outside India under clause (1) of sub-section (1) of Section 10;
- (i) the times and places at which any article or process may be inspected under clause (n) of sub-section (1) of Section 10;
- (j) the additional functions that may be performed by the Bureau under Section 10;
- (k) the cases in which, and the conditions subject to which exemption may be granted under Section 12;
- (l) the form in which, and the time at which, the Bureau shall prepare its budget under Section 20 and its annual report under Section 21;
- (m) the manner in which the accounts of the Bureau shall be maintained under Section 22;
- (n) the conditions subject to which inspecting officer may exercise his powers under sub-section (2) of Section 25;
- (o) any other matter which is to be, or may be, prescribed, or in respect of which provision is to be, or may be, made by rules.

38. Power to make regulations.—(1) The Executive Committee may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the Rules generally to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the forgoing power, such regulations may provide for all or any of the following matters, namely:

- (a) the members of the Advisory Committees constituted under Section 5;
- (b) the powers and duties that may be exercised and discharged by the Director-General of the Bureau under sub-section (4) of Section 7;
- (c) the terms and conditions of service of officers and employees of the Bureau under sub-section (2) of Section 8;

- (d) the manner of grant, renewal, suspension or cancellation of licence under sub-section (1) of Section 15;
- (e) the conditions subject to which a licence may be granted or renewed and the fees payable therefor under sub-section (2) of Section 15.

39. Rules and regulations to be laid before Parliament.—Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

40. Act not to affect operation of certain Acts.—Nothing in this Act shall affect the operation of the Agricultural Produce (Grading and Marking) Act, 1937 (1 of 1937) or the Drugs and Cosmetics Act, 1940 (23 of 1940), or any other law for the time being in force, which deals with any standardisation or quality control of any article or process.

41. Power to remove difficulties.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

42. Repeal and saving.—(1) The Indian Standards Institution (Certification Marks) Act, 1952 (36 of 1952), is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have done or taken (including any rule, regulation, notification scheme, specification, Indian Standard, Standard Mark, inspection order or notice made, issued or adopted, or any appointment, or declaration made or any licence, permission authorisation or exemption granted or any document or instrument executed or direction given or any proceedings taken or any penalty or fine imposed) under the Act hereby repealed shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

(3) The mention of particular matters in sub-section (2) shall not be held to prejudice or affect the general application of Section 6 of the General Clauses Act, 1897 (10 of 1897) with regard to the effect of repeal.

¹: Received the Assent of the President on December 23, 1986 and published in the Gazette of India, Extra., Part II, Section 1, dated 23rd December, 1986, pp. 1-15.

²: 1-4-1987, vide S.O. 272(E), dated 31-3-1987.

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THE BUREAU OF INDIAN STANDARDS RULES, 1987

THE BUREAU OF INDIAN STANDARDS RULES, 1987

PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY
[PART II – SECTION 3 SUB-SECTION (i)] DATED 1ST APRIL 1987



Government of India
Ministry of Food & Civil Supplies
(Department of Civil Supplies)

NOTIFICATION

New Delhi,
31st March, 1987

GSR 361(E) – In exercise of the powers conferred by Section 37 of the Bureau of Indian Standards Act, 1986 (63 of 1986), the Central Government hereby makes the following rules, namely:-

CHAPTER I

PRELIMINARY

1. Short Title and Commencement – (1) These rules may be called the Bureau of Indian Standards Rules, 1987.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions – (1) In these rules, unless the context otherwise requires, –

(a) “Act” means the Bureau of Indian Standards Act, 1986 (63 of 1986);

(b) “Advisory Committee” means an Advisory Committee constituted by the Bureau under sub-section (1) of section 5;

(c) “Applicant” means a person who has applied to the Bureau for a licence^{*#} or registration;

*(cc) “Consultant” means an expert or an organization of experts engaged for a specific task relating to standards formulation to whom a fee is payable by the Bureau;

(d) “committee” means a technical committee constituted by the Bureau under sub-section (3) of section 5 and includes a division council, sectional committee, subcommittee, panel or any other committee;

(e) “Director General” means Director General of the Bureau;

(f) “form” means a form set out in the Appendix hereto;

(g) “Licensee” means a person to whom a licence has been granted under the Act;

(h) "President" means the President of the Bureau;

*#(ha) 'registration' means permission granted under rule 16C to use the words "Self declaration – Conforming to IS....." on any article notified under clause (fa) of rule 13;

*#(hb) 'Registered User' means a person who is granted registration under rule 16C;

(i) "Section" means a section of the Act;

*#(ia) 'Self declaration' for the purpose of Chapter IV A means the declaration made by the Registered User that the article for which registration has been granted conforms to the relevant Indian Standard.

(j) "Vice-President" means the Vice-President of the Bureau;

(k) "Year" means the financial year commencing on the first day of April;

(l) words and expressions used in the rules and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

CHAPTER II

THE BUREAU AND ITS ACTIVITIES

3. Constitution of the Bureau – ###(1) The Bureau shall consist of the following members, namely –

(a) the Minister in charge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex-officio President of the Bureau;

(b) the Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex-officio Vice-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;

(c) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the Bureau ex-officio;

- (d) the Director General of the Bureau, ex-officio;
 - (e) two Members of Parliament of whom one shall be from the House of the People and one from the Council of States;
 - (f) three persons representing the Ministries and Departments of the Central Government dealing with important subjects of interest to the Bureau;
 - (g) five representatives – one each from five zones of State Governments and the Union Territories on rotation basis who shall be, –
 - i. the Minister in charge of the Department having administrative control over quality and standards in the case of States and Union Territories having a Council of Ministers; and
 - ii. the Administrator or the Chief Executive Councilor, as the case may be, in the case of Union Territories, not having a Council of Ministers;
 - (h) two persons either representing recognized Consumer Organizations which in the opinion of the Central Government are active and effective in their operations, or are in the opinion of that Government are capable of representing consumer interests;
 - (i) one person, who, in the opinion of the Central Government, is capable of representing farmers' interests, to be nominated from amongst farmers or farmers associations;
 - (j) five persons representing the industry and trade and their associations and public sector enterprises to be chosen as follows:-
 - i. Presidents of three industry associations or federations of all-India level;
 - ii. Chief Executive of one Central or State Public Sector Enterprise related to subjects of importance to the Bureau;
 - iii. Chairman or Managing Director of one industrial organization other than the Public Sector who is awardee for the Rajiv Gandhi National Quality Award;
 - (k) three persons representing the scientific and research institutions, technical, educational and professional organizations related to subjects of importance to the Bureau;
- **1A.** The term of office of a member shall continue so long as he holds the office by virtue of which he is such a member.

(2) The Bureau may, on the recommendation of the Director-General **associate persons not exceeding fifteen to assist or advise in the fields of science and technology including environmental control, energy conservation, import substitution, transfer of technology and other areas of emerging technology.

4. Term of Office of Members – (1) Members appointed under clause (e) to clause (m) of sub-rule (1) of rule 3 shall hold office for a period of two years and shall be eligible for re-appointment.

(2) when a member appointed under sub-rule (1) of rule 3 desires to resign from membership of the Bureau, he shall forward his letter of resignation under his own hand to the Central Government and such resignation shall take effect from the date of its acceptance by the Central Government or on the expiry of a period of one month from the date of its receipt by the Central Government, whichever is earlier.

(3) when a vacancy occurs by resignation of a member under sub-rule (2) or otherwise, the Central Government shall take steps to **fill the vacancy within a period of six months from the date of its occurrence by making an appointment from amongst the category of persons to which the person who vacated the office belonged and the person so appointed shall hold office for the remainder of the term of office of the member in whose place he is appointed.

(4) A person shall be disqualified for being appointed as a member or shall be removed from membership by the Central Government if he,-

(a) has been convicted and sentenced to imprisonment for an offence, which, in the opinion of the Central Government, involves moral turpitude; or

(b) is an undischarged insolvent; or

(c) is of unsound mind and stands so declared by a competent court; or

(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or

(e) has in the opinion of the Central Government such financial or other interest in the Bureau as is likely to affect prejudicially the discharge by him of his functions as a member:

Provided that no member shall be removed on the ground that he has become subject of the disqualification mentioned under clause (e) of sub-rule (4) unless he has been given a reasonable opportunity of being heard in the matter.

5. Proceedings of the Bureau – (1) The President, or in his absence the Vice-President, shall preside at the meetings of the Bureau. In the absence of both the President and the Vice-President, the members present at the meeting shall elect one from amongst themselves to preside over the meeting.

(2) At least one meeting of the Bureau shall be held every year. The President may at his discretion convene more than one meeting in a year if he considers it necessary.

(3) A notice of not less than twenty-one days from the date of issue shall ordinarily be given to every member for each meeting of the Bureau. If it is necessary to convene an emergency meeting, a notice of not less than seven days shall be given to every member.

(4) Every notice of meeting of the Bureau shall specify the place and the day and hour of the meeting.

(5) The President shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is convened, an agenda for such meeting may be circulated to the members at the meeting.

(6) Five members shall form the quorum, provided that if any meeting is adjourned for want of quorum, the adjourned meeting may be called on a date not later than seven days from the date of the original meeting to transact the business regardless of the quorum.

(7) Each member including the President shall have one vote. In the case of an equality of votes on any question to be decided by the Bureau, the President, or the Vice-President or the member presiding over such meeting shall in addition have a casting vote.

(8) The proceedings of each meeting shall be circulated to each member of the Bureau and these shall be confirmed at the next meeting with or without modifications.

6. Executive Committee – (1) The Executive Committee shall perform, exercise, and discharge such of the functions, powers and duties as may be delegated to it by the Bureau.

(2) The Executive Committee shall consist of the Director General as ex-officio Chairman and nine other members, representing the following categories, to be appointed by the Bureau of Indian Standards, with the prior approval of the Central Government, namely:

*@@i) Additional Secretary and Financial Adviser and Special Secretary or Additional Secretary or Joint Secretary of the Ministry/Department having administrative control of the Bureau;

ii) one person representing a Ministry or Department of Central Government other than at (i) above;

iii) one person representing recognized consumer organization;

iv) one person representing industry, trade and their associations;

v) two persons representing scientific and research institutions; and

vi) two persons representing public sector enterprises and technical, educational or professional organizations.

(3) The members of the Executive Committee appointed under sub-rule (2) shall hold office for a period of two years and shall be eligible for re-appointment. The term of office of the ex-officio Chairman shall be on a tenure basis for a period of three years who shall be eligible for re-appointment.

(4) When a member appointed under sub-rule (2) desires to resign from membership of the Executive Committee, he shall forward his letter of resignation under his own hand to the Director General and such resignation shall take effect from the date of its acceptance by the Director General or on the expiry of a period of one month from the date of its receipt by the Director General, whichever is earlier.

(5) The vacancy caused on resignation and termination of a member of the Executive Committee shall be filled within a period of three months from the date of occurrence by the Bureau of Indian Standards with the prior approval of the Central Government.

(6) A meeting of the Executive Committee shall be held at least once in every three months.

(7) Each meeting of the Executive Committee shall be called by giving not less than fourteen days from the date of issue, notice in writing to every member:

Provided that an emergency meeting may be called by giving not less than three days' notice to every member.

(8) Every notice of a meeting of the Executive Committee shall specify the place and the day and hour of the meeting.

(9) The ex-officio Chairman of the Executive Committee shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is called, an agenda for such meeting may be circulated to the members at the meeting.

###(10) The quorum for a meeting of the Executive Committee shall be three.

(11) The proceedings of each meeting shall be circulated to each member of the Executive Committee and these shall be confirmed at the next meeting with or without modification.

*6A. Travelling and Daily Allowances to Bureau and Executive Committee Members – (1) The members and persons associated with the Bureau and the members of the Executive Committee representing the Central Government, State Governments, Union Territories, Statutory and autonomous bodies (other than those specially approved by the Executive Committee), public sector undertakings, trade, industry and their associations, shall not be eligible to draw any travelling or daily allowance from the funds of the Bureau.

(2) Travelling and daily allowances to members and persons associated with the Bureau and members of the Executive Committee other than those specified in sub-rule (1), while travelling within the country with prior concurrence of the Director General, may be admissible from the Bureau for attending meetings of the Bureau and the Executive Committee and discharging any duty as assigned by the Bureau or the Executive Committee.

(3) The rates of travelling and daily allowances admissible to the members and persons covered by sub-rule (2) shall be the same as applicable to non-officials attending the meetings of committees set up by the Central Government.

@@(4) If any Member is a Member of Parliament, he shall not be entitled to any allowance other than compensatory allowance, as defined in clause (a) of section 2 of the Parliament (Prevention of Disqualification) Act, 1959 (10 of 1959);

Provided that such Member shall not be entitled to any allowance except for meetings held during the intersession period.

Explanation: Intersession period means the interval between the adjournment of a House of Parliament of which he is a Member and the re-assembly of that House.

CHAPTER III

POWERS AND FUNCTIONS OF THE BUREAU

*7. Establishment, Publication and Promotion of Indian Standards

(1) Establishment –

- a. The Bureau shall establish Indian Standards in relation to any article or process and shall amend, revise or cancel the standards so established as may be necessary, by a process of consultation with consumers, manufacturers, technologists, scientists and officials through duly constituted committees as provided hereafter. The procedure employed in establishing the standard shall also be designed such that concerned interests, in addition of the members of the Committees of the Bureau, have the opportunity to communicate their views.

Provided that any Indian Standard established by the Indian Standards Institution at any time before the date on which the Act, the Rules and Regulations come into force shall be deemed to have been established under the provisions of the Act, the Rules and the Regulations.

- b. All standards, their revisions, amendments and cancellations shall be established by notification in the Official Gazette.

(2) Technical Committees –

- a. For the purpose of formulation of Indian Standards in respect of articles or processes, technical committees of experts may be constituted. Such committees may include Division Councils, Sectional Committees, Subcommittees and Panels.
- b. Division Councils, Sectional Committees and Subcommittees shall be reconstituted once every three years. The tenure of Panels shall be as decided by the concerned Sectional Committee.

(3) Division Councils –

- a. Division Councils shall be set up by the Bureau in defined areas of industries and technologies for formulation of standards. These shall include concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, scientists, technologists and testing organizations. These may also include consultants. An officer of the Bureau shall be the Member Secretary.
- b. Major functions of a Division Council would be as follows:
 - i. To advise on the subject areas to be taken up for formulation of standards in their respective areas keeping in view the national needs and priorities;
 - ii. To set up Sectional Committees within their areas, define their scopes, appoint their Chairmen and members and coordinate their activities;

- iii. To approve proposals for work, decide which proposals should be taken up and direct the Sectional Committee concerned to undertake the approved work and to determine the priority to be assigned to the work.
- iv. To advise on matters relating to research and development needed for the establishment of standards or their revisions;
- v. To study the work of international organizations and their committees in standards formulation as related to the area work of the Division Council and recommend on the extent and manner of participation in standardization activities at the international level;
- vi. To advise on implementation of established standards;
- vii. To receive and deal with activity reports and to make recommendations thereon to the Bureau concerning matters which the decision of the Bureau is necessary;
- viii. To carry out such tasks as may be specifically referred to it by the Bureau/Standards Advisory Committee.

(4) Sectional Committees, Subcommittees and Panels –

- a. Sectional Committees shall be appointed by Divisional Councils or if necessary by the Bureau for the preparation of a particular standard or group of standards. These shall include concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, scientists, technologists and testing organizations and may also include consultants, but consumer interests shall, as far as possible, predominate. An officer of the Bureau shall be the Member-Secretary.
- b. A Sectional Committee may appoint subcommittees and/or panels.
- c. Sectional Committees, subcommittees and panels may co-opt experts to assist them in their work.

(5) Terms and conditions for engaging Consultants – The terms and conditions for engaging consultants in the work of the Division Councils and other technical committees and in the work relating to establishment of standards shall be as decided by the Executive Committee.

(6) Procedure for Establishment of Indian Standards

- a. Any Ministry of the Central Government, State Governments, Union Territory Administrations, consumer organizations, industrial units, industry-associations, professional bodies, members of the Bureau and members of its technical committees may submit proposals to the Bureau for establishing a standard or for revising, amending, or cancelling an established standard by making such request in writing.

- b. The work of formulation of standards on any specific subject shall be undertaken when the Division Council concerned is satisfied as a result of its own deliberations or on investigation and consultation with concerned interests that the necessity for standardization has been established.
- c. When the subject has been so investigated as in sub-rule (b) and the need established, the Division Council concerned shall assign the task of formulating the standard to an appropriate Technical Committee or shall appoint a new Technical Committee for the purpose.
- d. When request for establishing a standard for any specific subject has not been accepted after its due consideration, the proposer shall be informed of the decision.
- e. A draft standard prepared and duly approved by a Committee shall be issued in draft form and widely circulated for a period of not less than one month amongst the various interests concerned for critical review and suggestions for improvement. The wide circulation may be waived if so decided by the Sectional Committee where the matter is urgent or non-controversial.
- f. The appropriate Technical Committee shall thereafter finalize the draft standard giving due consideration to the comments that may be received. The draft standard after it has been approved by the Sectional Committee or its Chairman shall be submitted to the Chairman of the Division Council concerned for adoption on its behalf.
- g. All established standards shall be reviewed periodically, at least once in five years, to determine the need for revision or withdrawal. Standards which in the opinion of the Sectional Committee need no revision or amendment shall be reaffirmed by the Sectional Committee.
- h. Proposals for revising or amending published standards shall be considered by the Technical Committee concerned. The revision or amendment shall then be dealt with in accordance with clauses (e) and (f) of sub-rule (6) dealing with the establishment of Indian Standards.
- i. The Director General, however, shall have the power to issue amendments of the corrigenda type meant to correct errors and omissions in established Indian Standards, without reference to the concerned Technical Committee or the Division Council and report to the concerned Technical Committee.
- j. The Director General shall also have the power to tentatively modify such of the provisions of an Indian Standard as in his view are necessary for expeditious fulfilment of any of the objectives of the Act.

Provided that within six months of such actions, concurrence of the concerned Sectional Committee is duly obtained.

- k. Withdrawal of an established Indian Standard shall be decided upon by the Chairman of the respective Division Council on the recommendation of the Sectional Committee concerned.

(7) Status of Indian Standards –

- a. The procedure employed in establishing Indian Standards is designed to ensure that all interested parties have an opportunity to put forward their views, that a consensus has been obtained on the contents of the standards and that there is substantial support for the standards.
- b. Indian Standards are voluntary and available to the public. Their implementation depends on adoption by concerned parties. However, an Indian Standard becomes binding if it is stipulated in a contract or referred to in a legislation or made mandatory by specific orders of the Government.

(8) Publication – The Indian Standards established by the Bureau, their revisions and amendments shall be published and copies thereof, in any form as may be determined by the Bureau, shall be made available for sale.

(9) Pricing of Indian Standards and other Publications – The prices of Indian Standards and other publications shall be fixed by the Director General according to the policy directives of the Executive Committee and may be reviewed periodically.

(10) Standards Promotion – The Bureau may promote standardization and adoption of Indian Standards by consumers, commerce, industry, Government and other interests, in such manner as may be considered necessary.

(11) Procedure for Establishment of Tentative (Provisional) Indian Standards –

- a. A tentative Indian Standard may be prepared when urgently needed but its technical accuracy cannot be established on account of technology being new or not having been proven commercially.
- b. The proposal for preparation of a Tentative Indian Standard shall be as per clause (a) of sub-rule (6) of rule 7. The proposal shall be accompanied by a draft of the Tentative Indian Standard.
- c. The draft of the Tentative Indian Standard shall be examined by the Sectional Committee concerned for approval and issued as a Tentative Indian Standard without wide circulation, after its adoption by Chairman of Division Council concerned on its behalf.
- d. The Foreword of the Tentative Indian Standard shall clearly bring out the following :-
- i. Need for preparing the Tentative Indian Standard;

ii.Scope of its application; and

iii.Period of its validity – the Sectional Committee, may decide the period of validity but this shall not exceed two years; Period of validity may be extended by not more than two years on a review by the Sectional Committee.

e. The Tentative Indian Standard shall not be used for Standard Mark.

f. Before the expiry of the validity period, the Tentative Indian Standard shall be considered by the Sectional Committee for establishing it as a regular standard. If the Sectional Committee is not in favour of its establishment as a regular standard, the Tentative Indian Standard shall lapse after its validity period.

g. Tentative Indian Standard shall be gazetted in accordance with clause (b) of sub-rule (1) of rule 7.

*##(12) Concurrent Running of Indian Standards, –

a. The Director General may allow concurrent running of two versions of an Indian Standard and may also decide the period of such concurrent running.

b. The Director General may allow concurrent running of an Indian Standard and any of its amendments and may also decide the period of such concurrent running.

*8. Recognition of other Standards as Indian Standards –

(1) The Bureau may, in relation to an article or process, recognize any standard established by any other institution in India or outside as an Indian Standard with necessary editorial modifications, in accordance with the procedure as provided hereafter:

Provided that any standard recognized by the Indian Standards Institution at any time before the date on which the Act, the Rules and the Regulations come into force shall be deemed to have been recognized under provisions of the Act, the Rules and the Regulations.

(2) The proposal for such recognition of the appropriate standard shall be made as laid down in clause (a) of sub-rule (6) of rule 7.

(3) If the Director General is satisfied that the proposal should be further processed, he shall –

a. refer it to the Chairman of the concerned Sectional Committee for his recommendation regarding the recognition of the other standard as Indian Standard;

b. If the subject-matter of the proposed standard does not fall within the scope of work of any of the existing Sectional Committees, refer it to the Chairman of the Division Council scope of which is close to the subject under consideration for his recommendation regarding its recognition;

c. if the subject-matter of the proposed standard does not fall within the scope of work of any of the existing Sectional Committees and if there is no Division Council scope of which is close to the subject under consideration, consult an ad-hoc experts committee specially constituted by him for this purpose, for recommendations regarding its recognition.

(4) Standards so recognized as Indian Standards shall be notified in the Official Gazette in accordance with clause (b) of sub-rule (1) of rule 7.

(5) Recognized Indian Standards shall also be made available for sale.

9. Standard Mark –

(1) The Standard Mark in relation to each Indian Standard shall be published by the Bureau in the Official Gazette.

Provided that the Bureau may amend or rescind any Standard Mark so published.

(2) The Standard Mark already established and notified by the Indian Standards Institution shall be deemed to be valid unless amended or rescinded by the Bureau.

10. Establishment, Maintenance and Recognition of Laboratories

(1) Laboratories established and maintained by the Bureau shall –

a. carry out testing of samples in relation to the use of the Standard Mark;

b. carry out Research and Development investigations or testing for collecting data for evolving and revising Indian Standards and for quality assessment studies;

c. provide support services to industries for quality improvement on such terms and conditions to be laid down by the Bureau from time to time;

d. carry out such other functions as may be necessary to fulfil the objectives of the Bureau.

(2) (a) The Bureau may recognize any laboratory in India or in any other country for carrying out testing of samples in relation to use of the Standard Mark and such other functions as may be necessary. In case any laboratory after recognition ceases to fulfil any conditions laid down at the time of recognition, it shall be liable to be de-recognized by the Bureau. The guidelines for recognition and de-recognition of laboratories shall be laid down by the Bureau.

(b) Register of Recognized Laboratories – The Bureau shall cause to maintain a register of such laboratories as are recognized by it for testing samples of articles or processes in relation to the relevant Indian Standards.

11. Appointment of Agents –

(1) Bureau may appoint any person or laboratory or organization in India or outside India as their agents to act on their behalf for discharging any one or more of the following functions :

- a. to carry out inspections of manufacturer's premises in India or outside for allowing use of the Standard Mark;
- b. to test samples of products for their conformity to Indian Standards;
- c. to inspect consignments intended to be covered under the Standard Mark.

(2) The terms and conditions of the appointment as agents shall be set out in an agreement between the Bureau and the agent so appointed.

****Provided that the appointment of agents outside India shall be made with the previous approval of the Central Government.**

12. Inspection of Article or Process when Standard Mark or Conformity to Indian Standard is required by the Act or Under any other Law –

(1) The Bureau may, in terms of provisions of Section 25, carry out inspections, through its inspecting officers or agents, of articles or processes where Standard Mark or Conformity to Indian Standard is required or claimed under this Act or under any other law if authorised under that law.

(2) Such inspections may be carried out in India or outside India at place of manufacture before despatch, or at the place of its entry into India, or at place of its sale or use in India.

(3) Such inspections may include inspection of quality control system, or verification of records of testing or testing of a sample or any other related matter.

@(4) The Bureau of Indian Standards shall be paid fees in advance for such inspection and expenses of travelling allowances, daily allowances and the like as may be mutually agreed.

13. Other Functions of the Bureau – The Bureau under clause (p) of sub-section (1) of section 10 may also –

- a. formulate, implement and coordinate activities relating to quality maintenance and improvement in products and processes;
 - b. promote harmonious development in standardization, quality systems and certification, and matters connected therewith both within the country and at international level;
 - c. provide information, documentation and other services to consumers and recognized consumer organizations on such terms and conditions as may be mutually agreed upon;
 - d. give recognition to quality assurance systems in manufacturing or processing units on such terms and conditions as may be mutually agreed upon;
 - e. bring out handbooks, guides and other special publications;
 - f. carry out inspections and testing or testing of an article or process for conformity to any other standard if so authorized on such terms and conditions as may be mutually agreed upon;
- *@(fa) formulate, implement and coordinate activities relating to registration for self declaration of conformity to the relevant Indian Standard on voluntary or compulsory basis, of articles as may be considered expedient in public interest and so notified through an order by the Central Government after consulting the Bureau.
- g. perform such other functions as may be conducive to the interests of the Bureau.

14. Exemption from Prohibition to Use Certain Names, etc –

(1) The Bureau may exempt any name, mark or trade mark, referred to in section 12 from the operation thereof, if such name, mark or trade mark has been established by or under any law for the time being in force and application has been made to it by any person under sub-rule (2) within a period of six months from the date of commencement of these rules.

(2) Any person claiming an exemption in respect of any name, mark or trade mark under sub-rule (1) may make an application to the Bureau in Form I.

(3) The Bureau shall cause to maintain a register in which shall be entered all names, marks and trade marks exempted by the Bureau under sub-rule (1).

CHAPTER IV

LICENCE

15. Licence – The manner of grant, renewal, suspension and cancellation of licence shall be as determined by Regulations.

16. Appeals Against Decisions of the Bureau – (1) An appeal under section 16 may be preferred by the aggrieved party to the Central Government within ninety days from the date of decision of the Bureau:

Provided that an appeal may be admitted after the expiry of the period of ninety days if the appellant satisfies the Central Government that he had sufficient cause for not preferring the appeal within the ninety days period.

(2) Every appeal made under sub-rule (1) shall be lodged in duplicate and shall be accompanied by a copy of the order appealed against.

(3) Every appeal made under sub-rule (1) shall be accompanied by a fee of rupees five hundred in the form of a Demand Draft drawn in favour of the Bureau.

(4) The Central Government may call for relevant papers from the Bureau and may after such inquiry in the matter as it considers necessary and after giving an opportunity to parties to be heard pass such orders as it thinks fit and any such order by the Central Government shall be final.

*#CHAPTER IV A

REGISTRATION

16A. Registration.- (1) Every manufacturer of the articles notified by the Central Government for compulsory registration under clause (fa) of rule 13 shall apply to the Bureau for grant of registration for self declaration.

(2) Any manufacturer of the articles notified by the Central Government for voluntary registration under clause (fa) of rule 13 may apply to the Bureau for registration for self declaration.

16B. Application for registration.- (1) Every application for registration shall be made in Form VI and shall be accompanied by,-

(a) self evaluation cum declaration as specified in Form VII; and

(b) test report of sample of article as specified in sub-rule (3).

(2) For every manufacturing unit of the articles notified under clause (fa) of rule 13, separate registration shall be required.

(3) The applicant shall get the sample of the article tested from any laboratory in India recognised by the Bureau or any laboratory abroad covered under a mutual recognition agreement with the Bureau.

*@Provided that the test report so furnished shall not be beyond the period of ninety days as on the date of submission of application with Bureau.

(4) Every foreign applicant shall set up a liaison office or branch office located in India which shall meet all liabilities and obligations with respect to the Act and the rules and regulations framed thereunder for the purpose of registration :

Provided that the requirement to set up an office in India shall not apply if the Bureau enters into a Memorandum of Understanding with the concerned country for implementation of the Act and the rules and regulations framed thereunder, or if the foreign applicant nominates an authorised representative located in India who declares his consent to be responsible for compliance to the provisions of the Act and the rules and regulations framed thereunder on behalf of the foreign applicant.

16C. Grant of registration.- The Bureau shall scrutinise the application and if the same is in accordance with provisions of rule 16B, registration shall be granted :

Provided that the Bureau may reject the application for registration if it is not in accordance with the provisions of rule 16B :

Provided further that no application shall be rejected before giving the applicant an opportunity of being heard and before consideration of the explanation, if any, submitted by him in this regard.

16D. Validity of registration.- The registration granted under rule 16C, unless renewed or its renewal is deferred, shall lapse at the end of the period for which it is granted.

16E. Certificate of registration.- (1) Every Registered User shall be given a certificate of registration in Form VIII.

(2) Where registration is granted, it shall be notified by the Bureau on its website, specifying particulars of the registration and the said particulars shall be entered in a register to be maintained by the Bureau.

16F. Conditions of registration:- (1) Every Registered User shall display the words 'Self declaration — Conforming to IS.....' on the article or packaging as the case may be, in a manner so as to be easily visible and where the article cannot be packaged, written on the test certificate relating thereto :

Provided that no Registered User shall display or make such self declaration unless the article conforms to the relevant Indian Standard.

(2) No person other than the Registered User who is in possession of a valid registration shall make a public claim, through advertisements, sales promotion leaflets, price-lists or the like, that his article conforms to the Indian Standard or make such a declaration on the article.

16G. Collection and testing of samples.- (1) Any person authorised by the Central Government or the Bureau may collect samples of articles of a particular registered user from the market or from the manufacturing unit to check their conformity with sub-rules (1) and (2) of rule 16F :

(2) The cost of the samples, whether drawn from the registered user or from the market, and their testing charges shall be borne by the registered user.

(3) The person authorised by the Central Government or the Bureau shall send the sample so collected, to a laboratory recognised by the Bureau or to a laboratory abroad covered under mutual recognition agreement with the Bureau as the case may be, for testing of their conformity to the relevant Indian Standard.

(4) The laboratory to which the samples are sent for testing shall send the test reports in respect of articles under compulsory registration to the Central Government and those in respect of articles under voluntary registration to the Bureau.

(5) If the samples do not conform to the relevant Indian Standard, the Bureau may take action as specified under rule 16 I.

16H. Suspension of registration.- A registration may be suspended by the Bureau on request from the registered user, if the operation in his premises can no longer be carried due to:

- (a) natural calamities such as flood, fire, earthquake etc;
- (b) a lock out;
- (c) closure of operations directed by a competent Court or statutory authority.

16I Stoppage of Self declaration.- (1) The Bureau may, on receipt of information from the Central Government about non conformity of the articles under compulsory registration to the relevant Indian Standard as per the test report received under sub-rule (4) of rule 16G or on the basis of the test reports received directly by it under the said rule in relation to articles under voluntary registration, direct the Registered User to stop the use of the words 'Self declaration' – Conforming to IS', if it is satisfied that such article is not conforming to the relevant Indian Standard.

(2) The Bureau may permit resumption of 'self declaration' by the Registered User, if it is satisfied that the Registered User has taken necessary corrective action and sufficient evidence is produced about conformity of the article to the relevant Indian Standard.

16J. Renewal of registration.- (1) The Bureau may renew the registration if an application in Form IX is made by the registered user at least one month before the expiry of the period for which registration has been granted, in case no action is pending against him under rule 16I.

(2) The registration shall be renewed for a further period of two years on every occasion if the registered user is eligible for the same.

(3) If any action under rule 16I is pending against the Registered User, renewal of his registration may be deferred for a maximum period of twelve months and after the expiry of the said period, the registration shall be deemed to have been renewed and the Bureau shall grant the registration to the Registered User, duly renewed, unless non renewal of the registration has been due to reasons attributable to the Registered User.

(4) Before the Bureau decides not to renew any registration, it shall give the Registered User not less than fourteen days notice of its intention to do so.

(5) The Registered User may submit his explanation, if any, within seven days from the date of receipt of the notice and the same shall be considered by the Bureau and a hearing shall be given to him within fourteen days from the date of receipt of such explanation or before the expiry of the notice period, whichever is later.

(6) In case of failure of the Registered User to submit his explanation within the prescribed time limit or the explanation submitted by the Registered User is not found satisfactory, the Bureau may, on expiry of the notice period, allow the registration to lapse and an intimation thereof in writing, together with the reasons therefor, shall be sent to the Registered User through registered post.

(7) The Registered User shall not use the words 'Self declaration-Conforming to IS,', in case his registration lapses or its renewal is deferred under sub-rule(3).

16K. Cancellation of registration.- (1) Any registration granted by the Bureau may be cancelled by it if on the basis of the test report under sub-rule(4) of rule 16G it is satisfied that-

(a) the articles on which conformity has been self declared under a registration do not conform to the relevant Indian Standard; or

(b) the Registered User has failed to comply with any of the terms and conditions of the registration.

(2) Before the Bureau cancels any registration, it shall give the registered user not less than fourteen days notice of its intention to do so.

(3) The Registered User may submit his explanation, if any, within seven days from the date of receipt of the notice and the same shall be considered by the Bureau and a hearing shall be given to him within fourteen days from the date of receipt of such explanation or before expiry of the notice period, whichever is later.

(4) In case of failure of the Registered User to submit his explanation within the specified time limit or the explanation submitted by the Registered User is not found satisfactory, the Bureau may, on expiry of the notice period, cancel the registration and an intimation thereof in writing, together with the reasons therefor, shall be sent to the Registered User through registered post.

16L. Withdrawal of Indian Standards.- When an Indian Standard is withdrawn, any registration granted in respect thereof shall be deemed to have been cancelled from the date of withdrawal of such Indian Standard.

16M. *@Effect of suspension or cancellation.- Where a registration has been suspended or cancelled, or the term thereof has not been renewed on the expiry of the period of its validity, the Registered User shall discontinue forthwith the use of the words 'Self declaration — Conforming to IS.....' on the article, notwithstanding the pendency of any appeal before the Central Government.

16N Appeal.- An appeal against any order of the Bureau may be made to the Central Government within ninety days from the date of the order of the Bureau.

CHAPTER V

FINANCE, ACCOUNTS AND AUDIT

17. Budget – (1) The Bureau shall prepare budget estimates for the next year and the revised estimates for the current year and shall forward it to the Central Government each year by 15th October or on such date as may be decided by the Central Government.

(2) These estimates shall be prepared separately on revenue and capital accounts.

(3) Budget estimates shall contain the following details –

(a) budget estimates for the current year;

(b) revised estimates for the current year;

(c) budget estimates for the next year.

#17A. Expenditure not Budgeted for – The expenditure which is of an emergent and essential in character but provision for the same has not been made in the budget shall be incurred only after the Executive Committee has approved of it.

#17B. Appropriation – The funds provided in the sanctioned budget shall be deemed to be at the disposal of the Director General who shall have full powers to appropriate sums therefrom to meet expenditure under different heads of accounts for activities and purposes authorised and provided for in the budget.

Provided that funds shall not be appropriated or reappropriated to meet expenditure which has not been sanctioned by an authority competent to sanction it.

#17C. Reappropriation – The Director General shall have powers within the scope of the budgetted activities and purposes to reappropriate sums from one head of account to another:

Provided that funds shall not be reappropriated –

i.to meet the expenditure on any new item of work not contemplated in the budget;

ii.to meet the expenditure on any Project involving construction which has not received administrative approval and technical sanction from the competent authorities;

- iii.to meet the expenditure on any Project involving construction, in excess of 10 per cent of the approved estimates;
- iv.from the provision made for any specified new item of expenditure in the budget for any other purpose;
- v.from funds provided under Plan heads to the Non-Plan heads of expenditure and from Capital to Revenue and vice versa; and
- vi.from or to head of account "Overseas travel" expenditure.

#17D. Bank Accounts – (1) Bank accounts shall be opened in State Bank of India or any of its subsidiaries or any of the nationalized banks and operated in such a manner as may be authorised by the Director-General.

(2) All moneys belonging to the Fund shall be deposited promptly into the Bank.

#17E. Investment – Moneys belonging to the Fund may, with the approval of the Director General or any other Officer authorized in this behalf, be invested in the form and modes as specified under sub-section (5) of section 11 of the Income-tax Act, 1961 (113 of 1961) for Investment of Income derived from Property held under trust wholly for Charitable or religious purposes.

#17F. Contract – (1) The Bureau may enter into all such contracts as it may consider necessary for giving effect to any of the provisions of the Act.

(2) Every contract made under or for any purpose of the Act shall be made on behalf of the Bureau by the Director General or such other officers as may be authorised by him in this behalf.

#17G. Administration of Provident Fund – (1) Contributory Provident Fund and General Provident Fund applicable to the officers and employees of the Bureau shall be administered by a committee of administrators, to be nominated by the Director-General, comprising a Chairman and four other persons out of which at least two of them shall be the representatives of officers and employees.

(2) The functions of the committee of administrators shall include management of the Provident Funds and investment of the same in Government Securities and other deposits, in the manner laid down by the Central Government in this regard. It shall also have the power to delegate such of the functions as it may consider necessary to one or more of its members.

18. Annual Report – (1) The Bureau shall prepare its annual report and forward it to the Central Government within 9 months of the end of the year for being laid before each House of Parliament.

(2) The annual report shall give a full account of the activities of the Bureau during the previous year and shall include the audited accounts of the year and the report of the Comptroller and Auditor General of India thereon. The Bureau shall forward copies of the annual report to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

(3) The annual report shall be prepared in the format given in Form II or as nearer thereto as the circumstances admit.

19. Accounts – (1) The Bureau shall maintain accounts of its income and expenditure relating to each year and maintain records in such a manner as to prepare annual statement of accounts consisting of income and expenditure account and the balance sheet.

(2) Annual statement of accounts shall be submitted for audit not later than 30th June each year in the following forms or as nearer thereto as the circumstances admit –

a. Income and expenditure account in Form III;

b. Schedules A to M attached to and forming part of the income and expenditure account;

c. Balance sheet in Form IV;

d. Schedules N to T attached to and forming part of the balance sheet;

e. Annual statement of accounts shall be signed on behalf of the Bureau by the officer incharge of Accounts and the Director General.

CHAPTER VI

MISCELLANEOUS

20. Inspecting Officers – (1) The Bureau shall designate such of the officers of the Bureau as Inspecting Officers under sub-section (1) of section 25, as it may consider necessary.

(2) Every Inspecting Officer shall be furnished by the Bureau with a certificate of appointment as an Inspecting Officer in Form V. The certificate shall be carried by the Inspecting Officer at all times while he is on duty and shall, on demand, be produced by him.

(3) Every applicant for a licence or every licensee shall afford to the Inspecting Officer such reasonable facilities as the Inspecting Officer may require for carrying out the duties imposed on him by or under the Act.

21. Powers of Inspecting Officer – For the purpose of performing the duties imposed on him by or under section 25 and section 26 of the Act, an Inspecting Officer may –

- a. at any time during the usual business hours enter upon any premises in which any article or process in respect of which a licence has been granted under rule 16 is manufactured or employed by a licensee with a view to ascertaining that the Standard Mark is being used in accordance with the terms and conditions imposed by the Bureau and that the Scheme of routine inspection and testing specified by the Bureau is being correctly followed;
- b. inspect and take samples at such premises of any such article or any material used or intended to be used in the manufacture of such article which is marked with a Standard Mark;
- c. inspect any process at such premises in respect of which the licensee has been given the authority to use the Standard Mark;
- d. examine the records kept by the licensee relating to the use of the Standard Mark;
- e. enter into, and ##search any place, premises or conveyance for such article or process contravening provisions of Section 11 or Section 12 of the Act as provided in Section 26.
- f. where, as a result of search made under (e), any article or process has been found in relation to which contravention of Section 11 or Section 12 of the Act has taken place, seize such articles and any other things as provided in Section 26.

* Inserted vide GSR 7(E) dated 6 January 1989

** Inserted vide GSR 48(E) dated 2 February 1990

*** Inserted vide GSR 638(E) dated 16 July 1990

@ Inserted vide GSR 557(E) dated 17 August 1993

@@ Inserted vide GSR 702(E) dated 12 November 1993

Inserted vide GSR 543(E) dated 5 June 1990

Inserted vide GSR 791(E) dated 7 November 1994

Inserted vide GSR 666(E) dated 26 October 2006

*# Inserted vide GSR 938(E) dated 31 December 2009

*@Inserted vide GSR 887(E) dated 8 November 2010

*@@Inserted vide GSR 297(E) dated 4 April 2011

*##Inserted vide GSR 667(E) dated 4 September 2012



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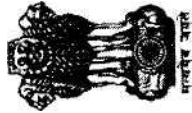
STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION (2012-13)

FIFTEENTH LOK SABHA

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)

THE BUREAU OF INDIAN STANDARDS
(AMENDMENT) BILL, 2012

THIRTIETH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

August, 2013/ Bhadra, 1935 (Saka)

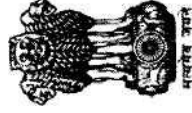
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MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)

THE BUREAU OF INDIAN STANDARDS
(AMENDMENT) BILL, 2012

Presented to Lok Sabha on 30th August, 2013
Laid in Rajya Sabha on 30th August, 2013



LOK SABHA SECRETARIAT
NEW DELHI
August, 2013/ Bhadra, 1935 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION – 2012-13

Shri Vilas Muttemwar

-

Chairman

MEMBERS

Lok Sabha

2. Smt. Harsimrat Kaur Badal
3. Shri Shivraj Bhaiya
4. Shri Kantilal Bhuria
5. Shri Arvind Kumar Chaudhary
6. Shri Harishchandra Chavan
7. Shri Sanjay Dhotre
8. Shri Eknath M. Gaikwad
9. Shri Abdul Mannan Hossain
10. Shri Prataprao Ganpatrao Jadhav
11. Shri Sohan Potai
12. Shri Ponnamm Prabhakar
13. Shri C. Rajendran
14. Shri Purnmasi Ram
15. Shri Chandulal Sahu (Chandu Bhaiya)
16. Shri Adhi Sankar
17. Shri Suresh K. Shetkar^{@@}
18. Shri Jagdish Thakor
19. Shri Laxman Tudu
20. Vacant^{**}
21. Vacant^{***}

Rajya Sabha

22. Dr. Bhushan Lal Jangde
23. Shri Lalhming Liana
24. Smt Rajani Patil[@]
25. Dr. Bharatkumar Raut
26. Ms. Rekha
27. Dr. N. Janardhana Reddy
28. Dr. T.N. Seema
29. Shri Birender Singh
30. Shri Veer Singh
31. Shri Kaptan Singh Solanki

Shri Lalchand Kataria, MP ceased to be a member of the Committee consequent his appointment as Minister of State w.e.f 28.10.2012.

^{**}Vice Shri A. Sai Prathap has been nominated to the Committee on Chemicals and Fertilizers w.e.f.09.01.2013.

[@]Smt Rajani Patil has been nominated to the Committee on FCA&PD w.e.f. 18.03.2013.

^{@@} Shri Suresh K. Shetkar has been nominated to the Committee on FCA&PD w.e.f. 01.05.2013.

^{***} Vice Shri N. Chaluvarya Swamy, MP resigned from Lok Sabha w.e.f. 21.05.2013.

(ii)

SECRETARIAT

1. Shri P.K. Misra - Additional Secretary
2. Smt. Veena Sharma - Director
3. Ms. Bhavna Tanwar - Executive Assistant

INTRODUCTION

I, the Chairman of the Standing Committee on Food, Consumer Affairs and Public Distribution (2012-13) having been authorized by the Committee to present the Report on their behalf, present this Thirtieth Report on “The Bureau of Indian Standards (Amendment) Bill, 2012” pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

2. The Bureau of Indian Standards (Amendment) Bill, 2012 was introduced in Lok Sabha on 3rd May, 2012. Hon'ble Speaker referred the Bill to the Standing Committee on Food, Consumer Affairs and Public Distribution under Rule 331E(i)(b) of the Rules of Procedure and Conduct of Business in Lok Sabha on 28th May, 2012 for examination and report. The Committee invited the views/suggestions of the Individuals/Institutions/Stakeholders etc. on the various provisions of the Bill through the Print and Electronic Media including the LSTV. In response thereto, the Committee received number of Letters/Memoranda containing views/suggestions from various Institutions/ Individuals/Stakeholders etc. which were considered by the Committee while examining the Bill. The Committee also elicited opinion of various Experts and Associations/Agencies who have direct bearing on the Bill and heard the views of some of them namely, Voluntary Organization in Interest of Consumer Education (VOICE), Confederation of Indian Industry (CII), Federation of Industries of India (FII), All India Gems & Jewellery Trade Federation, Akhil Bhartiya Grahak Panchayat, Mumbai Grahak Panchayat, Consumers Association of India and Confederation of Indian Steel Producers Association who tendered their views/suggestions on the various proposed amendments to the Bill before the Committee at various sittings held on 4th, 6th and 11th March and 16th April, 2013.

3. The Committee also invited comments/suggestions from all the State Governments/UT Administrations and consequently, received responses from many State Governments/UT Administrations.

4. The Committee were briefed by the representatives of the nodal Ministry viz. Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on the various provisions of the Bill at their sitting held on 27th February, 2013. The Committee took oral evidence of the representatives of the Department of Consumer Affairs at their sittings held on 16th April, and 9th July, 2013.

(v)

5. The Committee considered and adopted the draft Report on the Bill at their sitting held on 27th August, 2013.
6. The Committee wish to express their thanks to the Officials of the State Governments/UT Administrations and Experts/Associations as well as Individuals/Institutions/Stakeholders/Organisations etc. who placed before the Committee their valuable suggestions which were of great help while arriving at the conclusion during examination of the Bill.
7. The Committee also wish to express their thanks to the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) as well as the Bureau of Indian Standards for tendering oral evidence before the Committee and for furnishing the detailed information/material as and when desired, in connection with the examination of the Bill.
8. During the examination of the Bill, the Committee were immensely benefited by the suggestions made by the Members of the Committee for which I express my sincere thanks to them.
9. The Committee would also like to place on record their deep sense of appreciation of the invaluable assistance rendered by the officials/staff of Lok Sabha Secretariat attached to the Committee.
10. For facility of reference and convenience, the observations/ recommendations of the Committee have been printed in bold letters in the body of the Report.

New Delhi
27th August, 2013
5 Bhadra, 1935 (Saka)

VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food,
Consumer Affairs and Public Distribution

CHAPTER – I

INTRODUCTORY

A. ORIGIN AND DEVELOPMENT OF BUREAU OF INDIAN STANDARDS

During the pre-independence period, standardization activity was sporadic and confined mainly to a few government purchasing organizations. Later on, for economic development through coordinated utilization of resources, the government recognized the role of standardization in gearing industry for competitive efficiency and quality production. The Indian Standards Institution (ISI) was, therefore, set up in 1947 as a registered society, under a Government of India resolution with the objective of promoting standardization, quality control and simplification in industry and commerce.

1.2 The Indian Standards Institution gave the nation the standards it needed for orderly industrial and commercial growth, quality production and competitive efficiency. Product certification scheme was launched in 1955 through ISI Certification Mark Act, 1952.

1.3 In 1986 the government recognized the need for strengthening this National Standards Body due to fast changing socio-economic scenario and accorded it a statutory status. Thus came the Bureau of Indian Standards Act, 1986 (Appendix I) and on 1 April 1987, newly formed BIS took over staff assets, liabilities and functions of erstwhile ISI. Through this change over, the Government envisaged building of the climate of quality culture and consciousness and greater participation of consumers in formulation and implementation of National Standards.

B. IMPORTANCE OF STANDARDS

1.4 Over the years, Standards have started playing a pivotal role in the nation's competitiveness. Ever since fiscal barriers for international trade have started getting successively lowered and border taxes increasingly harmonized, technical barriers to

trade have assumed greater importance. For example, the World Trade Organisation agreement on Technical Barriers to Trade encourages all member countries to adopt International Standards and also move towards mutual recognition of their certification systems. WTO guidelines also provide that enforcement of standards should have uniform application both for domestic industry and for imported items. In other words, standards cannot be enforced selectively only for imported items for protecting domestic industry. Establishment and enforcement of Standards, therefore, has become more and more important for the competitiveness of industry and consequently, that of a nation. In view of the increasing significance of Standards and conformity assessment systems in world trade, it is also essential that the Bureau of Indian Standards re-orient itself to adequately address the future challenges as the National Standards Body of India.

1.5 Apart from international trade, Standards are also fundamental to consumer protection. They are the signaling mechanism to indicate what a consumer can expect from a product or service. They empower the consumer to seek redressal of his grievances on this account. For both these reasons, viz. international trade and industry competitiveness as well as consumer protection, Standards have become a very important ingredient in supportive infrastructure of a country. Over a time the ISI Mark has achieved certain respectability in terms of adherence to established quality.

C. BUREAU OF INDIAN STANDARDS

1.6 The Bureau of Indian Standards Act contained the legal framework and provisions for the establishment of the Bureau for the harmonious development of the activities of

standardization, marking and quality certification of goods and processes. According to the Department of Consumer Affairs, in order to attain this, the Bureau would strive:

- a) To provide harmonious development of standards.
- b) To satisfy the customer's need for quality and safety of goods and services through operation of Certification Schemes of BIS.
- c) To generate awareness on standards, standard mark, and safety & quality of products through Seminars, Awareness Programmes and Publicity Campaigns.
- d) To provide effective and timely service

1.7 The Bureau is a body corporate consisting of 25 members representing both Central and State governments, Members of Parliament, industry, scientific and research institutions, consumer organizations and professional bodies with Minister in charge of Ministry of Consumer Affairs, Food and Public Distribution as its President and with Minister of State or a Deputy Minister of Ministry of Consumer Affairs, Food and Public Distribution as its Vice-President.

1.8 Bureau of Indian Standards is a statutory organization functioning under the administrative control of Department of Consumer Affairs, Ministry of Consumer Affairs, Food and Public Distribution, Government of India. It has six advisory committees to provide guidance and one Executive Committee (EC) with DG as Chairman, to which Bureau has delegated powers for smooth functioning of BIS.

1.9 The Bureau has its Headquarters in New Delhi. It has a network of 05 regional offices, 34 branch offices, 04 inspection offices and 08 laboratories which act as effective link between BIS, government, industry and consumers. The key activities of BIS are as follows:

- 1. Standardization
- 2. Certification
 - a) Product

- b) Management Systems
- c) Hallmarking
- 3. Laboratory
- 4. Sales of Indian Standards and other publications
- 5. International Activities
- 6. Consumer Related Activities
- 7. Promotional Activities and Publicity
- 8. Training Services
- 9. Information services
- 10. Finance & Accounts

D. PERFORMANCE & ACHIEVEMENTS

1.10 BIS, as a statutory body has completed 25 years of functioning. It has made impact not only at national level but also at international level. There are at present 18901 Indian Standards in force covering products, code of practice, test methods, guidelines etc. BIS is formulating standards to safeguard health & safety issues and to keep pace with technological advancements in order to protect Indian consumers and help industry to upgrade quality. In this era of WTO/TBT, the national standards also play a vital role, because the technical regulations for mandatory compliance are based on these national standards.

1.11 BIS has been an active member of International Organizations namely: International Organization for Standardization (ISO) and International Electro-technical Commission (IEC). BIS holds secretariat of some of the important ISO Committees which are of trade interest to India. As member of ISO, BIS takes active part in the development of International Standards with a view to protect the interests of Indian trade & industry. BIS is currently a participating member in 302 technical committees/ subcommittees of ISO and 68 technical committees/ subcommittees of IEC

The quantitative achievements of BIS are given below:

Sl. No.	Activity	Achievement
1.	Standards Formulations	
a	Indian Standards (IS) in force	18901
b	Standards harmonized with international standards	84% (where corresponding Indian Standard exists)
2	Certification (No. of operative licences)	
a	Product Certification (including 253 licences of foreign manufacturers)	25932
b	System Certification	1198
c	Hallmarking	10910

E. SALIENT FEATURES OF BUREAU OF INDIAN STANDARDS ACT

1.12 Bureau of Indian Standards Act, 1986 (63 of 1986) received the assent of President of India on 23rd December 1986 and came into force on 01 Apr 1987. The Act has the mandate for establishment of a Bureau for the harmonious development of the activities of standardization, marking and quality certification of goods and for matter connected therewith or incidental thereto.

- The Act empowers Bureau to grant, renew, suspend or cancel a licence for use of Standard Mark as determined by the regulations. The Standard Mark of the Bureau is popularly known 'ISI' Mark.
- The functions of the Bureau inter-alia include to establish, publish and promote Indian Standards in relation to any article or process; establish, maintain and recognize laboratories for the purpose of standardization and quality control, to undertake research for the formulation of Indian Standards in the interests of

consumers and manufacturers, appointment of agents in India or outside for the inspection and testing.

F. SHORTCOMINGS IN THE BIS ACT, 1986

1.13 Explaining the shortcomings in the BIS Act, 1986, the Ministry of Consumer Affairs, Food and Public Distribution stated in a written note as under:-

- The Preamble of the Act does not have clear mandate for BIS being termed as a national standards body (NSB), despite the fact it functions as NSB.
- Section 14 also restricts Central Government to notify only those article or process as given in Schedule of Industries (Development & Regulations) Act, 1951, under compulsory regime.
- There are no specific provisions for 'Hallmarking' of precious metal article/jewellery.
- There is a felt need to have an alternate system to product certification which may be simpler and based on self declaration of conformity.
- There is no flexibility in the Act as it exists, to provide for such scheme and to provide registration instead of licencing.
- Bureau has powers to appoint agents for inspection and testing, but not for collection of samples. The existing provisions of Act do not explicitly provide power to carry out survey of any article or process relating to Indian Standards, which is quiet essential for ensuring quality.

G. NEED FOR AMENDMENT OF THE ACT:-

1.14 Since its enactment in 1986, the Bureau of Indian Standards Act, 1986 has not been amended. Historically, the primary focus of establishment of standards has been on industrial products. Gradually, and particularly with the introduction of ISO-9000 regime, standards for “processes” have also become important. The “processes” are both for the manufacturing as well as for the services sector, covering Indian Standards IS/ISO 9001, IS/ISO14001, IS/ISO 22000, IS/ISO 27001, IS: 15700 etc.

1.15 Section 14 of the Bureau of Indian Standards Act gives the power to the Central Government to notify any article or process of any scheduled industry which shall conform to the Indian Standard and direct the use of the Standard Mark under licence as compulsory on such article or process. Thus, unless a product or process finds an entry in the first schedule of the Industries (Development and Regulation), Act, 1951, the Government does not have any power under the Bureau of Indian Standards Act to make licensing compulsory for such an article or process. In the interest of public health, safety and environmental considerations it has become necessary to bring under mandatory certification, certain articles (like helmets, toys, etc) not included in the first schedule of the Industries (Development and Regulation) Act, 1951. It is therefore proposed to de-link the Bureau of Indian Standards Act, 1986 and the Industries (Development and Regulation) Act, 1951 so as to empower the Government to bring under compulsory certification regime any article and/or ‘process’ which it considers necessary, in public interest.

1.16 Further, with regard to establishment of standards, the focus has always been on the “producer” of product or service and not on its “dispenser” or the seller. However, there have been requirements where the dispenser, or retailer also needed to be brought

under the standardisation regime. This is particularly so in respect of jewelers selling gold and silver jewellery where, for protecting consumers from unscrupulous jewelers, need has been felt for enforcement of “Hallmark” on jewellery articles sold in the country. The need for enforcement of “Hallmark” has also been emphasized by the Department Related Parliamentary Standing Committee in its various reports. Enforcement of mandatory hallmarking has not been possible due to absence of an enabling provision in the Bureau of Indian Standards Act, 1986. It is therefore proposed to amend the said Act to incorporate an enabling provision for mandatory hallmarking of precious metal articles. This will also facilitate India’s accession to the Convention on Control and Marking of Precious Metals (popularly known as Vienna Convention 1972) that will give a boost to export of jewellery articles to member countries of the Convention, apart from creation of internationally recognized hallmarking centres and availability of quality products for consumers within the country.

H. THE PROPOSED AMENDMENTS:

1.17 According to the Statement of objects and reasons of the Bill, the Bill seeks to amend the BIS Act, 1986, inter-alia

(a) to amend the long title of the said Act to name the Bureau of Indian Standards to be a national standards body and to include the articles, processes and services in addition to goods for the purpose of marking and quality certification;

(b) to amend section 11 of BIS Act, 1986 so as to allow any person who is a registered user of a self declaration of conformity to display or make self declaration on an article or process that his article conforms to the Indian Standards or make a public claim through advertisements, sales, promotion leaflets, price lists or like that his article conforms to the Indian Standards;

(c) to amend section 14 of BIS Act, 1986 so as to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to notify that any article or process of any industry (other than an article or process meant

for export) shall conform to the Indian Standard and direct that the use of the Standard Mark under a licence shall be compulsory;

(d) to insert a new section 14A in BIS Act, 1986 so as to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to make it compulsory for the jewellers selling the precious metal articles in such geographical area and having such minimum turnover as may be specified by regulation to use Hallmark under a licence and that such article conforms to the Indian Standards;

(e) to insert a new section 14B in BIS Act, 1986 so as to,—

(i) empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to notify that any article or process shall conform to the Indian Standard and to direct registration or grant self declaration of conformity with the Bureau as compulsory;

(ii) provide an option to any person in respect of any article or process notified by the Central Government for making registration or grant of self declaration of conformity with, or taking licence, from the Bureau;

(iii) provide that when an article or process notified for registration or in respect of which self declaration of conformity has been granted is subsequently notified, which shall conform to the Indian Standard, then, in addition to such registration or self declaration of conformity, it shall be compulsory to obtain a licence for such article or process in place of such registration or self declaration of conformity;

(f) to insert a new section 14C in BIS Act, 1986 so as to empower the Central Government to authorise any authority to be enforcement authority for enforcement of orders issued under section 14 or section 14A or section 14B of that Act;

(g) to amend section 15 of BIS Act, 1986 so as to empower the Bureau to grant, renew, suspend or cancel registration or grant self declaration of conformity;

(h) to amend section 33 of the BIS Act, 1986 so as to,—

(i) provide for enhancement of quantum of fine from rupees fifty thousand to rupees two lakhs for contravention of section 11 or section 12 or section 14 or section 14A or section 14B or section 15 of the BIS Act, 1986;

(ii) provide for compounding of the offences punishable with fine except when a person has committed offence of similar nature for the second time or thereafter on which a similar offence committed by him has been compounded.

1.18 The Department has stated that the main objectives of the proposed amendments are as under:

- (i) to remove the restrictions imposed by reference to 'Scheduled Industry' in section 14 of the Bureau of Indian Standards Act by including articles and process of any industry so as to empower the Government to bring under compulsory certification regime any article or process which it considers necessary from point of view of health, safety, environment, prevention of deceptive practices and security ;
- (ii) to allow introduction of registration to the relevant Indian Standard as an alternative mechanism to the compulsory certification regime, in order to facilitate the growth of emerging technologies, particularly in the areas of information technology, bio technology, nano technology, etc. This will protect industries and consumers from spurious and sub-standards imports;
- (iii) to facilitate introduction of Hallmarking of precious metal articles under compulsory certification regime in different parts of the country in order to protect the interest of consumers from exploitation by unscrupulous jewelers by ensuring necessary mechanism in place;
- (iv) to strengthen the penal provisions for better and effective compliance with the provisions of the Bureau of Indian Standards Act, 1986.
- (v) compounding of offences under sections 11, 12, 14, 14A, 14B or 15 of the Act .

1.19 The Committee enquired upto what extent, the proposed amendments be beneficial to the Bureau, State Governments/UT Administrations or the Central Government, other stakeholders and Consumers, the Ministry stated that this amendment Bill will be mainly beneficial to the consumers. For example, in case of compulsory hallmarking of precious metal articles, purchasers (consumers) of such articles will be greatly benefitted as they will not be cheated and will be getting the gold jewellery of the purity declared by the jewellers. Similarly, some countries may be dumping sub-standard products, which are relatively cheaper (for example, Electronic and IT products, mobile telephones, batteries for the mobile telephones, digital blood pressure measuring equipment, decorative lights, toys etc) to India. Such products may

adversely affect the health and safety of consumers. With a view to protect consumers from receipt of sub standard products and taking into consideration the demands from different industries (and particularly the IT industry) that instead of taking licence from BIS by the process mentioned above, they may be permitted to declare themselves that their product 'conforms to the relevant Indian Standard', another process for checking conformity of the product through self declaration has been introduced in the proposed amendment. This will protect consumers from spurious and sub-standard domestic or imported products.

1.20 Therefore, the only way left out to stop import of sub standard products in the present era of non-tariff measures is to enforce technical regulations, that is, only those products would be allowed to be imported to our country, which as a minimum, meet laid down national standards. To check whether the products conform to the relevant Indian Standards, BIS has been operating third party product certifications activity as per which licence is granted to manufacturer if he is found competent to product products to conform to Indian Standards. There have been demands from different industries (and particularly the IT industry) that instead of taking licence from BIS by the process mentioned above, they may be permitted to declare themselves that their product 'conforms to the relevant Indian Standard'. Therefore, with a view to include another process for checking conformity of the product through self declaration, amendment has been proposed. This is likely to help the domestic industry to facilitate their growth in emerging technologies, particularly in the areas of information technology, bio technology, nano technology, etc. This will protect industries and consumers from spurious and sub-standards imports.

1.21 There are more than 850 enforcement cases pending in various courts against various persons for misuse of BIS standard mark. This is taking considerable time of BIS officers attending courts. A proposal has been made in the amendment to BIS Act to strengthen the penal provisions for better and effective compliance with the provisions of the Bureau of Indian Standards Act, 1986 and also to provide for compounding of the offence punishable with fine. This will be beneficial to BIS as well as to the industry. Further, for ensuring that the licensee continually produces the products as per relevant Indian Standards, his market samples are procured by BIS technical officers for testing in BIS laboratories. This collection of market samples takes considerable time of BIS

officers. Therefore, it has been proposed in the amendment to this Act that Bureau shall also be given powers to appoint agents for collection of market samples. If this proposed amendment is accepted, it would save considerable time of BIS officers and thus, will be beneficial to the Bureau.

1.22 When the Committee enquired how the Amendment Bill will affect the working of the Bureau and its stakeholders, the Ministry informed that with the introduction of new sections 14 A (enabling compulsory hallmarking) and 14B (compulsory registration), the workload for the Bureau would increase significantly. The Department of Electronics and IT (Deity), Central Government has already notified 15 electronic and IT products under compulsory registration, as per which the manufacturers (domestic and foreign) of these products have to get registration from Bureau before they can sell their products in India. During discussions in various meetings with Deity/manufacturers, it is observed that there may be about 5000 registrations for these 15 electronic and IT products. Similarly, there may be other Central Government Departments, which may consider bringing the products under their control under compulsory registration scheme of BIS. With compulsory gold hallmarking, all the jewellers in the specified locations and having specified minimum turnover would approach BIS for licence. Additionally, the testing centres (Assaying and Hallmarking Centres) for testing purity of gold jewellery and articles would also increase and they would require recognition of BIS before they can test the purity of the gold jewellery sent by the jewellers. Therefore, BIS would require additional human resources as well as other physical resources depending upon the quantum of work likely to come when amendment bill to BIS Act is passed.

1.23 In reply to a query as to what will be the infrastructure required after the Amendment Bill comes into effect, the Department stated as under:-

'It is expected that one technical office and one staff would be able to handle registrations for about 150 manufacturers. Further, the grant of registration is proposed to be decentralized through 34 Branch Offices of BIS and one department at Headquarters for foreign manufacturers. Adequate physical infrastructure and IT equipment would be required.

In implementing amendment Bill making it compulsory for Hallmarking by the Jewellers as per proposed Section 14 (a), - resources, particularly

(i) Manpower would be required for activities, such as grant of licence, monitoring of the licensed jewellers, carrying out market survey, collection of samples of Hallmarked Items, their testing and enforcement of the provisions of the Act for compulsory Certification for Hallmarking.

(ii) Further, infrastructure in terms of creation of more numbers of Assaying and Hallmarking Centres will be required in order to meet the increased demand for Hallmarking as the number of licensed jewellers will increase substantially.

1.24 The Committee also enquired about the role of the State Governments in the implementation of standards of the Bureau of Indian Standards and how the proposed amendment will affect the State Governments, the Ministry informed that the BIS Product Certification Scheme is voluntary in nature. However, as per Section 14 of BIS Act, the Central Government in the public interest can notify any product of the scheduled industry which shall conform to the Indian Standard and shall compulsory have BIS Standard Mark after obtaining a licence from BIS. Additionally, there are other statutory and/or regulatory provisions of various Government Departments (like FSSAI regulations, GAS cylinder rules, Atomic energy regulation board etc) as per which BIS Standard Mark on some products is mandatory. As on date, 90 such products (like packaged drinking water, cement, electrical appliances, pneumatic tyres and tubes, LPG cylinders, milk powder, etc.) have been notified by various Central Government Ministries/Departments. These notifications are normally issued in a document called 'Quality Control Order' as per, which, a manufacturer of such products has to use BIS Standard mark on the products after obtaining license from BIS. As such, no manufacturer can manufacture these products without BIS standard mark on them. Similarly, these products cannot be imported, sold, distributed unless they have BIS standard mark. The enforcement authority for implementation of such quality control orders normally rests with the State Governments/UT Administrations. Additionally, if some manufacturer is using BIS standard mark without obtaining license from Bureau

(misusing BIS Standard mark), and thus violating provisions of BIS Act; in that case also Bureau takes the help of State Governments/UT Administrations to take action against such manufacturers.

1.25 The Committee was further informed that in the proposed amendments to BIS Act, a new Section 14 B has been introduced, as per which the Central Government in the public interest can notify any product which shall conform to the Indian Standard and shall compulsory use the words 'self declaration-conforming to IS...' on such products, after obtaining registration from BIS. If this amendment is accepted and thereafter some Central Government ministries/departments notify the products under this section, then the enforcement authority of such orders would normally be with the State Governments/UT Administrations. Similarly, if hallmarking on precious metal (for example, gold) articles is made compulsory under proposed Section 14 A of BIS Act, then the enforcement authority will have to ensure that the jewellers located in the specified geographical areas and having specified minimum turnover (as determined by the regulations – to be prepared subsequently) shall compulsorily sell only hallmarked precious metal articles (for example, gold jewellery) after obtaining licence from Bureau. The enforcement authority would be defined in the notification (Quality Control Order), which normally will be with the State Governments/UT Administrations. Thus, the workload of State Governments/UT Administrations will increase.

PROCESS OF CONSULTATION HELD BY THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION WHILE DRAFTING THE BILL

1.26 The Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) invited comments from various Ministries/Departments on the draft note for Cabinet for Amendment to Bureau of Indian Standards Act, 1986. The Ministry received comments from the following Ministries/Departments:-

(i) Agriculture and Cooperation (ii) Commerce (iii) Industrial Policy and Promotion (iv) Health and Family Welfare (v) Information Technology (vi) Finance (vii) Posts (viii) Information and Broadcasting. The suggestions/views of the Ministries were considered and the relevant clauses were modified suitably and appropriate changes made in the draft bill before submitting it to the Cabinet for its approval.

The Ministry of Consumer Affairs, Food and Public Distribution received the approval of the Cabinet and then presented the Bill in the Parliament on 3rd May, 2012.

I. PROCESS OF CONSULTATION HELD BY THE COMMITTEE WHILE EXAMINING THE SAID LEGISLATION

1.27 The Bureau of India Standards (Amendment) Bill, 2012 (Appendix II) was introduced in Lok Sabha on 3rd May, 2012 which was referred to the Standing Committee on Food, Consumer Affairs and Public Distribution by Hon'ble Speaker for examination and report on 28th May, 2012 as per Rule 331 (E) (1) (b) of the 'Rules of Procedure and Conduct of Business in Lok Sabha'. The Committee accordingly, obtained written information on various issues provided in the Bill from the Nodal Ministry i.e. Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs). The Committee were briefed by the representatives of the Department of Consumer Affairs on the various aspects of the Bill at a subsequent sitting of the Committee. The Committee also took oral evidence of the representatives of the Nodal Ministry and BIS.

1.28 The Committee decided to invite the views of experts, organizations, individuals and other stakeholders through print and electronic media including the Lok Sabha TV. In order to obtain views/suggestions from various Institutions/ Individuals/ Stakeholders/ Experts etc. a Press Advertisement was issued and in response thereto the Committee received a number of letters/Memoranda containing their views. Accordingly, as decided by the Committee, selected experts/representatives of associations/ trade federations who have direct bearing on the Bill deposed before the Committee to share their views/suggestions on the various proposed amendments to the Bill, namely:

- (a) VOICE
- (b) Federation of Industries of India (FII)
- (c) Confederation of Indian Steel Producers Association (CISPA)
- (d) Confederation of Indian Industry (CII)
- (e) Consumers Association of India (CAI)
- (f) All India Gems & Jewellery Trade Federation (GJF)
- (g) Mumbai Grahak Panchayat
- (h) Akhil Bharatiya Grahak Panchayat

The aforesaid experts and stakeholders raised few reservations on some of the provisions of the Bill and suggested some modifications/amendments.

1.29 Since the Quality Control Orders to include a particular product in the mandatory list of products is to be issued by the Central Ministries and their enforcement authorities would normally be the State Governments/UT Administrations, the Committee also invited comments/suggestions of the various concerned Central Government Ministries, State Governments/UT Administrations. Consequently, the Committee received responses from various Central Government Ministries viz. Ministry of Commerce and Industry, Agriculture, Chemicals and Fertilizers, Road Transport & Highways, Science and Technology, Drinking water & Sanitation, Finance, Micro Small and Medium Enterprises, Textiles, Steel, Heavy Industries & Public Enterprises, Food Processing Industries and State Governments/UT Administrations viz. Assam, Rajasthan, Mizoram, Chhattisgarh, Andaman & Nicobar Islands, Andhra Pradesh, Maharashtra, Punjab and Nagaland.

1.30 The Committee desired to know whether there was a possibility of duplicacy of work in case of formulation of standards by BIS and other mandated authorities such as Food Safety and Standards Authority of India (FSSAI), the Department in a written communication stated that BIS has so far formulated around 1000 Indian Standards in the area of food quality and safety, which include product specifications, methods of test, codes of practice and terminology. Indian Standards are formulated by a process of consultation with consumers, regulatory and other Government bodies, industry, scientists, technologists and testing organizations through duly constituted technical committees. Indian Standards on food products are comprehensive documents covering requirements, sampling plans, methods of tests etc. whereas FSSAI regulations cover mandatory requirements for food products. The standards laid down by BIS and FSSAI regarding food articles have been mostly harmonized. Differences, if any, are resolved in technical committees where experts from both organizations participate. In unresolved cases concerning food articles, finally the standards laid down by FSSAI will prevail.

1.31 The Committee also invited comments on the views expressed by some organizations that other Accredited Certification Bodies such as NABL, Quality Council of

India, Food Safety & Standards Authority of India, etc, may be allowed to carry out the implementation of National Standards. The Ministry in reply stated as under:-

“BIS is a ‘certification body’ which certifies quality standards of products and services. Bodies like Quality Council of India (QCI) and NABL are Accreditation bodies that give accreditation/recognition to quality ‘Laboratories’. As regards Food Safety and Standards Authority of India (FSSAI) it is mandated under the Food Safety and Standards Act, 2006 to ‘fix food standards and regulate – monitor the manufacturing, import, processing, distribution and sell of food so as to ensure safe and wholesome food for the people’. Both BIS and FSSAI will function harmoniously to protect consumer interests.”

The Committee would deal with various provisions of the Bill which need comments in the subsequent chapters.

1.32 The Committee note that the Bureau of Indian Standards Act, 1986 was enacted to provide for the establishment of a Bureau for the harmonious development of the activities of Standardization, marking the quality certification of goods, granting, renewing or cancelling the licence for the use of Standards Mark in order to promote International trade of Indian goods and protect the Indian consumers. Despite the Indian economy going under liberalization, privatization and globalization wherein the markets are opened for foreign goods and the Indian goods facing international competition, the BIS Act, 1986 has never been amended to adopt to the challenges of the global trade. The Committee, therefore, feel that the Bureau of Indian Standards (Amendment) Bill, 2012, which seeks to proclaim the Bureau of Indian Standards as the National Standards Body, de-linking the BIS Act from the Industries (Development and Regulation) Act, 1951 which restricted the Bureau from bringing important products and services under compulsory certification scheme, introduction of the provision for self-declaration of conformity and giving more teeth to the Bureau by strengthening the penal provisions of the BIS Act, is the need of the hour. The Committee observe that the Government had held consultations for finalizing the Amendment Bill with various Central Government Departments/Ministries viz. the Department of Industrial Policy and Promotion, Ministry of Commerce, Ministry of Health and Family Welfare, Ministry of Agriculture & Co-operation and Department of Information and Technology etc. who more or less have no objection to the provisions of the Bill. While examining the Bill, the Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution also invited views/comments of various Central Ministries/ Departments as well as State Governments/UTs and received comments from some of them who have by and large agreed to the various provisions of the Bill. The Committee also held wide consultations with the experts, Organizations and other Stakeholders. In these consultations, few reservations on some of the provisions of the Bill were also expressed which will be discussed subsequently in relevant chapters of the report. Keeping in view the importance of the Bill which aims at ensuring standard quality of products being manufactured and traded, thus benefiting the consumers at large, the Committee recommend the passage of the Bureau of Indian Standards (Amendment) Bill,

2012 subject to their observations/recommendations contained in the subsequent chapters of the Report.

1.33 The Committee note that the BIS has a network of 5 regional offices, 34 branch offices, 4 inspection offices and 8 laboratories which act as an effective link between BIS, Government, Industry and consumers. The Committee also note that with the introduction of new sections 14A and 14 B, the workload for the Bureau would increase significantly. For example, the Department of Electronics and IT has already notified 15 electronic and IT products under compulsory registration and expect about 5000 registrations for these products alone. Similarly, there will be other Central Government Departments which may bring their products under compulsory registration scheme of BIS. Therefore, BIS would require additional human resources and infrastructure depending on the increase in the quantum of work. The Committee are of the view that the Bureau is not equipped with enough manpower resources, infrastructure, laboratories and skilled manpower. The Committee have been informed that bodies like Quality Council of India (QCI) and National Accreditation Board for Testing and Calibration Laboratories (NABL) are accreditation bodies that give accreditation/recognition of quality 'Laboratories'. The Committee recommend that for better implementation of the Act and enforcement of mandatory standards, the Bureau should involve other organizations/institutions such as Quality Council of India and other accreditation boards to carry out surveys, inspection and testing the quality of the goods, etc. This will reduce the workload of the Bureau thus helping it focus on its prime motive of standards formulation. Such decentralization of functions will also imbibe faith and confidence in the minds of the industry pertaining to transparency of its operations. The Committee also recommend that the Bureau should be strengthened in terms of manpower, technical expertise and testing

facilities like laboratories. Bureau should open more regional centers covering all the districts and specially the industrial zones and equip them with the latest technological advanced facilities and equipments. Further, the BIS website should be regularly updated and made more user friendly enabling the consumers/manufacturers to access information and download forms etc. for their use. The Committee also recommend that the Bureau may invigorate its working and focus on ground level implementation so that the provisions of the Bureau of Indian Standards (Amendment) Bill, 2012 are executed as per the spirit of the Bill.

1.34 The Committee note that neither the BIS Act, 1986 nor the amendment Bill provide for a direct redressal forum, like a Tribunal to deal with complaints relating to faulty execution of the Bill. In the absence of such a redressal forum, interpretation or application of these provisions of the Bill for fair implementation of the proposed mechanism would be a great challenge. The Committee, therefore, strongly recommend for setting up of such a redressal forum or tribunal under the Bureau of Indian Standards which may exclusively deal with the complaints and issues pertaining to the misinterpretation or faulty execution of the provisions of the Bureau of Indian Standards (Amendment) Bill, 2012.

1.35 The Committee note that at present BIS has the mandate to formulate standards on any product or services for the entire country. The Committee are informed that Indian Standards are formulated by a process of consultation with consumers, regulatory and other Government bodies, industry, scientists, technologists and testing organizations through duly constituted technical committees and Indian Standards on food products are comprehensive documents covering requirements, sampling plans, methods of test, etc. The Committee also note that BIS has so far formulated around 1000 Indian Standards in the area of food quality and safety, which include product specifications, methods of test, codes of practice and terminology. The Committee further note that the Food Safety and Standards Authority of India (FSSAI) has been created in 2006 to specifically deal with food sector as a specialized agency. It is mandated under the Food Safety and Standards Act, 2006 to 'fix food standards and regulate – monitor the manufacturing, import, processing, distribution and sale of food so as to ensure safe and wholesome food for the people'. Both BIS and FSSAI function harmoniously to protect consumer interests. The Committee are of the view that the standards laid down by BIS and FSSAI regarding food articles have been mostly harmonized. The Committee recommend that differences, if any, should be resolved in technical committees where experts from both organizations participate and in unresolved cases concerning food articles, finally the standards laid down by FSSAI should prevail.

1.36 The Committee also note that implementation of mandatory standards is mostly done by officers appointed by State Governments or by higher officers in the concerned Central Ministries. However, there does not exist any monitoring mechanism on the part of BIS, resulting in inferior quality products being offered to the consumers inspite of formulation and existence of standards, voluntary and mandatory. The Committee are of the view that it should be the endeavour of the Government to protect the consumers' interest, health and safety, as well as support Indian manufactures, small, medium and large to be competitive in serving the Indian as well as global markets. This can be done only by formulating a well-devised policy on standards which should be properly implemented with an effective monitoring mechanism. The Committee, therefore, recommend that the Bill should provide for mass and regular market checks by BIS and the implementation of standards should not be left to the States only.

CHAPTER II

SECTION/CLAUSE-WISE ANALYSIS OF THE BILL

A. DEFINITIONS

The Clause (3) proposes to amend Section 2 of the Bureau of Indian Standards Act, 1986 containing various definitions which are as under:-

2. In this Act, unless the context otherwise requires, -

- a. "article" means (as respects standardisation and marking) any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured;
- b. "Bureau" means the Bureau of Indian Standards established under section 3 ;
- c. "consumer" means a consumer of any article or process ;
- d. "covering" includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper or other container;
- e. "Executive Committee" means the Executive Committee constituted under sub-section (1) of section 4;
- f. "Fund" means the Fund constituted under section 18;
- g. "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes -
 - i. any standard recognised by the Bureau under clause (b) of section 10; and
 - ii. any standard established and published, or recognised, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau;
- h. "Indian Standards Institution" means the Indian Standards Institution set up under the Resolution of the Government of India in the late, Department of Industries and Supplies No. 1 Std.(4)/45, dated the 3rd day of September, 1946, and registered under the Societies Registration Act, 1860;
- i. "inspecting officer" means an inspecting officer appointed under section 25;
- j. "Licence" means a licence granted under section 15 to use the Indian Standards Certification Mark in relation to any article or process which conforms to the Indian Standard and includes any licence granted under the Indian Standards Institution (Certification Marks) Act, 1952 and is in force immediately before the date of establishment of the Bureau;
- k. "manufacturer" means the manufacturer of any article or process;
- l. "mark" includes a device, brand, heading, label, ticket,. pictorial representation, name, signature, word, letter or numeral or any combination thereof;
- m. "member" means a member of the Bureau;
- n. "prescribed" means prescribed by rules made under this Act;
- o. "Process" includes any practice, treatment and mode of manufacture of any article;

- p. "registering authority" means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;
- q. "regulations" means regulations made by the Bureau under this Act;
- r. "rules" means rules made by the Central Government under this Act;
- s. "Specification" means a description of an article or process as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or other characteristics to distinguish it from any other article or process;
- t. "Standard Mark" means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian Standard and also includes any Indian Standards Institution Certification Mark specified by the Indian Standards Institution;
- u. "trade mark" means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark, whether with or without any indication of the identity of that person;
- v. an article is said to be marked with a Standard Mark if the article itself is marked with a Standard Mark or any covering containing, or label attached to, such article is so marked.

2.2 The Government under Clause 3 have proposed to add new sub sections under the existing Section 2 for the purpose of defining 'hallmark', 'jeweller', 'precious metals', 'precious metal articles', 'registration', 'registered user' and 'self declaration of conformity' which is as under:-

3. In section 2 of the principal Act,—

(i) after clause (f), the following clause shall be inserted, namely:—

'(fa) "Hallmark" means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian Standard in relation to precious metal article;'

(ii) after clause (j), the following clause shall be inserted, namely:—

'(ia) "jeweller" means a person selling precious metal articles;'

(iii) after clause (m), the following clauses shall be inserted, namely:—

'(ma) "precious metal" means gold, silver, platinum and palladium;

'(mb) "precious metal article" means any article made entirely or in part from precious metals or their alloys;'

(iv) after clause (p), the following clauses shall be inserted, namely:—

'(pa) "registration" means the registration granted by the Bureau for self declaration under sub-section (1A) of section 15;

(pb) "registered user" means a person who has been granted registration or self declaration of conformity by the Bureau under sub-section (1A) of section 15;

(pc) "self declaration of conformity" means a declaration by a manufacturer of his product in conformity with the Indian Standard;';

(v) in clause (t), for the words "includes any", the words "includes Hallmark or the mark of an international body or institution or any" shall be substituted.

Summary of views/suggestions placed before the Committee

2.3 Ministry of Commerce (Department of Industrial Policy and Promotion) –

'Precious metal articles' means any article made entirely or in part from precious metal or their alloys including gems studded jewellery made from precious metal because diamond/stone studded jewellery made from precious metal is becoming more popular and by inclusion of such items the scope and coverage will be substantially enlarged.

Department of Information Technology (DIT):

- i. 'Registration' be defined as Registration of goods granted by an agency/ Organisation notified by the Government as a part of the scheme notified under article 14 B of this Act.
- ii. The industry has all along been arguing in favour of open system and any control by a single agency creates a doubt in the mind of industry. Thus, in order to take the industry along and in line with the international practice it is proposed to use liberalized – decentralized approach.
- iii. Definition of 'Standard mark' amended to include hallmark. The Standard Mark shall also include any other Mark that Govt. may notify in consultation with the Bureau or otherwise under scheme notified by BIS/Govt.

With the proposed amendment of BIS, it would be possible to evolve/grant a 'Standard Mark' only for Licensing by BIS. Provision for evolving/ granting a "Standard Mark" for Registration or for depicting Compliance to Standards even with/ without registration is also needed.

Consumer Association of India – Jeweller means a person selling or manufacturing or otherwise dealing in precious metal articles.

VOICE – The definition of “services” should be incorporated because BIS has already started certifying services standards of ISO. Also the definition of jeweler should be amended as under:

Section 2 (ia) “jeweller” means person making, selling precious metal articles.

(ma) Add the word “diamond”

Mumbai Grahak Panchayat have suggested that the word “service(s)” needs to be defined also the definition of (ia) “jeweller” means a person selling precious metal articles should be amended to be read as (ia) “jeweller” means a person manufacturing and/or repairing and/or selling precious metal articles.

2.4 In response to the above suggestions made by the Department of Industrial Policy and Promotion, the Department of Consumer Affairs replied that since any article made entirely or in part from precious metals has been defined as a ‘precious metal article’, gems studded jewellery made from precious metal like diamond would also be covered within the purview of the definition. Modification of the definition is therefore not found necessary. This definition has been taken from the Indian Standard.

2.5 To the suggestions made by Department of Information Technology (DIT), the Department of Consumer Affairs replied as follows:-

- i. Registration is a scheme parallel to the existing statutory core licencing function of BIS. It’s basic objective is to allow self declaration by manufacturers, of conformance of their products to the relevant Indian Standard(s) so that they are freed from the delay and costs involved in obtaining a licence. On par with the situation prevailing in licencing where no agency other than BIS grants licenses, registration of manufacturers should also be confined to BIS, the statutory authority concerned.
- ii. Multiplicity of agencies for the purpose of registration under BIS Act is likely to result in lack of uniformity and difficulties in enforcement of compliance with the Standards and therefore not considered feasible. Orders in respect of articles to

be brought under mandatory registration in any case are issued by the nodal Ministry/Dept. concerned taking into consideration its special requirements, if any. The nodal Ministry/Department would also play the dominant role in monitoring the performance of the manufacturers granted registration.

- iii. Use of Standard Mark is not permitted under registration. Further, permission for self-certification under registration scheme can be granted to 'registered users' possessing valid registration from the Bureau under sub section (1A) of section 15. Entities not registered with the Bureau cannot have the facility of self-declaration of conformance. Since BIS does not handle with matters relating to non licencees/non registered units, enforcement of conformity and punishment for infringement of the Act and Rules/Regulations framed there under will not be possible in the cases of non licencees /unregistered entities.

2.6 The Committee note that clause 3 of the Bill intends to add new sub-sections under the already existing definitions under Section 2 of the Principal Act for the purpose of defining 'Hallmarking', 'jeweller', 'precious metal article', 'registration', 'registered user' and 'self declaration of conformity' as the terms are used elsewhere in the Act. The Committee observe that insertion of these definitions would provide better clarity and facilitate Indian Standardization of goods, articles, processes and services. The Committee, however, find that the term "jeweller" has been defined in a narrow and vague sense. The Committee fail to understand the rationale of not including "manufacturing and repairing" in the definition of jeweller. The Committee, therefore, desire that "jeweller" may be defined as "means a person manufacturing, selling or repairing precious metal articles".

The Committee find that in the Bill "services" has been included in the preamble to the Act but the definition of 'services' does not appear anywhere in the text of the Bill. A suitable definition for the term "services" may, therefore, be included in the definitions under Section 2 of the principal Act of 1986 since BIS has already started certifying services standard of ISO. The Committee also recommend that in Section 2 of the Principal Act in sub-section (g), after the word 'specification of such article' the words 'or service' may be added.

B. Ambiguity regarding 'Registration' and 'Self declaration of Conformity' (SDOC)

2.7 Confederation of Indian Industry (CII) in their written Memoranda have pointed out the Ambiguity regarding 'Registration' and 'Self Declaration of Conformity (SDOC)' which is as under:-

Provision as read in the Amendment Bill	Inferred meaning
'2 <i>pa</i>) "registration" means the registration granted by the Bureau <i>for self declaration</i> under sub-section (1A) of section 15;	Implies Registration is the method by which a manufacturer can make a 'self declaration of conformity.
2 <i>(pb)</i> " registered user " means a person who has been granted registration or self declaration of conformity by the Bureau under sub-section (1A) of section 15;	This implies that Registration and Self Declaration are two different options, but the owner of either will be called 'Registered user'.
2 <i>c)</i> " self declaration of conformity " means a declaration by a manufacturer of his product in conformity with the Indian Standard;';	A separate definition implies 'Self declaration' is an independent option
10 " <i>(da)</i> grant, renew, suspend or cancel, registration or self declaration of conformity ";"; Also 15 (a), (1A) The Bureau may, for the purpose of self declaration under sub-section (1) of section 14B, by order, grant, renew, suspend or cancel registration or grant self declaration of conformity in such manner as may be determined by regulations."	The terms are used as alternates. Purely from 'self declaration' perspective, which signifies a voluntary action, the use of regulatory terms grant, renew, suspend and cancel appear contradictory
11 (3) No person, other than a registered user in possession of a valid registration or self declaration of conformity , shall, on and after the commencement of the Bureau of Indian Standards (Amendment) Act, 2012 display on and after such commencement in relation to any article or process, the words "Self declaration — conforming to IS....." on an article or packaging, as the case may be, or make a public claim, through advertisements, sales promotion leaflets, price lists or the like, that his article conforms to the Indian Standard or make such a declaration on the article.'.	Here it appears a Registered user can have either a 'registration' or 'self declaration of conformity' (same as in definition of 'Registered user').
14B. (1) Without prejudice to the provisions of section 14, where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order, published in the Official Gazette,— (a) notify any article or process which shall conform to the Indian Standard; and (b) direct registration or grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration on such article or process as under: "Self declaration—Conforms to IS....."	Here the terms used are registration and 'grant' self declaration of conformity. Para b) is also bad in English – direct grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration Also the intent of making a voluntary action (self declaration) as compulsory is self contradictory
15 (2) The grant or renewal of the licence under sub-section (1) or as the case may be, registration or allow self declaration of conformity or renewal thereof under sub-section (1A) " shall be subject to such	The term used is 'allow' self declaration. This implies that self declaration can be allowed without a formal 'registration'.

conditions and on payment of such fees as may be determined by regulations.	
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The definitions of 'registration' and 'self declaration of conformity' need to be clarified with respect to their usage in the rest of the body of the Bill. The amendment Bill needs to be re-drafted to remove any ambiguity in the understanding and further treatment of these two terms – 'Registration' and 'SDOC' and preferably provide for SDOC as an additional option without the need for 'granting' Registration.

2.8 The Department of Consumer Affairs were requested to furnish their comments on each of the above issues. In response the Department have furnished the following table:-

Statement in Proposed amendment to BIS Act	Interpretation by CII	Department's response
'2 pa) "registration" means the registration granted by the Bureau for self declaration under sub-section (1A) of section 15;	Implies Registration is the method by which a manufacturer can make a 'self declaration of conformity.	"Registration" is a process by which Bureau grants permission to a manufacturer to make a self declaration under sub-section (1A) of section 15 on his product.
2 (pb) "registered user" means a person who has been granted registration or self declaration of conformity by the Bureau under sub-section (1A) of section 15;	This implies that Registration and Self Declaration are two different options, but the owner of either will be called 'Registered user'.	The words, "registration or self declaration" are to be corrected as "registration for self declaration".
2 c) "self declaration of conformity" means a declaration by a manufacturer of his product in conformity with the Indian Standard;;	A separate definition implies 'Self declaration' is an independent option	The definition may be corrected as follows: 2 c) "self declaration of conformity" means a declaration by a manufacturer that his product conforms to the Indian Standard; The right of self declaration accrues to the manufacturer on his getting registration from

		BIS. It is not an independent option.
<p>10 "(da) grant, renew, suspend or cancel, registration or self declaration of conformity;"</p> <p>Also</p> <p>15 (a), (1A) The Bureau may, for the purpose of self declaration under sub-section (1) of section 14B, by order, grant, renew, suspend or cancel registration or grant self declaration of conformity in such manner as may be determined by regulations."</p>	<p>The terms are used as alternates.</p> <p>Purely from 'self declaration' perspective, which signifies a voluntary action, the use of regulatory terms grant, renew, suspend and cancel appear contradictory</p>	<p>10 (da) The words , "registration or self declaration" are to be corrected as "registration for self declaration".</p> <p>15(a)(1A)- Words "registration or grant self declaration" to be corrected as "registration for self declaration"</p> <p>The comment of CII is based on presumption that 'Self declaration' is an independent option. It is not so, as explained above.</p>
<p>11 (3) No person, other than a registered user in possession of a valid registration or self declaration of conformity, shall, on and after the commencement of the Bureau of Indian Standards (Amendment) Act, 2012 display on and after such commencement in relation to any article or process, the words "Self declaration — conforming to IS....." on an article or packaging, as the case may be, or make a public claim, through advertisements, sales promotion leaflets, price lists or the like, that his article conforms to the Indian Standard or make such a declaration on the article.'</p>	<p>Here it appears a Registered user can have either a 'registration' or 'self declaration of conformity' (same as in definition of 'Registered user').</p>	<p>Registration and Self Declaration are not two different options</p> <p>The words , "registration or self declaration" are to be corrected as "registration for self declaration".</p>
<p>14B. (1) Without prejudice to the provisions of section 14, where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or</p>	<p>Here the terms used are registration and 'grant' self declaration of conformity.</p>	<p>The statement in proposed amendment to be corrected as follows:</p>

<p>expedient in the public interest so to do, it may, by order, published in the Official Gazette,—</p> <p>(a) notify any article or process which shall conform to the Indian Standard;</p> <p>and</p> <p>(b) direct registration or grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration on such article or process as under: "Self declaration—Conforms to IS....."</p>	<p>Para b) is also bad in English – direct grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration</p> <p>Also the intent of making a voluntary action (self declaration) as compulsory is self contradictory</p>	<p>(b) direct registration for self declaration of conformity with the Bureau as compulsory for the purpose of self declaration of conformity on such article or process as under:</p> <p>"Self declaration—Conforms to IS....."</p>
<p>15 (2) The grant or renewal of the licence under sub-section (1) or as the case may be, registration or allow self declaration of conformity or renewal thereof under sub-section (1A)" shall be subject to such conditions and on payment of such fees as may be determined by regulations.</p>	<p>The term used is 'allow' self declaration.</p> <p>This implies that self declaration can be allowed without a formal 'registration'.</p>	<p>A formal registration is mandatory before self-declaration</p>

2.9 The Committee note that throughout the proposed amendment the terms 'Registration' or 'Grant of self declaration of conformity' have been used differently. The Committee feel that it is very important to understand how it will impact the manufacturers - whether the conditions for 'registration' and SDOC will be identical or different. In view of the above, the amendment needs to be re-drafted to remove any ambiguity in the understanding and further treatment of these two terms – 'Registration' and 'SDOC'. The Committee, therefore, recommend that these terms may be clarified in the draft bill and be used in an unambiguous way.

2.10 The Committee note that huge money is spent in establishing the standards but these standards are not used by the industry. Consequently, the consumers get inferior quality of produce and the money spent on establishing the standards goes waste. The Committee, therefore, desire that some portion of the budget of the Department should be earmarked to oversee its implementation.

The Committee also feel that some sort of incentive will help in encouraging the industry to use ISI/BIS specifications. The Committee, therefore, desire that if any product uses such standards/mark laid down by BIS for the first time in the industry, it should get 1% to 5% rebate in excise duty/VAT. It may cover some cost of compliance by the producer.

C. THE EXECUTIVE COMMITTEE

2.11 The Clause 4 proposes to amend Section 4(1) of the Bureau of Indian Standards Act, 1986.

4. (1) The Bureau may, with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely:-

- a. Director-General of the Bureau, who shall be its ex-officio Chairman;*
- b. such number of members, as may be prescribed.*

(2) The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such of the functions, powers and duties of the Bureau as may be delegated to it by the Bureau.

2.12 The Government under Clause 4 of the Bill proposes to amend Section 4(1) of the BIS Act which is as under:-

4. In section 4 of the principal Act, in sub-section (1), after clause (b), the following proviso shall be inserted, namely:—

"Provided that a member of the Executive Committee as may be prescribed, may, authorise any person to represent him in the Committee."

2.13 When asked about the role, powers and functions of the Executive Committee, the Ministry in their written replies has given the extracts from the proceedings of the first meeting of the BIS held on 18th April, 1987 informing as under:-

"Delegation of Functions, Powers and Duties of the Executive Committee – Having considered item 3.2 of the Agenda, the Bureau RESOLVED that the following functions, powers and duties of the Bureau be delegated to the Executive Committee:

- i) Powers and functions of the Bureau as laid down under section 10 (1) of the Act and rules 7 to 13 of the Rules framed thereunder;
- ii) Constitution of technical Committees of experts for the formulation of standards in respect of articles or processes (section 5(3) of the Act);
- iii) Advising the Central Government in public interest for notifying any article or process of any scheduled industry to conform to Indian Standard and direct the use of Standard Mark under a licence as compulsory on such article or process (section 14 of the Act);

- iv) To borrow money from any source as may be deemed fit for discharging all or any of the functions of the Bureau with the consent of the Central Government or in accordance with the terms of any general or specific authority given to it by the Central Government (section 19 (1) of the Act);
- v) Approval of the Revised Budget Estimates for the current year and Budget Estimates for the next year and forwarding them to the Central Government (section 20 of the Act)
- vi) Preparation of the Annual Report within nine months from the end of the year to which it relates for approval of the Bureau and forwarding copies of the Annual Report to the Central Government for being laid before each House of Parliament (sections 21 and 23 of the Act);
- vii) Creation of posts subject to approval of the Central Government.

2.14 In reply to a query, the Ministry in their written reply has informed that the effect of the proposed amendment would be that the Executive Committee members due to their preoccupation or otherwise, unable to attend the meeting themselves will be empowered to nominate their representatives in the meetings of the Executive Committee. Amendment will also ensure adequate representation of EC members and assist wider views on the issues leading to better decision. It would also facilitate meeting the requirement of quorum of the meeting of the Executive Committee.

Summary of views/suggestions placed before the Committee

Ministry of Science and Technology (Department of Biotechnology) - Since Members of the Executive Committee are the nominated officials of various Government Departments/Institutions for a defined term, they only are supposed to participate in the meetings of the Executive Committee. Therefore there should not be further nomination of another person by the member(s) of the Executive Committee.

Ministry of Drinking Water and Sanitation - Authorized person, nominated by the member of the Executive Committee should have professional educational qualifications and experiences relevant to the sector represented.

Ministry of Chemicals and Fertilizers – Considering the nature of the job necessitating specialized knowledge, provisions related to enabling Member of the Executive Committee to nominate another persons are not advisable under normal circumstances. It may be reviewed and Bureau be advised to prepare minimum qualification criteria, guidelines for accepting alternate members. Provisions for nomination of alternate member are advisable under special conditions provided nominated alternate member meets qualifying requirements of Bureau. This Department agrees that if a member feels to invite any subject area expert to attend a meeting, this provision should be there.

Ministry of Agriculture – It is felt that another person nominated by the Member of the Executive Committee should have adequate technical competence. A suggestion can be that there may be a Principal Executive Member and an Alternate Executive Member (having competence) and Alternate Member may attend the meeting if Principal Member is not able to attend the meeting. Such a system is followed by BIS in various Sectional Committees.

Ministry of Science and Technology – Since Member(s) of the Executive Committee are the nominated officials of various Government Departments/Institutions for a defined term, they only are supposed to participate in the meetings of the Executive Committee. Therefore, there should not be further nomination of another person by the member(s) of the Executive Committee.

Ministry of Finance – The technical qualifications required by the Member or the nominee will have to be prescribed as necessary which is a matter of detail or procedure.

UT of Andaman and Nicobar - While nominating any other person on behalf of any member of the Executive Committee, the nominated Member should be a resourceful person from this field.

Government of Nagaland – The concerned Department of the State Government believes that the empowerment of a member of the Executive Committee of the Bureau by the Central Government to authorize any person to represent him in the Committee, is done ensuring that the representatives has all the qualification essential to be a member of the Committee.

VOICE - The Executive Committee may nominate another person who is conversant with the standardization process and the working of BIS so that he is able to make valuable contribution in the deliberations.

Confederation of Indian Steel Producers Association (CISPA) – Any member of the Executive Committee should not be permitted to nominate any other person for attending a meeting vide Clause 4 and 14. However, in exceptional cases, it may be permitted with the approval of Director General of BIS.

Cold Rolled Steel Manufacturers Association of India – Any member of the Executive Committee should not be permitted to nominate any other person for attending a meeting vide Clause 4 and 14 of the Amendment Bill to maintain continuity and accountability. However, in exceptional cases, it may be permitted with the approval of Director General of BIS.

Consumer Association of India – We totally oppose the system of an Executive Committee Member nominating any persons to represent him in the Committee. Any such nomination by the Executive Committee member should be subject to acceptance by the Director of BIS, who should be given complete information regarding the background of the alternate person recommended for nomination.

The nomination of another person by the Executive Committee member, whose bonafide is not known to BIS, is not reasonable and bad in law.

Mumbai Grahak Panchayat - The person nominating should delegate sufficient deciding powers and authority to commit on his behalf to such a nominee. Rules under the act should be framed accordingly.

Reply of the Department of Consumer Affairs:

2.15 As per the BIS Rules, 1987, the quorum for the meeting of Executive Committee shall be three. In order to ensure that a meeting is not cancelled due to lack of quorum and EC is well represented, the EC members are being empowered to nominate another person on his behalf for attending the Executive Committee meetings. Thus the basic intention behind this amendment is to ensure maximum representation/participation of the members during the decision making process of the EC.

Clause 4 of the Bill seeks to amend section 4 of the Act by introducing a `proviso' empowering a member of the Executive Committee to represent him in the Committee, as may be "**prescribed**". Clause 14 of the Bill empowers Central Government to make rules in this regard. Central Government shall take care of such technical qualifications while prescribing the rules.

2.16 During evidence, representatives of Voluntary Organization in the interest of Consumer Education (VOICE) have suggested that power to nominate can also be widened to say 'nominated members and alternate member who can attend the meetings of the Executive Committee of the Bureau when there is a possibility that members may not attend'.

2.17 Further the Bill empowers the Executive Committee for making regulations with respect to Hallmarking scheme, registration or self-declaration of conformity scheme and compounding of offences by amending Section 38(2)(c), (d) and (e) of the Bureau of Indian Standards Act, 1986 vide clause 15(a) and 15(b) which state as follows:-

15. *In section 38 of the principal Act, in sub-section (2),—*

(a) after clause (c), the following clause shall be inserted, namely:—

“(ca) the jewellers, precious metal article, geographical areas and minimum turnover for jewellers under section 14A;”;

(b) for clauses (d) and (e), the following clauses shall be substituted, namely:— “(d) the manner of grant, renewal, suspension or cancellation of licence under sub-section (1) and the manner of granting registration, or allowing self declaration of conformity, its renewal, suspension or cancellation under sub-section (1A) of section 15;

(e) the conditions subject to which a licence may be granted or renewed or registration or allowing self declaration of conformity may be granted or renewed and the fees payable therefor under sub-section (2) of section 15.”.

2.18 The Committee note that the functions and duties of the Executive Committee of BIS include, inter-alia, human resource management, financial decision making, looking into economical aspects and other such tasks which require specific knowledge and experience on the part of the Members of the Committee. The Committee also note that the quorum for the meetings of the executive committee is only three members. It has been proposed in the Bill that the members of the Executive Committee may authorize any person to represent him in the Committee. This provision is proposed to be made to ensure adequate representation of Executive Committee members in case of inability of the members to attend the meeting due to their preoccupation or otherwise. The Committee feel that if members of the Executive Committee are allowed to nominate the people who will attend the meetings of the Executive Committee in their place, it would result in lack of seriousness on the part of the Members. The Committee are of the view that atleast two 'Alternate Members' should be appointed to the executive committee who may possess the same or equivalent qualifications as of the other members so that if the existing members of the executive committee are unable to attend the meetings due to preoccupation, then the alternate members can be nominated in their place to attend the meetings. The Committee, therefore, recommend that power to nominate may be vested with the Presiding Officer of the Executive Committee who may nominate alternate members to participate in the meetings of the Executive Committee when there is possibility that members may not attend. This would help solve the quorum problem as well as help to get valuable inputs of the alternate members.

D. Clause 14 – Amendment of Section 37

2.19 37(1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :-

- a. the number of members of the Bureau and the interest such members would represent under clause (e) of sub-section (3) of section 3;
- b. the term of office of the members of the Bureau, the manner for filling vacancies and the procedure to be followed in the discharge of their functions by, the members under sub-section (4) of section 3;
- c. the manner in, and the purposes for, which the Bureau may associate with itself any person for assistance and advice under sub-section (5) of section 3;
- d. the number of members of the Bureau who will be members of the Executive Committee under clause (b) of sub-section (1) of section 4;
- e. the terms and conditions of service of the Director-General of the Bureau under sub-section (2) of section 7;
- f. the design and the particulars to represent a particular Indian Standard under clause (c) of sub-section (1) of section 10;
- g. the purposes for which laboratories for the purposes of standardisation and quality control shall be established by the Bureau under clause (h), of sub-section (1) of section 10;
- h. the purposes for which agents may be appointed by the Bureau in India or outside India under clause (1) of sub-section (1) of section 10;
- i. the times and places at which any article or process may be inspected under clause (n) of sub-section (1) of section 10;
- j. the additional functions that may be performed by the Bureau under section 10;
- k. the cases in which, and the conditions subject to which, exemption may be granted under section 12;
- l. the form in which, and the time at which, the Bureau shall prepare its budget under section 20 and its annual report under section 21;
- m. the manner in which the accounts of the Bureau shall be maintained under section 22;
- n. the conditions subject to which inspecting officer may exercise his powers under sub-section (2) of section 25;
- o. any other matter which is to be, or may be, prescribed, or in respect of which provision is to be, or may be, made by rules.

The Government under Clause 14 of the Bill proposes to amend Section 37 of the Act which is as under:-

14. *In section 37 of the principal Act, in sub-section (2), -*

(i) *for clause (d), the following clause shall be substituted, namely:-*

"(d) the number of members of the Bureau who will be members of the Executive Committee and the power of a member to authorize a person to represent him under clause (b) of sub-section (1) of section 4,";

(ii) after clause (n), the following clauses shall be inserted namely:-

"(na) the manner of compounding of offence under sub-section (1A) of section 33;

(nb) the application for compounding of an offence under sub-section (1C) of section 33;"

2.20 The Committee note that vide Clause 14 of the Amendment Bill, Government proposes to amend Section 37 of the Principal Act. The Committee desire that words 'alternate members' be inserted in Clause 14 (i) (d) of the Amendment Bill so that it should read as 'The number of members of the Bureau who will be members or alternate members of the Executive Committee'.

E. CLAUSE 7 — COMPULSORY USE OF STANDARD MARK FOR ARTICLES AND PROCESSES OF ANY INDUSTRY.

2.21 The Clause 7 proposes to amend Section 14 of the Bureau of Indian Standards Act, 1986 which prescribes the compulsory use of standard mark for articles and processes of any industry.

14. If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette, -

- a. notify any article or process of any scheduled industry which shall conform to the Indian Standard; and*
- b. direct the use of the Standard Mark under a licence as compulsory on such article or process.*

Explanation - For the purposes of this section, the expression "scheduled industry" shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951.

Under Clause 7 of the Bill, Government proposes to amend Section 14 of the Act which is as under:-

7. For section 14 of the principal Act, the following section shall be substituted, namely:—

‘14. If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette,—

(a) notify any article or process of any industry which shall conform to the Indian Standard; and

(b) direct the use of the Standard Mark under a licence as compulsory on such article or process:

Provided that nothing in this section shall apply to an article or process meant only for export.

Explanation.— For the purposes of this section and section 14B, the expression "article" includes an article imported into India which is of the same nature or description as an article manufactured in India.’

2.22 Ministry in their written reply has informed that the intention behind this substitution is to bring more flexibility in notifying the products under mandatory certification of BIS, it is proposed to delete the words “of any scheduled industry”.

Further it clarifies the applicability of such provisions in respect of articles imported into and exported out of India.

Section 14 of the Bureau of Indian Standards Act gives the power to the Central Government to notify any article or process of any scheduled industry which shall conform to the Indian Standard and direct the use of the Standard Mark under licence as compulsory on such article or process. Thus, unless a product or process finds an entry in the first schedule of the Industries (Development and Regulation), Act, 1951, the Government does not have any power under the Bureau of Indian Standards Act to make licensing compulsory for such an article or process. In the interest of public health, safety and environmental considerations it has become necessary to bring under mandatory certification, certain articles (like helmets, toys, etc) not included in the first schedule of the Industries (Development and Regulation) Act, 1951. It is therefore proposed to de-link the Bureau of Indian Standards Act, 1986 and the Industries (Development and Regulation) Act, 1951 so as to empower the Government to bring under compulsory certification regime any article and/or 'process' which it considers necessary, in public interest.

2.23 The Committee have also been informed that further with regard to establishment of standards, the focus has always been on the "producer" of product or service and not on its "dispenser" or the seller. However, there have been requirements where the dispenser, or retailer also needed to be brought under the standardisation regime. This is particularly so in respect of jewelers selling gold and silver jewellery where, for protecting consumers from unscrupulous jewelers, need has been felt for enforcement of "Hallmark" on jewellery articles sold in the country.

Summary of views/suggestions placed before the Committee

Confederation of Indian Steel Producers Association (CISPA) – Shifting of products from the voluntary to the mandatory list is a strategic decision with wide ranging

implication beyond the jurisdiction of a particular ministry on the downstream and upstream industries, foreign trade and industrial development of the country. It is, therefore, impertinent that the decision be broadbased by the inclusion of all stakeholders in the decision making and should not be left to the discretion of only the concerned ministry which may be more interested in improving its own performance and is also vulnerable to pressures from producers under its administrative control.

Cold Rolled Steel Manufacturers Association of India (CORSMA) – All decisions regarding the formulation of standards and inspection of various products should be taken and notified by BIS and the power cannot be delegated to any Ministry of the Central Government. Infact, empowering a Ministry of the Central Government for shifting of a product from the voluntary list to the mandatory list and appointment of inspectors negates the very concept of an independent and statutory organization stipulated in the BIS Act, 1986.

Decision to shift a product from the voluntary to the mandatory list cannot be left to the concerned ministry since it has wide ranging implications beyond the jurisdiction of the concerned ministry. Besides, the concerned ministry is invariably inclined to improve its own performance and its also under from the powerful lobbies under its administrative control to bend the policies in their favour.

2.24 The Committee desire that Section 14 (E) be inserted in Clause 8 of the Amendment Bill, indicating that the Ministry proposing shifting of a product should submit a comprehensive memorandum to the Bureau of Indian Standards including, inter-alia, the impact of the proposal on the upstream and downstream industry, prices, foreign trade threat of cartelization and feasibility of implementing the order. The proposal should comply with the three basic conditions stipulated in Clause 14 of the BIS Act, 1986 i.e. it is necessary, expedient to do so and is in the public interest.

2.25 The Committee note that the proposed amendment in Section 14 of the Bureau of Indian Standards Act removes the restrictions imposed by reference to 'Scheduled Industry' by including articles and process of any industry so as to empower the Government to bring under compulsory certification regime any article or process which it considers necessary from the point of view of health, safety, environment, prevention of deceptive practices and security. Keeping in view the safety and well being of the consumers, the Committee feel that delinking the Bureau of Indian Standards Act, 1986 from the Industries (Development & Regulation) Act, 1951 is a welcome step. The Committee feel that shifting of products from the voluntary to the mandatory list beyond the jurisdiction of a particular Ministry is a strategic decision with wide ranging implications on foreign trade and industrial development of the country. It is, however, essential to ensure that quality control is not discriminatory to favour a group of producers and is mainly based on quality related complaints by consumer organizations. The Committee also feel that it is necessary to have uniform integrated policy and procedures. Therefore, the authority to process and issue Quality Control Orders must rest with the BIS/Ministry of Consumer Affairs. However, issue of Quality Control Orders should be done after due deliberation and consultation with all the stakeholders and experts in the related field. The Committee, therefore, desire that a new Section 14 (D) in Clause 8 of the Amendment Bill be inserted accordingly. The Committee also recommend that the decision regarding shifting of a product from the voluntary to the mandatory category should be taken by an Empowered Committee comprising of all the stakeholders as indicated below:-

- (a) Secretary, Department of industrial Policy and promotion (Chairman)**
- (b) Representative of the concerned Ministry**
- (c) Representative of the Ministry of Commerce**
- (d) Representative of BIS**
- (e) Representative of Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)**
- (f) Representative of Competition Commission of India**
- (g) Representative of the small and medium scale producers of the industry**
- (h) Association of the major consumers of the products.**

F. HALLMARKING OF PRECIOUS METAL ARTICLES, REGISTRATION FOR SELF DECLARATION AND ENFORCEMENT OF ORDERS

2.26 The Clause 8 of the Bill proposes to add new sub sections after Section 14 of the Bureau of Indian Standards Act, 1986 empowering the Government of India to notify jewellery under mandatory certification of BIS.

(A) INSERTION OF NEW SECTION 14A — COMPULSORY USE OF HALLMARKING OF PRECIOUS METAL ARTICLES

The Government under Clause 8 of the Bill proposes to insert new Section 14A which is given as under:-

'14A. Where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order, published in the Official Gazette, make it compulsory for such jewellers selling such precious metal article in such geographical areas and having such minimum turnover, as may be specified by regulations, to use Hallmark under a licence and that such article shall conform to the Indian Standard.

14 B (1) Without prejudice to the provisions of Section 14, where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order, published in the Official Gazette,-

(a) notify any article or process which shall conform to the Indian Standard;

and

(b) direct registration or grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration on such article or process as under:

'Self declaration – Conforms to IS.....'

(2) Subject to the provisions of sub-section (3), a person may, in respect of any article or process notified under sub-section (1), exercise an option for making registration or grant of self declaration of conformity with, or taking licence from, the Bureau.

(3) When an article or process notified for registration or in respect of which self declaration of conformity has been granted under sub-section (1), is subsequently notified under section 14, then, in addition to such registration or self declaration of conformity, a licence shall be compulsorily taken from the Bureau for such article or process in place of such registration or self declaration of conformity.

14 C. The Central Government may, by order, authorize any authority to be enforcement authority for enforcement of any order issued by it under section 14, or section 14A or section 14B, in such manner as may be specified in the

order.'

Summary of Views/suggestions placed before the Committee

All India Gems & Jewellery Trade Federation:

1. Before Hallmarking is made Mandatory in 4 Metros, issues of the city and the entire country should be addressed.
2. The Road map of implementation of hallmarking should be clearly informed.
3. We strongly oppose **License leading to a License Raj** in our industry.
4. Sufficient infrastructure should be in place before legislation is introduced.
5. A proper committee with sufficient members of the trade should be formed across the country prior to implementation.
6. Exemptions should be clearly defined with practical understanding of ground realities chances of confusion should be avoided.
7. Penal provisions should not lead to cancellation of license and prosecution. once a jewellery is hallmarked, jeweller should not be held responsible in any way. Hall Marking Centre, BIS, ministry of consumer affairs and Central Government should take the responsibility.
8. Hall Marking Centre's licenses have been issued to jewellers and to entities who are very close to jewellers which is against the basic fundamentals of the wishes of the central government.
9. Many hall marking centres do not have the facility of Hallmarking but they have been allotted license and are marking jewellery at their free will. BIS has taken some action and some licenses have been cancelled but the actions are not sufficient. This is an act of deceiving and cheating consumers.
10. Rampant Changes are made in the act without knowing the true nature of the industry and without taking the industry into confidence. Use of cadmium in soldering of jewellery has been banned. more than 90% jewellery being hallmarked today contains cadmium. No awareness programs were conducted for the small artisans before implementing.
11. It is the responsibility of central government as well of the jewellers to provide good quality jewellery to consumers. We recommend there should be a one time Registration Fee collected by BIS and not every three years.
12. The industry should be given recognition & should be taken into confidence as we support Hallmarking.

Confederation Of Indian Industry (CII):

Government may first consider a suitable legislation to control the supply chain in the gems and jewellery trade before imposing mandatory quality certification, because the latter is fully dependent on compliances.

If at all mandatory certification needs to be notified, it should cover manufacturers also under the proposed legislation, otherwise it would lead to tactics of routing jewelry through non certified jewelers (operating below the threshold value). Government may estimate the estimated workload and the available capacity of hallmarking assaying centers before the amendment. Clear provisions need to be made in the legislation

prohibiting any ownership / collaboration or other forms of relationships among assaying centers and jewelers. Government may also consider bringing assaying centers in the purview of Section 33.

Consumer Association of India (CAI): while presenting their views before the Committee stated that

“There is a fraud going on in the jewellery industry in the name of wastage. Everybody fixes wastage as per his norms, as per his whims and fancies from 6 per cent up to 23 per cent, 30 per cent. We may provide that wastage should be only this much after some study. Even while purchasing, they say there is wastage. When I purchase jewellery, they say there is wastage of 8 per cent. Honest people say, there is nil wastage actually in the industry, in the trade.

Most of the assaying centres are owned by jewellers only. The assaying centre must be an independent body”

2.27 The Committee enquired about the details of the existing infrastructure, viz. Assaying and Hallmarking Centres, the estimated requirement and the steps being taken to set up more of such centres to meet the requirement under the Bill, the Ministry informed that the proposed section 14 (A) will enable compulsory use of Hallmark for precious metal articles, if Government so decides. With respect to related provision of compulsory Hallmarking, it is mentioned that BIS is presently operating about 10,000 licences on voluntary basis under Hallmarking scheme. It is anticipated that with the implementation of compulsory Hallmarking of gold/silver jewellery/artefacts, there will be a manifold increase in the number of licences. However, this would depend on such geographical areas and such minimum turnover as may be specified. Samples of Hallmarked jewellery/artefacts collected by BIS from the market are tested in this laboratory to check their conformity to the relevant Indian Standard. In addition, there are 218 BIS recognized Assaying and Hallmarking Centres operating all over India. Since the setting up of Assaying and Hallmarking Centres is demand driven, more centres are expected to come up depending on the geographical areas and minimum turnover of the jewellers specified at the time of making hallmarking compulsory. At present, for setting up of Assaying and Hallmarking Centres in deficient locations, financial assistance is

provided by the Central Government through Plan Funds, which has been continuing since 10th Plan.

2.28 The Committee also enquired what will be the required infrastructure when the Amendment Bill comes into effect. The Department stated in reply that it is expected that one technical officer and one staff would be able to handle registrations for about 150 manufacturers. Further, the grant of registration is proposed to be decentralized through 34 Branch Offices of BIS and one department at Headquarters for foreign manufacturers. Adequate physical infrastructure and IT equipment would be required. In implementing amendment Bill making it compulsory for Hallmarking by the Jewellers as per proposed Section 14(A), - resources, particularly

- (i) Manpower would be required for activities, such as grant of licence; monitoring of the licensed jewellers, carrying out market survey, collection of samples of Hallmarked items, their testing and enforcement of the provisions of the Act for compulsory Certification for Hallmarking.
- (ii) Further, infrastructure in terms of creation of more numbers of Assaying and Hallmarking Centres will be required in order to meet the increased demand for Hallmarking as the number of licensed jewellers will increase substantially.

2.29 During the deliberations of the Committee, it was, inter-alia, informed that many jewellers charge higher prices for hallmarked jewellery articles as compared to the ordinary jewellery articles which discourages the consumers from purchasing hallmarked articles. In this context, the Committee enquired the Department regarding the cost of getting an article hallmarked incurred by a jeweller and existence of any mechanism through which this practice of charging different rates can be checked. To this, the Department replied as follows:-

- (a) The present charges for hallmarking are as follows:
 - (i) Rs. 25/- per article and
 - (ii) Minimum charge for a consignment is Rs. 150/-
- (b) Possibility of fixing a ceiling of the additional amount which can be charged for hallmarking is being examined.

The Department of Consumer Affairs also stated that It is mandatory for a BIS licensed jeweller to prominently display their Hallmarking licence and also to display the components of the Hallmark. In addition information about Hallmarking scheme is available on BIS website (www.bis.org.in). BIS is regularly organizing consumer awareness programmes in which details of the Hallmarking scheme and its benefits are explained to the public/consumers. BIS is also considering to make it mandatory for the jeweller to provide a card with each hallmarked article explaining the implications of the hallmark put on the concerned jewellery, as well as indicate the provisions regarding feedback/complaint to BIS. The Department of Consumer Affairs is also covering “Hallmarking” as a theme under its “Jago Grahak Jago” campaign.

On being asked regarding jewellers charging exorbitant prices in the name of ‘making charges’ and ‘wastages’ which results into a loss to the consumers and whether the Department has taken any measure to regulate these practices, the Committee were informed that the Hallmarking only provides assurance to the consumer about the purity of the precious metal in the hallmarked article. The Scheme does not address issues like price of the precious metal, making charges, wastages, etc. The consumers will be sensitized to such unethical trade practices through awareness campaign under “Jago Grahak Jago”.

2.30 The Committee appreciate the efforts of the Department towards making hallmarking of precious metals articles mandatory as recommended by this Committee in their previous Report on Hallmarking of gold jewellery. Nevertheless, the Committee are apprehensive regarding the implementation of the same as there are presently only 218 Assaying and Hallmarking centres in the entire country and with the implementation of compulsory hallmarking of jewellery, there will be manifold increase in the number of licenses. Mandatory Hallmarking of precious metal articles is not feasible without the existence of adequate number of functioning A&H centres. The Committee, therefore, desire the Government to set up the required number of hallmarking centres as a pre-emptive step to make hallmarking of jewellery as mandatory. For this, wider publicity of the financial assistance provided by the Government for setting up of these A&H centres is necessary so as to expedite the process of setting up of these A&H centres. The Committee also desire that the A&H centres should also be held responsible/accountable in case of non-conformity of hallmarked jewellery/articles, thereby ensuring efficient functioning on the part of these centers. The Committee also recommend the strengthening of the Enforcement Wing of the BIS to ensure that the 'Mandated Hallmarking' is implemented properly.

2.31 The Committee note that various jewellers charge different prices for hallmarked jewellery and non-hallmarked jewellery and the price of the hallmarked jewellery is far more than that of the ordinary non-hallmarked jewellery, thus discouraging the consumer from buying hallmarked jewellery. In this context, during oral evidence the Committee were informed by the representatives of the Department of Consumer Affairs that the present charges for hallmarking are Rs.25 per article and a minimum charge for a consignment is Rs.150/- The Committee are however dismayed to note that the Department has no control on the situation whereby the customers are being exploited by the BIS Certified Jewellers. The Committee, therefore, strongly recommend that the Ministry should take concrete steps to prevent jewellers from over charging or charging higher price in the name of Hallmarked Jewellery and to curb such malpractices on the part of the jewelers so as to protect the interest of the consumers at large. The Committee also note that many jewelers charge exorbitantly high making charges and also charge money on the pretext of 'wastage charges' from the consumers. The Committee, therefore, strongly recommend that the Department of Consumer Affairs should look into these aspects so that the consumers are not exploited by the jewellers. The Committee are also of the view that unless the consumers of rural/remote and hilly areas are made aware of the benefits of the Hallmarked Jewellery, they cannot come forward to opt for the Hallmarked Jewellery. The Committee, therefore, recommend that the consumers should be enlightened/encouraged to buy only hallmarked jewellery through wider media publicity. They also need to be sensitized about the unethical trade practices like charging of high making charges and wastage charges through media publicity.

G. CLAUSE 12 — PENAL PROVISIONS

2.32 The Clause 12 proposes to amend Section 33(1) and add new sections namely Section 33(1A) to 33(1F) to the Bureau of Indian Standards Act, 1986 which prescribes the penal provisions in relation to contravention of the provisions of the said Act by substituting the existing section and adding subsequent sub sections as under:—

33. (1) Any person who contravenes the provisions of section 11, or section 12 or section 14 or section 15 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to fifty thousand rupees, or with both.

(2) Any court trying a contravention under sub-section (1) may direct that any property in respect of which the contravention has taken place shall be forfeited to the Bureau.

Under Clause 12, the Government propose to amend section 33 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

“(1) Any person who contravenes the provisions of section 11 or section 12 or section 14 or section 14A or section 15 shall be punishable with imprisonment for a term which may extend to one year, or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both.

(1A) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under this Act, not being an offence punishable with imprisonment only, or with imprisonment and also with fine, may, either before or after the institution of any prosecution, be compounded by an officer of the Bureau, not below the rank of Scientist G or Additional Director General of the Bureau appointed by the Director General in the Bureau in such manner as may be prescribed:

Provided that the sum so specified shall not, in any case, exceed the maximum amount of the fine which may be imposed under sub-section (1) for the offence so compounded:

Provided further that nothing in this sub-section shall apply to an offence committed by a person for the second time or thereafter on which a similar offence committed by him has been compounded.

(1B) Every officer referred to in sub-section (1A) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the Bureau.

(1C) Every application for the compounding of an offence shall be made in such manner as may be prescribed.

(1D) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted in relation to such offence, against the offender in relation to whom the offence is so compounded.

(1E) Where the composition of any offence is made after the institution of any prosecution, such composition shall be brought by the officer referred to in sub-section (1A) in writing, to the notice of the Court in which the prosecution is pending and on such notice of the composition of the offence being given, the person against whom the offence is so compounded shall be discharged.

(1F) Any person who fails to comply with an order made by the officer referred to in sub-section (1A) shall be punishable with imprisonment for a term which may extend to two years, or with fine not exceeding ten lakh rupees, or with both.”.

2.33 Ministry in respect of the above clause has justified its intent by stating that these sub sections are required to enhance the penalties to minimum of 2 Lakhs for violations under this Section to have desired deterrent effect. It has also mentioned that as per existing provisions, complaint is filed before the court of law by the Bureau for misuse of standard Mark which takes long time in securing conviction against offenders, hence it is proposed to introduce provision for compounding of offences which are committed out of ignorance and the violators are willing to stop the misuse and offence forthwith.

Department of Industrial Policy & Promotion (DIPP):

1. The penalty must be enhanced substantially. “...a term which may extend to one year” or with fine not less than Rs.50,000, is clearly inadequate in the present economic context. It should be imprisonment of one year plus a fine not less than Rs.2 lakhs.

Justification:

After the introduction of

Registration scheme the volume of work will increase substantially. It will not be feasible to monitor each and every case. The punishment should be high enough to act as a deterrent on its own.

2. Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), any offence punishable under this Act, may, either before or after the institution of any prosecution, be compounded by an officer of the Bureau, not below the rank of Joint Secretary to the Central Government appointed by the Central Government to exercise powers under this section, on payment by the person referred to in sub section (1).

Justification

The authority to compound an offence should rest with a senior officer.

Ministry of Information & Broadcasting:

Before adding 'any article or processes' pertaining to Entertainment & Media Sector including film, music, broadcasting and print industry under the regime of compulsory licensing, Department of Consumer Affairs should consult this Ministry.

Reply of the Government :

2.34 The BIS Act provides for imprisonment or fine or fine with imprisonment as punishment for contravention of sections 11, 12, 14 or 15 of the Act. DIPP does not appear to be in favour of award of punishment in monetary terms only but with imprisonment also, which will necessitate initiation of time-consuming prosecution proceedings even in cases where a simple fine is considered adequate. Since the principal Act provides for fine (only) as a kind of punishment, there does not appear to be enough justification for removing that provision from the Act. Therefore, the suggestion is found unacceptable. The suggestion to enhance the minimum fine from Rs. 50,000/- to Rs.2 lakh is however acceptable

In reply to point 2 raised by DIPP, the Government stated that the suggestion has been partially accepted and the section has been modified suitably to provide for compounding by Scientist F who is above the level of Director in Government of India.

2.35 While taking the evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs), the Committee enquired regarding the number of cases/incidents wherein BIS/Prosecution has pleaded imprisonment for an offender/defaulters. In reply to this, the Secretary, Department of Consumer Affairs stated as under:-

'In the year 2012-13, we have filed 66 cases. 52 are in our favour. But we don't have information regarding our prosecution imprisoning anyone'.

2.36 The Committee also enquired about the number of defaulters/offenders not conforming to/misusing BIS standards been identified by the BIS in the last three years and what action was taken against them, the Department in their written reply stated as under:-

The details of defaulters/offenders misusing BIS Standard Mark during each of last three years and the status of action taken as on date are given below

Year	No. of Defaulters/ Offenders	Action Taken

	detected	Prosecution Pending in Court	Case Decided in favour of BIS	Cases Closed by BIS	Prosecution to be Launched
2010-11	135	81	43	07	04
2011-12	125	86	23	05	11
2012-13	112	31	08	01	72

Action against BIS product certification licensees are taken if their product do not conform to the Indian Standards or they misuse the Standard mark. These actions, as given in BIS certification regulations, can be

- a) Stoppage of Marking till they take corrective action and their samples pass after taking these actions, or
- b) Non renewal of their licence, or
- c) Cancellation of licence.

As regards steps taken in order to deter the manufacturers and traders from following such malpractices/fraudulent activities, the Department stated that the following steps are taken in order to deter the manufacturer/traders from misuse of BIS Standard Mark:

- a. Conducting Consumer Awareness programme
- b. Advertisement in Newspapers and Journals
- c. Press release in Newspapers after raids and case decided by Court.
- d. Market survey for identifying spurious and sub-standard products and conducting raids if misuse found.

2.37 The Committee feel that the Bill needs to give more teeth to the Bureau in order to create a fear in the minds of the defaulting manufacturers/ traders so as to refrain them from indulging in illegal and inappropriate practices. The penal provisions in the Bill need to be made more stringent and should be formulated in such a manner that it should act as an effective deterrent against offenders. The Committee, therefore, strongly recommend that in case of large scale manufactures of Fast Moving Consumer Goods (FMCG) Companies, the provisions should clearly specify the fine as a particular percentage, say 5% of the turnover of the brand/line of product of the Company/Organisation so that the penalty imposed is in tune with the scale of operation of the defaulter. Accordingly, the Committee desire that in Section 33 (1) (F), after the words 'extend to two years', the words 'or with fine which shall be 5% of the average turnover of the offender averaged over last three years subject to a minimum of Rs. 10 lakhs or both' may be inserted. The repetition of the offence must also be strictly penalized.

H. MISCELLANEOUS

2.38 The important points/suggestions brought out in the written Memoranda as well as during Oral evidence are given as under:-

Underwriters' Laboratory India Pvt. Ltd – Currently the BIS Act focuses on 2ndparty certification – done by the Indian Government. With provisions of the Bill seeking to expand the conformity 'mechanisms' available to the GOI, consideration should be given to alignment with the WTO Technical Barriers to Trade Agreement which outlines these mechanisms, along with the use of independent third party testing, inspection and certification providers.

VOICE – International Organization for Standardization (ISO) develops and publishes standards but does not involve itself in certification of standards. Similarly for wider reach of ISI marked products and services to masses, BIS standards conformity assessment should also be delegated to other competent certifying accredited bodies. However BIS should lay down accreditation guidelines and the overall control should be kept with BIS.

2.39 The Committee desire that after Clause (o) of the Section 10(1) of the Principal Act, the following Clause be inserted:-m,

OO : To recommend to the Central Government to appoint, authorize and notify agencies for market surveillance of products and services so as to keep abreast of the trends in the markets, to identify products and services being sold in the market that either do not conform to standards or have not been licensed or registered in respect of products or services in spite of direction on compulsory use of Standard Mark under license and/or conform to a notified standard.

OOA: To prosecute manufactures and resellers of products or services who either misuse standard mark or violate this Act in any manner or sell products or services in violation of direction for compulsory use of standard mark under licence and/or conforming to a national standard.

**NEW DELHI
27th August, 2013
5 Bhadra, 1935(Saka)**

**VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food,
Consumer Affairs and Public Distribution**

**MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON
FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2011-12) HELD ON
TUESDAY, THE 24th JULY, 2012**

The Committee sat from 1100 hrs. to 1135 hrs. in Committee Room 'C', Ground floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Jaywant Gangaram Awale
3. Smt. Harsimrat Kaur Badal
4. Shri Arvind Kumar Chaudhary
5. Shri Sanjay Dhotre
6. Shri Lal Chand Kataria
7. Shri Prabodh Panda
8. Shri Sohan Potai
9. Shri Purnmasi Ram
10. Shri Ramkishun
11. Shri Chandulal Sahu
12. Smt. Usha Verma

RAJYA SABHA

13. Smt. T. Ratna Bai
14. Dr. M. S. Gill
15. Shri Vivek Gupta
16. Shri P. Kannan
17. Shri Lalhming Liana
18. Shri Sanjay Raut
19. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P.K.Misra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 2. Shri Khakhai Zou | - | Under Secretary |

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee convened to consider the Memorandum No. 5 regarding the course of action to be taken by the Committee in the examination of 'The Bureau of Indian standards (Amendment) Bill, 2012' pertaining to the Department of Consumer Affairs.

3. The Committee, after due deliberations, approved the course of action to be taken on 'The Bureau of Indian standards (Amendment) Bill, 2012' as contained in the Memorandum No. 5.

The Committee then adjourned.

MINUTES OF THE EIGHTEENTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON FRIDAY, THE 22nd FEBRUARY, 2013

The Committee sat from 1500 hrs. to 1525 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Smt. Harsimrat Kaur Badal
3. Shri Arvind Kumar Chaudhary
4. Shri Eknath M. Gaikwad
5. Shri Abdul Mannan Hossain

RAJYA SABHA

6. Dr. Bharatkumar Raut
7. Shri Birender Singh
8. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P. K. Misra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

WITNESSES

Representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

- | | | |
|-------------------------------|---|--|
| 1. Shri Pankaj Agrawala | - | Secretary |
| 2. Shri Ganga Murthy | - | Principal Advisor |
| 3. Shri Afzal Amanullah | - | Special Secretary/DG, BIS |
| 4. Shri P. K. Jha | - | AS & FA |
| 5. Shri Manoj Kumar Parida | - | Joint Secretary |
| 6. Smt. Alka Panda | - | Additional DG, BIS |
| 7. Shri P. K. Gambhir | - | Scientist G & Chief (Certification), BIS |
| 8. Shri P. K. Batra | - | Scientist G & Chief (Labs), BIS |
| 9. Shri J. Roy Chowdhary | - | Scientist F, BIS |
| 10. Shri A. K. Sharma | - | Scientist G & Head (CMD- III), BIS |
| 11. Lt. Col (Rtd) K. Shantanu | - | Bureau Secretary |
| 12. Shri Bhupal Singh | - | Director (Legal) |

The sitting of the Committee was scheduled to be held to have briefing by the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 'The Bureau of Indian Standards (Amendment) Bill, 2012'

As there was lack of quorum even after waiting for 25 minutes, Hon'ble Chairman decided under the provisions of Rules 259(1) of the Rules of Procedure and Conduct of Business in Lok Sabha to postpone the sitting of the Committee to 27th February, 2013.

**MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON
FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON
WEDNESDAY, THE 27th FEBRUARY, 2013**

The Committee sat from 1500 hrs. to 1645 hrs. in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Kantilal Bhuria
3. Shri Arvind Kumar Chaudhary
4. Shri Harishchandra Chavan
5. Shri Sanjay Dhotre
6. Shri Sohan Potai
7. Shri Ponnamp Prabhakar
8. Shri Chandulal Sahu
9. Shri Jagdish Thakor

RAJYA SABHA

10. Dr. Bhushan Lal Jangde
11. Shri Lalhming Liana
12. Dr. Bharatkumar Raut
13. Dr. T. N. Seema
14. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P.K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

**Representatives of the Ministry of Consumer Affairs, Food and Public Distribution
(Department of Consumer Affairs)**

- | | | | |
|-----|---------------------------|---|--|
| 1) | Shri Pankaj Agrawala | - | Secretary |
| 2) | Shri Ganga Murthy | - | Principal Advisor |
| 3) | Shri Afzal Amanullah | - | Special Secretary/DG, BIS |
| 4) | Shri P. K. Jha | - | AS & FA |
| 5) | Shri Manoj Kumar Parida | - | Joint Secretary |
| 6) | Smt. Alka Panda | - | Additional DG, BIS |
| 7) | Shri P. K. Gambhir | - | Scientist G & Chief (Certification), BIS |
| 8) | Shri P. K. Batra | - | Scientist G & Chief (Labs), BIS |
| 9) | Shri E, Devender | - | Scientist G & Chief (Standardization), BIS |
| 10) | Shri A. K. Sen | - | Scientist F & DDG (HP), BIS |
| 11) | Shri J. Roy Chowdhary | - | Scientist F, BIS |
| 12) | Shri A. K. Sharma | - | Scientist G & Head (CMD- III), BIS |
| 13) | Lt. Col (Rtd) K. Shantanu | - | Bureau Secretary |
| 14) | Shri Bhupal Singh | - | Director (Legal) |
| 15) | Shri B. N. Dixit | - | Director (Consumer Affairs) |

At the outset, Hon'ble Chairman welcomed the members to the sitting of the Committee convened for briefing by the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on the Bureau of Indian Standards (Amendment) Bill, 2012. Thereafter, Secretary and other officials of the Department of Food and Public Distribution were invited to the sitting of the Committee. After welcoming them, the Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker.

2. Hon'ble Chairman then requested the representatives of the Department to brief the Committee on various issues such as the salient features of the Bill, aims and objectives, major weaknesses/shortcomings in the existing Bureau of Indian Standards Act, 1986, etc.

3. Thereafter, the Secretary, Department of Consumer Affairs addressed the issues raised by the Hon'ble Chairman and also briefed the Committee on the various issues

related to the Bill with the help of a power point presentation. The supplementary queries of the Members of the Committee were also responded to by the representatives of the Department.

4. The following are some of the important points that emerged during the deliberations of the Committee:-

- I. Need to strengthen the working of the Bureau by making it proactive and answerable;
- II. Need to have sufficient infrastructure before making hallmarking of precious metals and its products mandatory;
- III. Need to give more teeth to the vigilance division of the Bureau by making the punitive provisions in the amendment Bill more severe;
- IV. Need to harmonize the Indian Standards with the International Standards to simplify trade procedures and boost Indian economy;
- V. Need to involve State Governments/UT Administrations and other Organizations to make the provisions of the Amendment Bill more executable; etc.

5. The Hon'ble Chairman then thanked the Secretary and other representatives of the Department of Consumer Affairs for free and frank discussion and also for briefing the Committee properly.

6. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

**MINUTES OF THE TWENTIETH SITTING OF THE STANDING COMMITTEE ON
FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON
MONDAY, 4TH MARCH, 2013**

The Committee sat from 1500 hrs. to 1650 hrs. in Committee Room No. 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Smt. Harsimrat Kaur Badal
3. Shri Shivraj Bhaiya
4. Shri Arvind Kumar Chaudhary
5. Shri Harishchandra Chavan
6. Shri Sanjay Dhotre
7. Shri Eknath M. Gaikwad
8. Shri Poonam Prabhakar
9. Shri C.Rajendran
10. Shri Purnmasi Ram

RAJYA SABHA

11. Dr. Bhushan Lal Jangde
12. Shri Lalhming Liana
13. Dr. Bharatkumar Raut
14. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P. K. Misra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

WITNESSES**(I) FEDERATION OF INDUSTRIES OF INDIA (FII)**

Sl. No.	Name	Designation
1.	Shri S.P.Bhatia	Vice President
2.	Shri Sushil Naithani	Executive Member
3.	Shri H.L.Bhardwaj	Secretary General

(II) VOLUNTARY ORGANIZATION IN INTEREST OF CONSUMER EDUCATION (VOICE)

Sl. No.	Name	Designation
1.	Prof. Sri Ram Khanna	Managing Trustee
2.	Shri Ashok Kanchan	Member

At the outset, the Hon'ble Chairman welcomed the Members of the Committee to the sitting convened to hear the views and suggestions of the representatives of Federation of Industries of India (FII) and Voluntary Organization in Interest of Consumer Education (VOICE) on the 'Bureau of Indian Standards (Amendment) Bill, 2012.'

[The witnesses were then called in]

2. The Hon'ble Chairman welcomed the representatives of Right to Food Campaign to the sitting and mentioned, inter-alia, that the discussions held shall be kept confidential as required under the provisions of Direction 55(1) of the Directions by the Speaker and requested the representatives of the Right to Food Campaign to share their views/suggestions on any chapter, clause or provision of the National Food Security Bill, 2011 which they felt should be considered by the Committee in their report. Thereafter the representatives briefed the Committee about the views/suggestions of the organization on the Bill. The following are some of the important points that emerged during the deliberations of the Committee:-

- i. Selling companies have their own system to follow and do not want to follow Indian system of mandatory Quality Control Orders.
- ii. There is need to check the quality of material imported according to the norms set by BIS.

- iii. Need to revise BIS norms to make registration process, quality checks etc. smooth and efficient.
- iv. Need to upgrade standards of items in the country in order to have standards of their own and to comply with WTO regime.
- v. Need to re-think over the issue of bringing the raw material which is in short supply or not made in our country under the ambit of the Bill.
- vi. To protect the interest of the consumers, there is a need to monitor the standards of items by frequent testing of samples collected from market, factories, etc. and to detain the person (s), if found guilty.
- vii. There is a need to check/dilute the monopoly of BIS from becoming the only certification body and to have multiple agencies for product certification.
- viii. BIS should be made accountable and enforcemental agency for the implementation of standards.
- ix. The word 'Articles' should be replaced with 'Articles and Services' as per amendments proposed in order to have services of different types subjected to standards.
- x. As per the Competition Act passed by the House, the fine should be revised to 5 per cent of the turnover of the company.
- xi. Need to spread awareness amongst consumers to buy atleast ISI marked products or products which have higher standards.

4. The queries raised by the Chairman and Members of the Committee during the course of the deliberation were responded to by the representatives of the Right to Food Campaign. The Hon'ble Chairman then thanked the witnesses for appearing before the Committee and sharing their views with them.

[The witnesses then withdrew.]

5. The Hon'ble Chairman then highlighted the important recommendations contained in the draft Report of the Committee (2012-13) on the action taken by the Government on the observations/recommendations contained in the Eighteenth Report of the Committee (2011-12) on DFG (2012-13) pertaining to the Ministry of Consumer

Affairs, Food and Public Distribution (Department of Consumer Affairs). The Committee then took up for consideration the above stated draft Report. After due deliberation, the Committee unanimously adopted the draft Report without any amendments/modifications.

6. The Committee then authorized the Chairman to finalize the aforesaid Report and present the same to the Parliament.

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE TWENTY FIRST SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON WEDNESDAY, THE 6th MARCH, 2013

The Committee sat from 1500 hrs. to 1700 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Shri Kantilal Bhuria
3. Shri Arvind Kumar Chaudhary
4. Shri Eknath M. Gaikwad
5. Shri Abdul Mannan Hossain
6. Shri Sohan Potai
7. Shri C. Rajendran
8. Shri Chandulal Sahu

RAJYA SABHA

9. Shri Bhushanlal Jangde
10. Shri Lalhming Liana
11. Dr. Bharat Kumar Raut
12. Dr. T. N. Seema
13. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P. K. Mishra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

WITNESSES

I. Representatives of Consumers Association of India:

1. Shri M.R. Krishnan, Deputy Director, Consumer Association of India

II. Representatives of All India Gems & Jewellery Trade Federation:

1. Shri Ashok Minawala, Past Chairman
2. Shri Pramod Agrawal, Member, Board of Director
3. Shri Manish Jain, Member, Board of Director
4. Shri Sribash Dasmohapatra, Executive Director
5. Shri Gopal K. Verma, Regional Manager

At the outset, the Hon'ble Chairman welcomed the Members of the Committee to the sitting convened to hear the views and suggestions of the representatives of (i) Consumers Association of India (CAI) and (ii) All India Gems & Jewellery Trade Federation (GJF) on the various provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012.'

[The witnesses were then called in one by one]

[The representative of Consumers Association of India (CAI), was called in]

3. The Hon'ble Chairman welcomed the representative of Consumers Association of India (CAI) to the sitting and mentioned, inter-alia, that the discussions held shall be kept confidential as required under the provisions of Direction 55(1) of the Directions by the Speaker. Hon'ble Chairman then requested the representative of the CAI to share his views/suggestions on any chapter, clause or provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012' which he felt should be considered by the Committee in their report. Thereafter the representative of the CAI briefed the Committee about the views/suggestions of the organization on the Bill. The following are some of the important points that emerged during the deliberations of the Committee:-

- VI. Need to cover all the persons related to precious metals trade i.e. from artisans to sellers and hold them accountable under the ambit of the Bill;
- VII. Need to amend the punitive provisions under the Bill for making them more stringent by including both imprisonment as well as penalty;
- VIII. Need to make the Assaying and Hallmarking Centres independent of the Jewellers to prevent malpractices and frauds ; and
- IX. Need to put a check on the heavy charges levied by the Jewellers in the name of 'wastages', thus depriving the consumers of their rightful quantity of precious metal for the amount paid by them; etc.

4. The queries raised by the Chairman and Members of the Committee during the course of the deliberation were responded to by the representative of the CAI. The Hon'ble Chairman then thanked the witness for appearing before the Committee and sharing the views of the CAI with them.

[The witness then withdrew.]

[The representatives of All India Gems & Jewellery Trade Federation (GJF), were then called in]

5. After welcoming the witnesses, the Hon'ble Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker regarding the confidentiality of the proceedings of the sitting.

6. Thereafter, the representatives of the GJF tendered their views/suggestions on the various provisions of the Bill. Some of the important points that emerged during the deliberations of the Committee are as follows:-

- (i) Need to provide for 100% hallmarking and do away with the licensing system to avoid the prevalence of 'License Raj' in the industry;
- (ii) Need to hold the Assaying and Hallmarking Centre responsible for any deficiency in quality of Hallmarked jewellery and not the jeweller;
- (iii) Need to replace the word 'license' with either the word 'registration' or 'regulation' to curb the fears of licensing malpractices in the minds of the traders ; and
- (iv) Need to give a window period of approximately one year to the jewellers to help them finish their old jewellery stocks first before introducing mandatory hallmarking in the country; etc.

7. The representatives of the All India Gems & Jewellery Trade Federation (GJF) responded to the queries raised by the Chairman and the members during the course of the sitting.

8. The Hon'ble Chairman then thanked the witnesses for appearing before the Committee and sharing their views with them in a free and frank manner.

[The witnesses then withdrew.]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE TWENTY SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON WEDNESDAY, THE 11th MARCH, 2013

The Committee sat from 1500 hrs. to 1655 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Smt. Harsimrat Kaur Badal
3. Shri Sohan Potai
4. Shri Ponnamm Prabhakar
5. Shri Purnmasi Ram

RAJYA SABHA

6. Shri Bhushanlal Jangde
7. Dr. Bharat Kumar Raut
8. Dr. T. N. Seema
9. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P. K. Mishra - Joint Secretary
2. Smt. Veena Sharma - Director

WITNESSES

Representatives of Confederation of Indian Steel Producers Association:

1. Shri S. S. Beriwalla - President, CISPA and Managing Director, Shyam Steel Industries, Kolkata
2. Shri Kamal Aggrawal - Senior Vice President, All India Induction Furnace Association of India
3. Shri S. C. Mathur - Secretary General, CISPA, New Delhi
4. Shri Vinod Vashist - Chairman, All India Steel Rerollers Association of India
5. Shri Pawan Bansal - Chairman, All India Induction Furnace Association of India, Rajasthan

Representatives of Confederation of Indian Industry:

1. Shri Anupam Kaul - Principal Counsellor
2. Shri C. N. Sinha - Consultant

- | | | |
|--------------------------|---|--|
| 3. Dr. Rajiv Kumar | - | Chief Scientist, Tata Chemicals Ltd.,
Pune |
| 4. Shri Manoj Belgaonkar | - | General Manager, Quality Management
Indust Sector, Siemens Ltd. |

At the outset, the Hon'ble Chairman welcomed the Members of the Committee to the sitting convened to hear the views and suggestions of the representatives of (i) Confederation of Indian Steel Producers Association (CISPA) and (ii) Confederation of Indian Industry (CII) on the various provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012.'

[The witnesses were then called in one by one]

[The representative of Confederation of Indian Steel Producers Association (CISPA), was called in]

2. The Hon'ble Chairman welcomed the representative of Confederation of Indian Steel Producers Association (CISPA) to the sitting and mentioned, inter-alia, that the discussions held shall be kept confidential as required under the provisions of Direction 55(1) of the Directions by the Speaker. Hon'ble Chairman then requested the representative of the CISPA to share their views/suggestions on any chapter, clause or provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012' which they felt should be considered by the Committee in their report. Thereafter the representative of the CISPA briefed the Committee about the views/suggestions of the organization on the Bill. The following are some of the important points that emerged during the deliberations of the Committee:-

- X. Need to reconsider including Steel products in the Mandatory list of BIS as its effects go against India's foreign trade policy to develop free trade among countries ;
- XI. Need to include the raw materials used in making steel products in the mandatory list;
- XII. Need to form a committee comprising representatives of the Ministry of Commerce, the concerned Ministry, BIS, Ministry of Consumer Affairs, Competition Commission of India to consider inclusion of any product/service in the mandatory list ; and

XIII. Need to give the responsibility of inspecting quality of steel products to the BIS alone and not to the Ministry of Steel which lacks the qualified Officers, in order to prevent occurrence of Inspector-raj; etc.

3. The queries raised by the Chairman and Members of the Committee during the course of the deliberation were responded to by the representative of the CISPA. The Hon'ble Chairman then thanked the witness for appearing before the Committee and sharing their views with them.

[The witness then withdrew.]

[The representatives of Confederation of Indian Industry (CII), were then called in]

4. After welcoming the witnesses, the Hon'ble Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker regarding the confidentiality of the proceedings of the sitting.

5. Thereafter, the representatives of the CII tendered their views/suggestions on the various provisions of the Bill. Some of the important points that emerged during the deliberations of the Committee are as follows:-

- (v) Need to distinguish between the concepts of 'Registration' and 'Self Declaration of Conformity' and apply regulating provisions accordingly;
- (vi) Need to discontinue with the registration trend and provide for strong penal actions in case of false declaration under the 'Self declaration of Conformity' scheme;
- (vii) Need to limit the search and seizure operation to those manufacturers/traders against whom a complaint has been filed and not to those under Self declaration of Conformity to avoid reoccurrence of Inspector-raj; and
- (viii) Need to make the scheme of Self declaration of conformity more broad based by including other bodies such as Quality Council Of India, National Accreditation Board for Testing and Calibration Laboratories (NABL), etc.

6. The representatives of the Confederation of Indian Industry (CII) responded to the queries raised by the Chairman and the members during the course of the sitting.

7. The Hon'ble Chairman then thanked the witnesses for appearing before the Committee and sharing their views with them in a free and frank manner.

[The witnesses then withdrew.]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

**MINUTES OF THE TWENTY SEVENTH SITTING OF THE STANDING COMMITTEE
ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON
TUESDAY, THE 16th APRIL, 2013**

The Committee sat from 1430 hrs. to 1700 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS
LOK SABHA

2. Shri Shivraj Bhaiya
3. Shri Arvind Kumar Chaudhary
4. Shri Sanjay Dhotre
5. Shri Purnmasi Ram
6. Shri Adhi Sankar

RAJYA SABHA

7. Shri Birender Singh
8. Shri Veer Singh
9. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P. K. Mishra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

WITNESSES

Representatives of Akhil Bharatiya Grahak Panchayat:

- | | | |
|---------------------------------|---|--------|
| 1. Shri Bheemsen Sachdeva | - | Member |
| 2. Shri Suraj Prakash Manchanda | - | Member |
| 3. Shri Santosh Godbole | - | Member |
| 4. Ad. Shri Bhupendra Parekh | - | Member |

Representatives of Mumbai Grahak Panchayat:

- | | | |
|---------------------|---|----------------|
| 1. Shri Vivek Patki | - | Vice President |
|---------------------|---|----------------|

Representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

1. Shri Pankaj Agrawala	-	Secretary
2. Shri Afzal Amanullah	-	Special Secretary/DG, BIS
3. Shri P. K. Jha	-	AS & FA
4. Shri Manoj Kumar Parida	-	Joint Secretary
5. Shri A. K. Jain	-	Director (BIS)
6. Shri S. K. Nag	-	Director (P&C)
7. Smt. Alka Panda	-	Additional DG, BIS
8. Shri P. K. Gambhir	-	Scientist G & Chief (Certification), BIS
9. Shri P. K. Batra	-	Scientist G & Chief (Labs), BIS
10. Smt. Parminder Bajaj	-	Scientist G & Chief (Standardization), BIS
11. Shri A. K. Sen	-	Scientist F & DDG (Hallmarking), BIS
12. Shri Rahul Kumar	-	Scientist F & Head (IRD)
13. Shri J. Roy Chowdhary	-	Scientist F (IRD&TISC), BIS
14. Shri A. K. Sharma	-	Scientist G & Head (CMD- III), BIS
15. Lt. Col (Rtd) K. Shantanu	-	Bureau Secretary
16. Shri Bhupal Singh	-	Director (Legal)

At the outset, the Hon'ble Chairman welcomed the Members of the Committee to the sitting convened to hear the views and suggestions of the representatives of (i) Akhil Bharatiya Grahak Panchayat and (ii) Mumbai Grahak Panchayat and to take oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on the various provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012.'

[The witnesses were then called in one by one]

[The representative of Akhil Bharatiya Grahak Panchayat and Mumbai Grahak Panchayat were called in]

2. The Hon'ble Chairman welcomed the representative of Akhil Bharatiya Grahak Panchayat and Mumbai Grahak Panchayat to the sitting and mentioned, inter-alia, that the discussions held shall be kept confidential as required under the provisions of Direction 55(1) of the Directions by the Speaker. Hon'ble Chairman then requested the representative of both the Grahak Panchayats to share their views/suggestions on any chapter, clause or provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012' which they feel should be considered by the Committee in their report. Thereafter the representative of the Akhil Bharatiya Grahak Panchayat and Mumbai Grahak Panchayat briefed the Committee about the views/suggestions of the organization on the Bill. The following are some of the important points that emerged during the deliberations of the Committee:-

- I. Need to define the term 'services' in the Bill for better clarity;

- II. Need to redefine the term 'Jewellers' as persons manufacturing, selling and repairing precious metal articles and bring them under the purview of the Bill;
- III. Need to have fixed Hallmarking charges on the hallmarked articles sold by the jewelers instead of giving them a freehand for levying it on percentage basis; and
- IV. Need to have flexible but stringent penal provisions which should be in proportion to the level/intensity of violation of law/non-conformity to standards; etc.

3. The queries raised by the Chairman and Members of the Committee during the course of the deliberation were responded to by the representative of both the Grahak Panchayats. The Hon'ble Chairman then thanked the witness for appearing before the Committee and sharing their views with them.

[The witness then withdrew.]

[The representatives of Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs), were then called in]

4. After welcoming the Secretary and other officials of the Department of Consumer Affairs, the Chairman apprised them of the provisions of Direction 55(1) of The Directions by the Speaker. Hon'ble Chairman, in his opening remarks sought comments of the Secretary on important issues related to the Bill such as functions of the Bureau after the Bill comes into effect, availability of resources, qualified manpower and infrastructure with the Bureau to execute the provisions of mandatory standardization, relevance of grant, renewal, cancellation, etc of Self Declaration of Conformity, appropriateness of enforcement of 'Quality Control Orders' issued by various Central Ministries by the State Governments considering the availability of technically qualified manpower required for the same, etc.

5. Thereafter, the Secretary, Department of Consumer Affairs addressed to the concerns raised by the Hon'ble Chairman in his remarks. During the discussions, the

issues raised by Hon'ble Chairman were further supplemented by the Members of the Committee.

6. The following are some of the important points that emerged during the deliberations of the Committee:-

- (i) Need for amending the Bureau of Indian Standards Act, 1986 in order to make widen its scope and give more power to the Bureau to curb malpractices and fraudulent activities prevailing in the market;
- (ii) Need to make the penal provisions more stringent to make the BIS Act self deterrent;
- (iii) Need to protect the consumers from being exploited at the hands of jewelers in the name of BIS hallmarked jewellery, exorbitantly high making charges and process loss/wastage charges; and
- (iv) Need to establish at least one Assaying and Hallmarking centre in each district before the Bill comes into effect in order to ensure proper implementation of mandatory hallmarking provision; etc.

7. The representatives of the Department responded to the queries raised by the Chairman and the members on the aforesaid issues.

8. The Hon'ble Chairman then thanked the Secretary and other representatives of the Department of Consumer Affairs for briefing the Committee on the various provisions of the Bill and responding to their queries in a satisfactory manner.

[The witnesses then withdrew.]

A verbatim record of the proceedings has been kept.

The Committee then adjourned.

MINUTES OF THE TWENTY NINTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON TUESDAY, THE 9th JULY, 2013

The Committee sat from 1500 hrs. to 1615 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Shri Shivraj Bhaiya
3. Shri Arvind Kumar Chaudhary
4. Shri Sanjay Dhotre
5. Shri Eknath M. Gaikwad
6. Shri Prataprao G. Jadhav
7. Shri Ponnamm Prabhakar
8. Shri Purnmasi Ram
9. Shri Chandulal Sahu
10. Shri Adhi Sankar

RAJYA SABHA

11. Dr. Bhushan Lal Jangde
12. Shri Lalhming Liana
13. Smt. Rajani Patil
14. Dr. Bharatkumar Raut
15. Dr. T. N. Seema
16. Shri Birender Singh
17. Shri Veer Singh
18. Shri Kaptan Singh Solanki

SECRETARIAT

- | | | |
|----------------------|---|-----------------|
| 1. Shri P. K. Misra | - | Joint Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

WITNESSES

Representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

- | | | |
|----------------------------|---|-----------------|
| 1. Shri Pankaj Agrawala | - | Secretary |
| 2. Shri Manoj Kumar Parida | - | Joint Secretary |

3. Shri Ashok Kumar Jain	-	Director (BIS)
4. Shri Sunil Soni	-	Director General, BIS
5. Smt. Alka Panda	-	Additional DG, BIS
6. Shri P. K. Gambhir	-	Scientist G & Chief (Certification), BIS
7. Shri Parminder Bajaj	-	Scientist G & Chief (Standardization), BIS
8. Smt. Madhulika Prakash	-	Scientist F & DDG (Enf.), BIS
9. Shri A. K. Sen	-	Scientist F & DDG (Hallmarking), BIS
10. Shri A. K. Sharma	-	Scientist F & Head (CMD-III), BIS
11. Shri J. Roy Chowdhary	-	Scientist F (IR&TISC), BIS
12. Shri Kulvinder Kumar Arora	-	Director (Legal), BIS

At the outset, the Hon'ble Chairman welcomed the Members of the Committee to the sitting convened to take oral evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on the various provisions of 'The Bureau of Indian Standards (Amendment) Bill, 2012.'

2. Thereafter, Secretary and other officials of the Department of Consumer Affairs were invited to the sitting of the Committee. After welcoming them, the Chairman apprised them of the provisions of Direction 55(1) of The Directions by the Speaker. Hon'ble Chairman, in his opening remarks, sought comments of the Secretary on various important issues related to the Bill such as provision for third party certification, composition and working of the Executive committee of the Bureau, steps taken for further simplification of the process of registration with the Bureau for its effective functioning, etc.

3. Thereafter, the Secretary, Department of Consumer Affairs addressed to the concerns raised by the Hon'ble Chairman in his remarks. During the discussion, the issues raised by Hon'ble Chairman were further supplemented by the Members of the Committee.

4. The following are some of the important points that emerged during the deliberations of the Committee:-

- I. Need for fixing responsibility of Hallmarking centres and Jewellers in case of detection of deviations from the set standards in the hallmarked jewellery;

- II. Repercussions of the Quality Control Orders issued by the other Central Ministries on the secondary sector industries especially the Ministry of Steel's Quality Control Order, 2012;
- III. Need and availability of additional manpower and infrastructure for smooth implementation of the Bill;
- IV. Need to protect consumers interest by stopping misleading and fraudulent advertisements;
- V. Scope for involving other Authorities to be vested with the power to grant, renew, cancel the registration for Self Declaration of Conformity ; and
- VI. Need to make the penal provisions more stringent and ensuring their implementation acts as a deterrent by itself, etc.

5. The representatives of the Department responded to the queries raised by the Chairman and the members on the aforesaid issues.

6. The Hon'ble Chairman then thanked the Secretary and other representatives of the Department of Consumer Affairs for briefing the Committee on the various provisions of the Bill and responding to their queries in a satisfactory manner.

7. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

**MINUTES OF THE THIRTY FIRST SITTING OF THE STANDING COMMITTEE ON
FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON
THURSDAY, THE 22nd AUGUST, 2013**

The Committee sat at 1530 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar, M.P. - Chairman

MEMBERS

LOK SABHA

2. Shri Kantilal Bhuria

3. Shri Arvind Kumar Chaudhary
4. Shri Ponnamm Prabhakar
5. Shri C. Rajendran
6. Shri Suresh K. Shetkar

RAJYA SABHA

7. Shri Bhushan Lal Jangde
8. Smt. Rajani Patil
9. Dr. Bharatkumar Raut

SECRETARIAT

- | | | |
|----------------------|---|----------------------|
| 1. Shri P. K. Misra | - | Additional Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

The sitting of the Committee was scheduled to be held to consider and adopt the draft report of the Committee on 'The Bureau of Indian Standards (Amendment) Bill, 2012'

As there was lack of quorum even after waiting for 20 minutes, Hon'ble Chairman decided under the provisions of Rules 259(1) of the Rules of Procedure and Conduct of Business in Lok Sabha to postpone the sitting of the Committee to 27th August, 2013.

MINUTES OF THE THIRTY SECOND SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON TUESDAY, THE 27th AUGUST, 2013

The Committee sat from 1500 hrs. to 1545 hrs. in Room No. 115-A, First floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Arvind Kumar Chaudhary
3. Shri Eknath M. Gaikwad
4. Shri Ponnamm Prabhakar
5. Shri Purnmasi Ram
6. Shri C. Rajendran

RAJYA SABHA

7. Dr. Bhushanlal Jangde
8. Smt. Rajani Patil
9. Dr. T.N. Seema
10. Shri Veer Singh

SECRETARIAT

- | | | |
|----------------------|---|----------------------|
| 1. Shri P.K.Misra | - | Additional Secretary |
| 2. Smt. Veena Sharma | - | Director |
| 3. Shri Khakhai Zou | - | Under Secretary |

At the outset, Hon'ble Chairman welcomed the Members to the sitting convened for consideration and adoption of two draft Reports of the Committee (2012-13) on (i) 'Bureau of Indian Standards (Amendment) Bill, 2012' and (ii) the Action Taken by the Government on the observations/recommendations of the Committee contained in their

Twenty-ninth Report on Demands for Grants (2013-14) pertaining to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

3. The Committee first took up for consideration the draft Report on 'Bureau of Indian Standards (Amendment) Bill, 2012' and after due deliberation adopted the same without any amendments/modifications.

4. XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX

5. The Committee then authorized the Chairman to finalize the aforesaid Reports and present the same to the Parliament during the current Monsoon Session of Parliament.

The Committee then adjourned.

APPENDIX-I**THE BUREAU OF INDIAN STANDARDS ACT, 1986**

No. 63 of 1986
[23rd December, 1986.]

An Act to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Thirty-seventh Year of the Republic of India as follows :-

CHAPTER I**PRELIMINARY**

1. (1) This Act may be called the Bureau of Indian Standards Act, 1986.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
2. In this Act, unless the context otherwise requires, -
 - w. "article" means (as respects standardisation and marking) any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured;
 - x. "Bureau" means the Bureau of Indian Standards established under section 3 ;
 - y. "consumer" means a consumer of any article or process ;
 - z. "covering" includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper or other container;
 - aa. "Executive Committee" means the Executive Committee constituted under sub-section (1) of section 4;
 - bb. "Fund" means the Fund constituted under section 18;
 - cc. "Indian Standard" means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes -
 - i. any standard recognised by the Bureau under clause (b) of section 10; and
 - ii. any standard established and published, or recognised, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau;

- dd. "Indian Standards Institution" means the Indian Standards Institution set up under the Resolution of the Government of India in the late, Department of Industries and Supplies No. 1 Std.(4)/45, dated the 3rd day of September, 1946, and registered under the Societies Registration Act, 1860;
- ee. "inspecting officer" means an inspecting officer appointed under section 25;
- ff. "Licence" means a licence granted under section 15 to use the Indian Standards Certification Mark in relation to any article or process which conforms to the Indian Standard and includes any licence granted under the Indian Standards Institution (Certification Marks) Act, 1952 and is in force immediately before the date of establishment of the Bureau;
- gg. "manufacturer" means the manufacturer of any article or process;
- hh. "mark" includes a device, brand, heading, label, ticket, pictorial representation, name, signature, word, letter or numeral or any combination thereof;
- ii. "member" means a member of the Bureau;
- jj. "prescribed" means prescribed by rules made under this Act;
- kk. "Process" includes any practice, treatment and mode of manufacture of any article;
- ll. "registering authority" means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;
- mm. "regulations" means regulations made by the Bureau under this Act;
- nn. "rules" means rules made by the Central Government under this Act;
- oo. "Specification" means a description of an article or process as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or other characteristics to distinguish it from any other article or process;
- pp. "Standard Mark" means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian Standard and also includes any Indian Standards Institution Certification Mark specified by the Indian Standards Institution;
- qq. "trade mark" means a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right, either as proprietor or as registered user, to use the mark, whether with or without any indication of the identity of that person;
- rr. an article is said to be marked with a Standard Mark if the article itself is marked with a Standard Mark or any covering containing, or label attached to, such article is so marked.

CHAPTER II

THE BUREAU OF INDIAN STANDARDS

3. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Bureau, to be called the Bureau of Indian Standards.

(2) The Bureau shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by the said name sue and be sued.

(3) The Bureau shall consist of the following members, namely :-

- a. the Minister incharge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex-officio* President of the Bureau;
- b. The Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex-officio* vice-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;
- c. the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the Bureau *ex-officio*;
- d. the Director-General of the Bureau *ex-officio*;
- e. such number of other persons, to represent the Government, industry, scientific and research institutions and other interests, as may be prescribed, to be appointed by the Central Government.

(4) The term of office of the members referred to in clause (e) of sub-section (3) and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by, the members, shall be such as may be prescribed.

(5) The Bureau may associate with itself, in such manner and for such purposes as may be prescribed, any persons whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Bureau relevant to the purposes for which he has been associated but shall not have the right to vote.

4. (1) The Bureau may, with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely:-

- c. Director-General of the Bureau, who shall be its *ex-officio* Chairman;
- d. such number of members, as may be prescribed.

(2) The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such of the functions, powers and duties of the Bureau as may be delegated to it by the Bureau.

5. (1) Subject to any regulations made in this behalf, the Bureau may, from time to time and as and when it is considered necessary, constitute the following Advisory Committees for the efficient discharge of its functions, namely:-

- a. Financial Committee;
- b. Certification Advisory Committee;
- c. Standards Advisory Committee;
- d. Laboratory Advisory Committee;
- e. Planning and Development Advisory Committees;
- f. such number of other committees as may be determined by regulations.

(2) Each Advisory Committee shall consist of a Chairman and such other members as may be determined by regulations.

(3) Without prejudice to the powers contained in sub-section (1), the Bureau may constitute, as and when considered necessary, such number of technical committees of experts for the formulation of standards in respect of articles or processes.

6. No act or proceedings of the Bureau, the Executive Committee or any Committee constituted under section 5 shall be invalid merely by reason of :-

- a. any vacancy in, or any defect in the constitution of the Bureau or the Committee; or
- b. any defect in the appointment of a person acting as a member of the Bureau or Committee; or
- c. any irregularity in the procedure of the Bureau or the Committee not affecting the merits of the case.

7. (1) The Central Government shall appoint a Director-General of the Bureau.

(2) The terms and conditions of service of the Director-General of the Bureau shall be such as may be prescribed.

(3) Subject to the general superintendence and control of the Bureau, the Director-General of the Bureau shall be the Chief Executive Authority of the Bureau.

(4) The Director-General of the Bureau shall exercise and discharge such of the powers and duties of the Bureau as may be determined by regulations.

8. (1) The Bureau may appoint such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of service of officers and employees of the Bureau appointed under sub-section (1) shall be such as may be determined by regulations.

CHAPTER III

TRANSFER OF ASSETS, LIABILITIES, ETC. OF THE INDIAN STANDARDS INSTITUTION TO THE BUREAU

9. (1) On and from the date of establishment of the Bureau, -

- a. any reference to the Indian Standards Institution in any law other than this Act or in any contract or other instrument shall be deemed as a reference to the Bureau;
- b. all properties and assets, movable and immovable, of, or belonging to, the Indian Standards Institution shall vest in the Bureau;
- c. all the rights and liabilities of the Indian Standards Institution shall be transferred to, and be the rights and liabilities of, the Bureau;
- d. without prejudice to the provisions of clause (c), all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Indian Standards Institution immediately before that date, for or in connection

- with the purposes of the said Institution shall be deemed to have been incurred, entered into, or engaged to be done by, with or for, the Bureau;
- e. all sums of money due to the Indian Standards Institution immediately before that date shall be deemed to be due to the Bureau;
 - f. all suits and other legal proceedings instituted or which could have been instituted by or against the Indian Standards Institution immediately before that date may be continued or may be instituted by or against the Bureau; and
 - g. every employee holding any office under the Indian Standards Institution immediately before that date shall hold his office in the Bureau by the same tenure and upon the same terms and conditions of service as respects remuneration, leave, provident fund, retirement or other terminal benefits as he would have held such office if the Bureau had not been established and shall continue to do so as an employee of the Bureau or until the expiry of a period of six months from that date if such employee opts not to be the employee of the Bureau within such period.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the absorption of any employee by the Bureau in its regular service under this section shall not entitle such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.

CHAPTER IV

POWERS AND FUNCTIONS OF THE BUREAU

10. (1) The Bureau may exercise such powers and perform such duties as may be assigned to it by or under this Act and, in particular, such powers include the power to -

- a. establish, publish and promote in such manner as may be prescribed the Indian Standard, in relation to any article or process;
- b. recognise as an Indian Standard, in such manner as may be prescribed, any standard established by any other Institution in India or elsewhere, in relation to any article or process;
- c. specify a Standard Mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as may be prescribed to represent a particular Indian Standard;
- d. grant, renew, suspend or cancel a licence for the use of the Standard Mark;
- e. levy fees for the grant or renewal of any licence;
- f. make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been improperly used in relation to any article or process with or without a licence;
- g. seek recognition of the Bureau and of the Indian Standards outside India on such terms and conditions as may be mutually agreed upon by the Bureau with any corresponding institution or organisation in any country;
- h. establish, maintain and recognise laboratories for the purposes of standardisation and quality control and for such other purposes as may be prescribed;
- i. undertake research for the formulation of Indian Standards in the interests of consumers and manufacturers;

- j. recognise any institution in India or outside which is engaged in the standardisation of any article or process or the improvement of the quality of any article or process;
- k. provide services to manufacturers and consumers of articles or processes on such terms and conditions as may be mutually agreed upon;
- l. appoint agents in India or outside India for the inspection, testing and such other purposes as may be prescribed;
- m. establish branches, offices or agencies in India or outside;
- n. inspect any article or process, at such times and at such places as may be prescribed in relation to which the Standard Mark is used or which is required to conform to the Indian Standard by this Act or under any other law irrespective of whether such article or process is in India or is brought or intended to be brought into India from a place outside India;
- o. coordinate activities of any manufacturer or association of manufacturers or consumers engaged in standardisation and in the improvement of the quality of any article or process or in the implementation of any quality control activities;
- p. perform such other functions as may be prescribed.

(2) The Bureau shall perform its functions under this section in accordance with, and subject to, such rules as may be made by the Central Government.

11. (1) No person shall use, in relation to any article or process, or in the title of any patent, or in any trade mark or design the Standard Mark or any colourable imitation thereof, except under a licence.

(2) No person shall, notwithstanding that he has been granted a licence, use in relation to any article or process the Standard Mark or any colourable imitation thereof unless such article or process conforms to the Indian Standard.

12. No person shall, except in such cases and under such conditions as may be prescribed, use without the previous permission of the Bureau, -

- a. any name which so nearly resembles the name of the Bureau as to deceive or likely to deceive the public or which contains the expression "Indian Standard" or any abbreviation thereof; or
- b. any mark or trade mark in relation to any article or process containing the expressions "Indian Standard" or "Indian Standard Specification" or any abbreviation of such expressions.

13. (1) Notwithstanding anything contained in any law for the time being in force, no registering authority shall -

- a. register any company, firm or other body of persons which bears any name or mark; or
- b. register a trade mark or design which bears any name or mark; or
- c. grant a patent, in respect of an invention, which bears a title containing any name or mark

if the use of such name or mark is in contravention of section 11 or section 12.

(2) If any question arises before a registering authority whether the use of any name or mark is in contravention of section 11 or section 12, the registering authority may refer the question to the Central Government whose decision thereon shall be final.

14. If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette, -

- c. notify any article or process of any scheduled industry which shall conform to the Indian Standard; and
- d. direct the use of the Standard Mark under a licence as compulsory on such article or process.

Explanation - For the purposes of this section, the expression "scheduled industry" shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951.

CHAPTER V

LICENCE

15. (1) The Bureau may, by order, grant, renew, suspend or cancel a licence in such manner as may be determined by regulations.

(2) The grant or renewal of the licence under sub-section (1) shall be subject to such conditions and on payment of such fees as may be determined by regulations.

16. (1) Any person aggrieved by an order made under section 15 may prefer an appeal to the Central Government within such period as may be prescribed.

(2) No appeal shall be admitted if it is preferred after the expiry of the period prescribed therefor :

Provided that an appeal may be admitted after the expiry of the period prescribed therefor if the appellant satisfies the Central Government that he had sufficient cause for not preferring the appeal within the prescribed period.

(3) Every appeal made under this section shall be made in such form and shall be accompanied by a copy of the order appealed against and by such fees as may be prescribed.

(4) The procedure for disposing of an appeal shall be such as may be prescribed :

Provided that before disposing of an appeal, the appellant shall be given a reasonable opportunity of being heard.

CHAPTER VI

FINANCE, ACCOUNTS AND AUDIT

17. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Bureau grants and loans of such sums of money as that Government may consider necessary.

18. (1) There shall be constituted a Fund to be called the Bureau of Indian Standards Fund and there shall be credited thereto -

- a. any grants and loans made to the Bureau by the Central Government under section 17;
- b. all fees and charges received by the Bureau under this Act;
- c. all sums received by the Bureau from such other sources as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting -

- a. the salary, allowances and other remuneration of the members, Director-General, officers and other employees of the Bureau;
- b. expenses of the Bureau in the discharge of its functions under section 10;
- c. expenses on objects and for purposes authorised by this Act.

19. (1) The Bureau may, with the consent of the Central Government or in accordance with the terms of any general or special authority given to it by the Central Government, borrow money from any source as it may deem fit for discharging all or any of its functions under this Act.

(2) The Central Government may guarantee in such manner as it thinks fit, the repayment of the principal and the payment of interest thereon with respect to the loans borrowed by the Bureau under sub-section (1).

20. The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Bureau and forward the same to the Central Government.

21. The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

22. (1) The Bureau shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor General of India.

(2) The accounts of the Bureau shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Bureau to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Bureau shall have the same rights and privileges and the authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Bureau.

(4) The accounts of the Bureau as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

23. The Central Government shall cause the annual report to be laid, as soon as may be after it is received, before each house of Parliament.

CHAPTER VII

MISCELLANEOUS

24. (1) Without prejudice to the foregoing provisions of this Act, the Bureau shall, in the exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time :

Provided that the Bureau shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of policy or not shall be final.

25. (1) The Bureau may appoint as many inspecting officers as may be necessary for the purpose of inspecting whether any article or process in relation to which the Standard Mark has been used conforms to the Indian Standard or whether the Standard Mark has been properly used in relation to any article or process with or without licence, and for the purpose of performing such other functions as may be assigned to them.

(2) Subject to any rules made under this Act, an inspecting officer shall have power to -

(a) inspect any operation carried on in connection with any article or process in relation to which the Standard Mark has been used; and

(b) take samples of any article or of any material or substances used in any article or process, in relation to which the Standard Mark has been used.

(3) Every inspecting officer shall be furnished by the Bureau with a certificate of appointment as an inspecting officer and the certificate shall, on demand, be produced by the inspecting officer.

26. (1) If the inspecting officer has reason to believe that any article or process in relation to which the contravention of section 11 or section 12 has taken place are secreted in any place, premises or vehicles, he may enter into and search such place, premises or vehicle for such article or process.

(2) Where, as a result of any search made under sub-section (1), any article or process has been found in relation to which contravention of section 11 or section 12 has taken place, he may seize such article and other things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act :

Provided that where it is not practicable to seize any such article or thing, the inspecting officer may serve on the owner an order that he shall not remove, part with, or otherwise deal with, the article or things except with the previous permission of the inspecting officer.

(3) The provision of the Code of Criminal Procedure, 1973, relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this section.

27. The Bureau may, by general or special order in writing, delegate to any member, member of the Executive Committee, officer of the Bureau or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 38) as it may deem necessary.

28. Every licensee shall supply the Bureau with such information, and with such samples of any material or substance used in relation to any article or process, as the Bureau may require.

29. Nothing in this Act shall exempt any person from any suit or other proceeding which might, apart from this Act, be brought against him.

30. Any information obtained by an inspecting officer or the Bureau from any statement made or information supplied or any evidence given or from inspection made under the provisions of this Act shall be treated as confidential :

Provided that nothing in this section shall apply to the disclosure of any information for the purpose of prosecution under this Act.

31. All members, officers and other employees of the Bureau shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

32. No suit, prosecution or other legal proceeding shall lie against the Government or any officer of the Government or any member, officer or other employee of the Bureau for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

33. (1) Any person who contravenes the provisions of section 11, or section 12 or section 14 or section 15 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to fifty thousand rupees, or with both.

(2) Any court trying a contravention under sub-section (1) may direct that any property in respect of which the contravention has taken place shall be forfeited to the Bureau.

34. (1) No court shall take cognizance of any offence punishable under this Act save on a complaint made by or under the authority of the Government or Bureau or by any officer empowered in this behalf by the Government or the Bureau, or any consumer or any association recognised in this behalf by the Central or State Government.

(2) No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class specially empowered in this behalf shall try any offence punishable under this Act.

35. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly :

Provided that nothing contained in this sub-section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation - For the purposes of this section, -

- a. "company" means any body corporate and includes a firm or other association of individuals; and
- b. "director", in relation to a firm, means a partner in the firm.

36. All orders and decisions of, and all other instruments issued by, the Bureau shall be authenticated by the signature of such officer or officers as may be authorised by the Bureau in this behalf.

37. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely :-

- p. the number of members of the Bureau and the interest such members would represent under clause (e) of sub-section (3) of section 3;
- q. the term of office of the members of the Bureau, the manner for filling vacancies and the procedure to be followed in the discharge of their functions by, the members under sub-section (4) of section 3;
- r. the manner in, and the purposes for, which the Bureau may associate with itself any person for assistance and advice under sub-section (5) of section 3;
- s. the number of members of the Bureau who will be members of the Executive Committee under clause (b) of sub-section (1) of section 4;
- t. the terms and conditions of service of the Director-General of the Bureau under sub-section (2) of section 7;
- u. the design and the particulars to represent a particular Indian Standard under clause (c) of sub-section (1) of section 10;
- v. the purposes for which laboratories for the purposes of standardisation and quality control shall be established by the Bureau under clause (h), of sub-section (1) of section 10;
- w. the purposes for which agents may be appointed by the Bureau in India or outside India under clause (1) of sub-section (1) of section 10;
- x. the times and places at which any article or process may be inspected under clause (n) of sub-section (1) of section 10;
- y. the additional functions that may be performed by the Bureau under section 10;
- z. the cases in which, and the conditions subject to which, exemption may be granted under section 12;

- aa. the form in which, and the time at which, the Bureau shall prepare its budget under section 20 and its annual report under section 21;
- bb. the manner in which the accounts of the Bureau shall be maintained under section 22;
- cc. the conditions subject to which inspecting officer may exercise his powers under sub-section (2) of section 25;
- dd. any other matter which is to be, or may be, prescribed, or in respect of which provision is to be, or may be, made by rules.

38. (1) The Executive Committee may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the rules generally to carry out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely :-

- a. the members of the Advisory Committees constituted under section 5 ;
- b. the powers and duties that may be exercised and discharged by the Director-General of the Bureau under sub-section (4) of section 7;
- c. the terms and conditions of service of officers and employees of the Bureau under sub-section (2) of section 8;
- d. the manner of grant, renewal, suspension or cancellation of licence under sub-section (1) of section 15;
- e. the conditions subject to which a licence may be granted or renewed and the fees payable therefor under sub-section (2) of section 15.

39. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

40. Nothing in this Act shall affect the operation of the Agricultural Produce (Grading and Marking) Act, 1937 or the Drugs and Cosmetics Act, 1940, or any other law for the time being in force, which deals with any standardisation or quality control of any article or process.

41. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty :-

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

42. (1) The Indian Standards Institution (Certification Marks) Act, 1952, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have done or taken (including any rule, regulation, notification, scheme, specification, Indian Standard, Standard Mark, inspection order or notice made, issued or adopted, or any appointment, or declaration made or any licence, permission, authorisation or exemption granted or any document or instrument executed or direction given or any proceedings taken or any penalty or fine imposed) under the Act hereby repealed shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

(3) The mention of particular matters in sub-section (2) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 with regard to the effect of repeal.

C. RAMAN MENON,
Additional Secy. to the Govt. of India.

[Home](#)

AS INTRODUCED IN LOK SABHA

Bill No. 52 of 2012**THE BUREAU OF INDIAN STANDARDS
(AMENDMENT) BILL, 2012**

A

BILL

to amend the Bureau of Indian Standards Act, 1986.

BE it enacted by Parliament in the Sixty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Bureau of Indian Standards (Amendment) Act, 2012.

Short title
and
commencement.

(2) It shall come into force on such date as the Central Government may, by notification
5 in the Official Gazette, appoint.

63 of 1986. **2.** In the Bureau of Indian Standards Act, 1986 (hereinafter referred to as the principal Act), in the long title,—

Amendment
of long title.

(i) after the words "establishment of a Bureau", the words "to be a national standards body" shall be inserted;

10 (ii) for the word "goods", the words "goods, articles, processes and services" shall be substituted.

Amendment
of section 2.

3. In section 2 of the principal Act,—

(i) after clause (f), the following clause shall be inserted, namely:—

'(fa) "Hallmark" means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian Standard in relation to precious metal article;'

5

(ii) after clause (i), the following clause shall be inserted, namely:—

'(ia) "jeweller" means a person selling precious metal articles;'

(iii) after clause (m), the following clauses shall be inserted, namely:—

'(ma) "precious metal" means gold, silver, platinum and palladium;

'(mb) "precious metal article" means any article made entirely or in part from precious metals or their alloys;'

10

(iv) after clause (p), the following clauses shall be inserted, namely:—

'(pa) "registration" means the registration granted by the Bureau for self declaration under sub-section (IA) of section 15;

'(pb) "registered user" means a person who has been granted registration or self declaration of conformity by the Bureau under sub-section (IA) of section 15;

15

'(pc) "self declaration of conformity" means a declaration by a manufacturer of his product in conformity with the Indian Standard;'

(v) in clause (t), for the words "includes any", the words "includes Hallmark or the mark of an international body or institution or any" shall be substituted.

20

Amendment
of section 4.

4. In section 4 of the principal Act, in sub-section (I), after clause (b), the following proviso shall be inserted, namely:—

"Provided that a member of the Executive Committee as may be prescribed, may, authorise any person to represent him in the Committee."

25

Amendment
of section 10.

5. In section 10 of the principal Act, in sub-section (I),—

(i) after clause (d), the following clause shall be inserted, namely:—

"(da) grant, renew, suspend or cancel, registration or self declaration of conformity;";

(ii) in clause (e), for the word "licence", the words "licence or registration or self declaration of conformity" shall be substituted;

30

(iii) after clause (j), the following clause shall be inserted, namely:—

"(ja) recognise with the prior approval of the Central Government the mark of any international body or institution in relation to any article or process at par with the Standard Mark for such article or process;";

35

(iv) in clause (l), for the words "inspection, testing", the words "inspection, collection of samples, testing" shall be substituted;

(v) after clause (n), the following clause shall be inserted, namely:—

"(na) carry out survey of any article or process relating to Indian Standard;".

40

Amendment of
section 11.

6. In section 11 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

'(3) No person, other than a registered user in possession of a valid registration or self declaration of conformity, shall, on and after the commencement of the Bureau

of Indian Standards (Amendment) Act, 2012 display on and after such commencement in relation to any article or process, the words "Self declaration — conforming to IS....." on an article or packaging, as the case may be, or make a public claim, through advertisements, sales promotion leaflets, price lists or the like, that his article conforms to the Indian Standard or make such a declaration on the article.'

7. For section 14 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 14.

'14. If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette,—

Compulsory use of Standard Mark for articles and processes of any industry.

(a) notify any article or process of any industry which shall conform to the Indian Standard; and

(b) direct the use of the Standard Mark under a licence as compulsory on such article or process:

Provided that nothing in this section shall apply to an article or process meant only for export.

Explanation.— For the purposes of this section and section 14B, the expression "article" includes an article imported into India which is of the same nature or description as an article manufactured in India. '

8. After section 14 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 14A, 14B and 14C.

'14A. Where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order, published in the Official Gazette, make it compulsory for such jewellers selling such precious metal article in such geographical areas and having such minimum turnover, as may be specified by regulations, to use Hallmark under a licence and that such article shall conform to the Indian Standard.

Compulsory use of Hallmark for precious metal article.

14B. (1) Without prejudice to the provisions of section 14, where the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient in the public interest so to do, it may, by order, published in the Official Gazette,—

Compulsory registration for self declaration.

(a) notify any article or process which shall conform to the Indian Standard; and

(b) direct registration or grant self declaration of conformity with the Bureau as compulsory for the purpose of self declaration on such article or process as under:

"Self declaration—Conforms to IS....."

(2) Subject to the provisions of sub-section (3), a person may, in respect of any article or process notified under sub-section (1), exercise an option for making registration or grant of self declaration of conformity with, or taking licence from, the Bureau.

(3) When an article or process notified for registration or in respect of which self declaration of conformity has been granted under sub-section (1), is subsequently notified under section 14, then, in addition to such registration or self declaration of conformity, a licence shall be compulsorily taken from the Bureau for such article or process in place of such registration or self declaration of conformity.

Enforcement of orders.	14C. The Central Government may, by order, authorise any authority to be enforcement authority for enforcement of any order issued by it under section 14, or section 14A or section 14B, in such manner as may be specified in the order.’.	
Substitution of Chapter heading.	9. In Chapter V of the principal Act, for the Chapter heading "LICENCE" the following Chapter heading shall be substituted, namely:— "LICENCE AND REGISTRATION OR SELF DECLARATION OF CONFORMITY".	5
Amendment of section 15.	10. In section 15 of the principal Act,— (a) after sub-section (1), the following sub-section shall be inserted, namely:— "(1A) The Bureau may, for the purpose of self declaration under sub-section (1) of section 14B, by order, grant, renew, suspend or cancel registration or grant self declaration of conformity in such manner as may be determined by regulations."; (b) in sub-section (2), after the words, brackets and figure "under sub-section (1)", the words, brackets, figure and letter "or as the case may be, registration or allow self declaration of conformity or renewal thereof under sub-section (1A)" shall be inserted.	10 15
Amendment of section 26.	11. In section 26 of the principal Act, in sub-sections (1) and (2), for the words and figures "section 11 or section 12", the words, figures and letters "section 11 or section 12 or section 14 or section 14A or section 14B or section 15" shall respectively be substituted.	20
Amendment of section 33.	12. In section 33 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:— “(1) Any person who contravenes the provisions of section 11 or section 12 or section 14 or section 14A or section 15 shall be punishable with imprisonment for a term which may extend to one year, or with fine which shall not be less than two lakh rupees but which may extend to five lakh rupees, or with both. (1A) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under this Act, not being an offence punishable with imprisonment only, or with imprisonment and also with fine, may, either before or after the institution of any prosecution, be compounded by an officer of the Bureau, not below the rank of Scientist G or Additional Director General of the Bureau appointed by the Director General in the Bureau in such manner as may be prescribed: Provided that the sum so specified shall not, in any case, exceed the maximum amount of the fine which may be imposed under sub-section (1) for the offence so compounded: Provided further that nothing in this sub-section shall apply to an offence committed by a person for the second time or thereafter on which a similar offence committed by him has been compounded. (1B) Every officer referred to in sub-section (1A) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the Bureau. (1C) Every application for the compounding of an offence shall be made in such manner as may be prescribed. (1D) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted in relation to such offence, against the offender in relation to whom the offence is so compounded. (1E) Where the composition of any offence is made after the institution of any prosecution, such composition shall be brought by the officer referred to in	25 2 of 1974. 30 35 40 45

sub-section (1A) in writing, to the notice of the Court in which the prosecution is pending and on such notice of the composition of the offence being given, the person against whom the offence is so compounded shall be discharged.

5 (1F) Any person who fails to comply with an order made by the officer referred to in sub-section (1A) shall be punishable with imprisonment for a term which may extend to two years, or with fine not exceeding ten lakh rupees, or with both.”.

13. In section 34 of the principal Act, in sub-section (1), the words “recognised in this behalf by the Central or State Government” shall be omitted. Amendment of section 34.

14. In section 37 of the principal Act, in sub-section (2),— Amendment of section 37.

10 (i) for clause (d), the following clause shall be substituted, namely:—

“(d) the number of members of the Bureau who will be members of the Executive Committee and the power of a member to authorise a person to represent him under clause (b) of sub-section (1) of section 4;”;

(ii) after clause (n), the following clauses shall be inserted, namely:—

15 “(na) the manner of compounding of offence under sub-section (1A) of section 33;

“(nb) the application for compounding of an offence under sub-section (1C) of section 33;”.

15. In section 38 of the principal Act, in sub-section (2),— Amendment of section 38.

20 (a) after clause (c), the following clause shall be inserted, namely:—

“(ca) the jewellers, precious metal article, geographical areas and minimum turnover for jewellers under section 14A;”;

(b) for clauses (d) and (e), the following clauses shall be substituted, namely:—

25 “(d) the manner of grant, renewal, suspension or cancellation of licence under sub-section (1) and the manner of granting registration, or allowing self declaration of conformity, its renewal, suspension or cancellation under sub-section (1A) of section 15;

30 “(e) the conditions subject to which a licence may be granted or renewed or registration or allowing self declaration of conformity may be granted or renewed and the fees payable therefor under sub-section (2) of section 15.”.

STATEMENT OF OBJECTS AND REASONS

The Bureau of Indian Standards Act, 1986 (BIS Act, 1986) provides for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto. Section 10 of the said Act provides that the functions of the Bureau of Indian Standards, *inter alia*, are to establish, publish and promote Indian Standards, to grant, renew, suspend or cancel licence for the use of the Standards Mark and to specify a Standard Mark to be called the Bureau of Indian Standards Certification Mark. The Bureau of Indian Standards have, so far, formulated over 18,500 standards for about 9,500 article or process of industry.

2. Under the aforesaid Act, it is not compulsory to obtain licence from the Bureau by the producer or dispenser of a product or service for the use of the Standard Mark even after a standard for a product or service has been established and published by the Bureau, unless the Central Government, under section 14 of the Act, after consulting the Bureau, by order published in the Official Gazette, directs that the use of Standard Mark under a licence is compulsory. However, any person may apply to the Bureau of Indian Standards for licence if a standard has been established and published by the Bureau of Indian Standards only when an article or process is of any scheduled industry specified in the Industries (Development and Regulation) Act, 1951.

3. In view of the provisions of section 14 of the BIS Act, 1986, no one can declare that his article or process conforms to the Indian Standard unless he obtains a licence from the Bureau and the article or process is of the scheduled industry.

4. It is, therefore, proposed to amend the aforesaid Act, *inter alia*,—

(a) to amend the long title of the said Act to name the Bureau of Indian Standards to be a national standards body and to include the articles, processes and services in addition to goods for the purpose of marking and quality certification;

(b) to amend section 11 of BIS Act, 1986 so as to allow any person who is a registered user of a self declaration of conformity to display or make self declaration on an article or process that his article conforms to the Indian Standards or make a public claim through advertisements, sales, promotion leaflets, price lists or like that his article conforms to the Indian Standards;

(c) to amend section 14 of BIS Act, 1986 so as to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to notify that any article or process of any industry (other than an article or process meant for export) shall conform to the Indian Standard and direct that the use of the Standard Mark under a licence shall be compulsory;

(d) to insert a new section 14A in BIS Act, 1986 so as to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to make it compulsory for the jewellers selling the precious metal articles in such geographical area and having such minimum turnover as may be specified by regulation to use Hallmark under a licence and that such article conforms to the Indian Standards;

(e) to insert a new section 14B in BIS Act, 1986 so as to,—

(i) empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to notify that any article or process shall conform to the Indian Standard and to direct registration or grant self declaration of conformity with the Bureau as compulsory;

(ii) provide an option to any person in respect of any article or process notified by the Central Government for making registration or grant of self declaration of conformity with, or taking licence, from the Bureau;

(iii) provide that when an article or process notified for registration or in respect of which self declaration of conformity has been granted is subsequently notified, which shall conform to the Indian Standard, then, in addition to such registration or self declaration of conformity, it shall be compulsory to obtain a licence for such article or process in place of such registration or self declaration of conformity;

(f) to insert a new section 14C in BIS Act, 1986 so as to empower the Central Government to authorise any authority to be enforcement authority for enforcement of orders issued under section 14 or section 14A or section 14B of that Act;

(g) to amend section 15 of BIS Act, 1986 so as to empower the Bureau to grant, renew, suspend or cancel registration or grant self declaration of conformity;

(h) to amend section 33 of the BIS Act, 1986 so as to,—

(i) provide for enhancement of quantum of fine from rupees fifty thousand to rupees two lakhs for contravention of section 11 or section 12 or section 14 or section 14A or section 14B or section 15 of the BIS Act, 1986;

(ii) provide for compounding of the offences punishable with fine except when a person has committed offence of similar nature for the second time or thereafter on which a similar offence committed by him has been compounded.

5. The Bill seeks to achieve the above objectives.

NEW DELHI;
The 13th April, 2012.

K.V. THOMAS.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 4 of the Bill seeks to amend section 4 of the Act to empower the Central Government to make rules to empower a member to authorise any person to represent him in the Executive Committee of the Bureau.

2. Clause 8 of the Bill seeks to insert three new sections 14A, 14B and 14C. New section 14A seeks to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, make it compulsory for the jewellers selling the precious metal articles in such geographical area and having such minimum turnover, as may be specified by regulations to use Hallmark under a licence and that article conforms to the Indian Standards, new section 14B seeks to empower the Central Government, after consulting the Bureau, by order published in the Official Gazette, to notify any article or process which shall conform to the Indian Standard and direct registration or grant self declaration of conformity with the Bureau as compulsory while new section 14C seeks to empower the Central Government by order to authorise any authority to be enforcement authority for enforcement of any order issued by it under the new section 14 or section 14A or section 14B in such manner as may be specified in the order.

3. Clause 10 of the Bill seeks to insert a new sub-section (1A) in section 15 and to amend sub-section (2) thereof to empower the Bureau to make order to grant, renew, suspend or cancel registration or grant self declaration of conformity in accordance with the regulations and subject to the condition and on payment of fees for grant or renewal of self declaration of conformity in accordance with the regulations in this behalf, respectively.

4. Clause 12 of the Bill proposes to amend section 33 of the Act to empower the Central Government to make rules to provide for the manner of compounding of offences and making application therefor.

5. The matters in respect of which the rules and regulations may be made, or orders to be issued are matters of detail or procedure. The delegation of the legislative power is, therefore, of a normal character.

ANNEXURE

EXTRACTS FROM THE BUREAU OF INDIAN STANDARDS ACT, 1986

(63 OF 1986)

An Act to provide for the establishment of a Bureau for the harmonious development of the activities of standardisation, marking and quality certification of goods and for matters connected therewith or incidental thereto.

* * * * *

2. In this Act, unless the context otherwise requires,— Definitions.

* * * * *

(t) “Standard Mark” means the Bureau of Indian Standards Certification Mark specified by the Bureau to represent a particular Indian Standard; and also includes any Indian Standards Institution Certification Mark specified by the Indian Standards Institution;

* * * * *

4. (I) The Bureau may, with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely:— Constitution of Executive Committee.

* * * * *

(b) such number of members, as may be prescribed.

* * * * *

CHAPTER IV

POWERS AND FUNCTIONS OF THE BUREAU

10. (I) The Bureau may exercise such powers and perform such duties as may be assigned to it by or under this Act and, in particular, such powers include the power to— Functions of the Bureau.

* * * * *

(e) levy fees for the grant or renewal of any licence;

* * * * *

(I) appoint agents in India or outside India for the inspection, testing and such other purposes as may be prescribed;

* * * * *

14. If the Central Government, after consulting the Bureau, is of the opinion that it is necessary or expedient so to do, in the public interest, it may, by order published in the Official Gazette,— Compulsory use of Standard Mark for articles and processes to certain scheduled industries.

(a) notify any article or process of any scheduled industry which shall conform to the Indian Standard; and

(b) direct the use of the Standard Mark under a licence as compulsory on such article or process.

Explanation.—For the purposes of this section, the expression “scheduled industry” shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951.

CHAPTER V

LICENCE

Grant of licence.	15. (1)	*	*	*	*	*
	(2) The grant or renewal of the licence under sub-section (1) shall be subject to such conditions and on payment of such fees as may be determined by regulations.					
		*	*	*	*	*
Power to search and seizure.	26. (1)	If the inspecting officer has reason to believe that any article or process in relation to which the contravention of section 11 or section 12 has taken place are secreted in any place, premises or vehicles, he may enter into and search such place, premises or vehicle for such article or process.				
	(2) Where, as a result of any search made under sub-section (1), any article or process has been found in relation to which contravention of section 11 or section 12 has taken place, he may seize such article and other things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act:					
	Provided that where it is not practicable to seize any such article or thing, the inspecting officer may serve on the owner an order that he shall not remove, part with or otherwise deal with, the article or things except with the previous permission of the inspecting officer.					
		*	*	*	*	*
Penalty for improper use of Standard Mark, etc.	33. (1)	Any person who contravenes the provisions of section 11, or section 12 or section 14 or section 15 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to fifty thousand rupees, or with both.				
		*	*	*	*	*
Cognizance of offences by courts.	34. (1)	No court shall take cognizance of any offence punishable under this Act, save on a complaint made by or under the authority of the Government or Bureau or by any officer empowered in this behalf by the Government or the Bureau, or any consumer or any association recognised in this behalf by the Central or State Government.				
		*	*	*	*	*
Power to make rules.	37. (1)	*	*	*	*	*
	(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—					
		*	*	*	*	*
	(d) the number of members of the Bureau who will be members of the Executive Committee under clause (b) of sub-section (1) of section 4;					
		*	*	*	*	*
Power to make regulations.	38. (1)	*	*	*	*	*
	(2) In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—					
		*	*	*	*	*
	(d) the manner of grant, renewal, suspension or cancellation of licence under sub-section (1) of section 15;					
	(e) the conditions subject to which a licence may be granted or renewed and the fees payable therefor under sub-section (2) of section 15.					
		*	*	*	*	*

LOK SABHA

A

BILL

to amend the Bureau of Indian Standards Act, 1986.

*(Shri K.V. Thomas, Minister of State for Consumer Affairs, Food and
Public Distribution)*

Extra portion

G. FUNCTIONS OF BUREAU OF INDIAN STANDARDS

2.1 The core activities of Bureau of Indian Standards are standard formulation and certification of articles and processes under licence. Bureau of Indian Standards has the power to grant licence under clause (d) of sub-section (1) of section 10 and sub-section (1) of section 15 of the Bureau of Indian Standards Act. Taking of such licence is, by and large, voluntary. Even after a standard for a product or service has been established and published by the Bureau of Indian Standards, it is not incumbent on the producer or dispenser of such a product or service to necessarily obtain licence from the Bureau of Indian Standards, unless the Government makes taking such licence compulsory under section 14 of the Bureau of Indian Standards Act. However, any person can apply voluntarily to the Bureau of Indian Standards for licence provided a standard has been established and published by the Bureau of Indian Standards. The Government exercises the power under section 14 for ensuring compulsory compliance with standards in public interest from the point of view of public health and safety of consumers (e.g. cement, packaged drinking water, etc).

2.2 Under the explicit provisions of the Act, no one can declare that his article or process conforms to the relevant Indian Standard unless he obtains a licence from the Bureau. The only exception is Section 12 according to which, no person shall, except in such cases and under such conditions as may be prescribed, use without the previous permission of the Bureau, any mark or trade mark in relation to any article or process containing the expression "Indian Standard" or "Indian Standards Specification" or any abbreviation of such expression.

2.3 It can, therefore, be seen that section 12 permits the use of the expression "conforms to Indian Standard" as an exception to the general rule where such expression should normally not be used. It has now been felt that in a fairly large number of cases, especially in the emerging technologies such as information technology, bio-technology and nano technology, a need may arise for an article or process to use the expression "conforms to Indian Standard". In such an eventuality, it

may be appropriate to have an explicit provision in the Act as has been proposed in this note.

J. FUTURE GOALS

- To formulate Indian standards in line with national priorities, incorporating technical advancements. Keeping pace with international standardization at the same protecting the interest of Indian trade and industry.
- To continue to serve consumers and customers by way of providing quality goods and services.
- To encourage Indian industries to adopt Indian Standards voluntarily to face international competitiveness.

On being asked whether other Accredited Certification Bodies such as NABL, Quality Council of India, Food Safety and Standards Authority of India, etc. may be allowed to carry out the implementation of National Standards, the Department stated that it is submitted that BIS is a 'certification body' which certifies quality standards of products and services. Bodies like Quality Council of India (QCI) and NABL are Accreditation bodies that give accreditation/recognition of quality 'Laboratories'. As regards Food Safety and Standards Authority of India (FSSAI), it is mandated under the Food Safety and Standards Act, 2006 to 'fix food standards and regulate – monitor the manufacturing, import, processing, distribution and sell of food so as to ensure safe and wholesome food for the people'. Both BIS and FSSAI will function harmoniously to protect consumer interests.

When asked by the Committee which standard will prevail whether laid down under Food Safety and Standards Authority of India (FSSAI) and BIS in respect of food articles under the given circumstances, the Ministry replied as under_____Reply awaited.

On being enquired whether any steps being taken by the Bureau for mass and regular market checks for implementation of standards, the Department stated _____Reply awaited.

G. License

15. (1) The Bureau may, by order, grant, renew, suspend or cancel a licence in such manner as may be determined by regulations.

(2) The grant or renewal of the licence under sub-section (1) shall be subject to such conditions and on payment of such fees as may be determined by regulations.

The Government in Clause 10 proposes to amend Section 15 as under:-

10. *In Section 15 of the principal Act, -*

(a) after sub-section (1), the following sub-section shall be inserted, namely :-

'(1A) – The Bureau may, for the purpose of self declaration under sub-section (1) of section 14B, by order, grant, renew, suspend or cancel registration or grant self declaration of conformity in such manner as may be determined by regulations.'

(b) in sub-section (2), after the words, brackets and figure 'under sub-section (1)', the words, brackets, figure and letter' or as the case may be, registration or allow self declaration of conformity or renewal thereof under sub-section (1A)' shall be inserted.

Summary of Views/Suggestions placed before the Committee

Consumer Association of India – Suspension or cancellation of license is to be widely publicized in all the media.

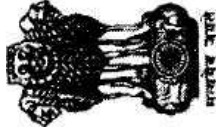
**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION
(2012-13)**

FIFTEENTH LOK SABHA

**MINISTRY OF CONSUMER AFFAIRS, FOOD
AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)**

**DEMANDS FOR GRANTS
(2013-14)**

TWENTY NINTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
April, 2013/ --Vaisakha, 1935 (Saka)**

TWENTY NINTH REPORT

**STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS
AND PUBLIC DISTRIBUTION
(2012-13)**

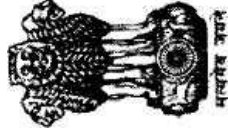
(FIFTEENTH LOK SABHA)

**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(DEPARTMENT OF CONSUMER AFFAIRS)**

**DEMANDS FOR GRANTS
(2013-14)**

Presented to Lok Sabha on 30.04.2013

Laid in Rajya Sabha on 30.04.2013



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2013/ --Vaisakha, 1935 (Saka)

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(i)

COMPOSITION OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION – 2012-13.

Shri Vilas Muttemwar - Chairman

MEMBERS

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* Shri Lal Chand Kataria, MP appointed Minister w.e.f 28.10.2012

** Vice Shri A. Sai Prathap has been nominated to the Committee on Chemicals and Fertilizers w.e.f. 09.01.2013.

@ Smt Rajani Patil has been nominated to the Committee on FCA&PD w.e.f.18.03.2013.

INTRODUCTION

I, the Chairman of the Standing Committee on Food, Consumer Affairs and Public Distribution (2012-13), having been authorized by the Committee to submit the Report on their behalf present this Twenty Ninth Report on Demands for Grants (2013-14) relating to the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs).

2. The Committee examined/scrutinized the detailed Demands for Grants (2013-14) of the Ministry, which were laid on the Table of the House on 19th March, 2013. The Committee took evidence of the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on 8th April 2013.

3. The Committee wish to express their thanks to the Officers of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) for placing before them detailed written notes on the subject and for furnishing the information to the Committee, desired in connection with examination of the subject.

4. The Committee also place on record their deep sense of appreciation for invaluable assistance rendered by the Officials/Staff of Lok Sabha Secretariat attached to the Committee.

5. The Report was considered and adopted by the Committee at their sitting held on 26.04.2013.

6. For facility of reference and convenience, the Observations/Recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI
26 April, 2013
06 Vaisakha, 1935 (Saka)

VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food
Consumer Affairs and Public Distribution

CHAPTER I

INTRODUCTORY

The Department of Consumer Affairs (DCA) was constituted as a separate Department in June 1997 under the Ministry of Consumer Affairs, Food & Public Distribution to act as a nodal Department to focus exclusively on protecting the rights of consumers including redressal of consumer grievances as well as to promote standards of goods and services, standards in weight and measures, regulation of packaged commodities, etc. The Department has been entrusted with the following work: -

1. Internal Trade.
2. Control of Future Trading: The Forward Contracts (Regulation) Act, 1952 (74 of 1952).
3. The Essential Commodities Act, 1955 (10 of 1955) (Supply, Price and Distribution of Essential Commodities not dealt with specifically by any other Department).
4. Prevention of the Black Marketing and Maintenance of Supplies of Essential Commodities Act, 1980 (7 of 1980).
5. Regulation of Packaged Commodities.
6. Training in Legal Metrology.
7. The Emblems and Names (Prevention of Improper Use) Act, 1952.
8. The Standards of Weights and Measures Act, 1976 and Standards of Weights and Measures (Enforcement) Act, 1985.
9. Bureau of Indian Standards Act, 1986.
10. Laying down specifications, standards and codes and ensuring quality control of bio-fuels for end uses.
11. Forward Markets Commission.
12. Consumer Cooperatives.
13. Consumer Protection Act, 1986.
14. Monitoring of prices and availability of essential commodities.
15. National Test House.
16. To regulate weighing and measuring instruments used in trade and transaction, industrial production and for protection of human safety including regulation of packaged commodities.

1.2 In carrying out its mandate, the Department is assisted by the following organizations:

- (A) Bureau of Indian Standards (BIS).
- (B) National Test House (NTH).
- (C) National Consumer Disputes Redressal Commission (NCDRC).
- (D) National Cooperative Consumer's Federation (NCCF).
- (E) Forward Markets Commission (FMC).
- (F) Indian Institute of Legal Metrology (IILM).
- (G) Regional Reference Standards Laboratories (RRSLS).

1.3 During 11th Five Year Plan, several new schemes have been successfully implemented. Some of the major achievements were setting up of National Consumer Helplines, setting up of many State Consumer Helplines, Jago Grahak Jago campaign, intensive price monitoring, introduction of Standard Packs, completion of NCDRC building and setting up of 204 working Standard Laboratories

1.4 During the 12th Plan the Department proposes to focus on the various programmes in a time bound manner. The milestone will be providing better infrastructure to various consumer fora, tackling the menace of misleading advertisement, Autonomy to Forward Market Commission for better regulation of Future's Trade, intensive and extensive price monitoring, accelerating campaign on Consumer Rights in remote and rural areas and setting up Mediation/ Advisory Centres for Consumers.

1.5 The Minister of Consumer Affairs, Food and Public Distribution laid on the Table of the Lok Sabha, the Detailed Demands for Grants (2013-2014) relating to the Department of Consumer Affairs on 19th March, 2013. The Detailed Demands for Grants for the Department of Consumer Affairs shows a budgetary provision of Rs. 602.70 crores. This includes Rs.241.00 crores for plan activities and Rs. 361.70 crores for non-plan programmes and schemes.

1.6 The Committee have examined the various issues related to implementation of different schemes/programmes of the Department in the context of Demands for Grants (2013-14); the detailed analysis alongwith the observations/recommendations has been given in the succeeding Chapters of the report.

CHAPTER II

General Performance of the Department

Total allocation of funds during 11th and 12th Plan period:

11th Plan

(Rs. in Crores)

Year	BE	RE	AE
2007-08	213.00	150.00	105.83
2008-09	209.00	160.00	142.33
2009-10	209.00	164.00	146.23
2010-11	220.00	198.00	187.92
2011-12	225.00	185.00	175.62
Total Allocation	1076.00	857.00	757.93

12th Plan

(Rs. in Crores)

Year	BE	RE	AE
2012-13	241.00	150.00	125.15 (upto Feb., 13)
2013-14	241.00		
2014-15			
2015-16			
2016-17			
Total Allocation	1260.00		

2.2 The total amount allocated for 11th Five Year Plan for various schemes/programmes, and the details of actual expenditure and percentage of allocated funds incurred during the 11th Plan period are shown as under:-

Sr. No	Name of the Scheme/ Project	2007-08				2008-09				2009-10			
		BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance
1	National Consumer Disputes Rederssal Commission	5.00	0.00	0.00	5.00	13.00	10.00	76.92	3.00	9.90	9.80	98.99	0.10
2	Consumer Awareness (Publicity)	67.00	44.34	66.18	22.66	75.00	80.50	107.33	-5.50	77.90	70.60	90.63	7.30
3	Consumer Protection/ Capacity Building/ Consumer Helpline	62.00	42.02	67.77	19.98	42.24	16.69	39.51	25.55	33.94	17.47	51.47	16.47
4	Weights and Measures	18.00	10.12	56.22	7.88	18.00	21.18	117.67	-3.18	38.00	26.89	70.76	11.11
5	National Test House	25.00	5.39	21.56	19.61	14.00	9.99	71.36	4.01	15.00	13.47	89.80	1.53
6	Bureau of Indian Standards	16.00	1.50	9.38	14.50	23.76	0.66	2.78	23.10	16.26	1.21	7.44	15.05
7	Forward Market Commission	20.00	2.46	12.30	17.54	23.00	3.31	14.39	19.69	18.00	6.79	37.72	11.21
	Total	213.00	105.83	49.69	107.17	209.00	142.33	68.10	66.67	209.00	146.23	69.97	62.77

Sl. No.	Name of the Scheme/ Project	2010-11				2011-12				Total 11 th Five Year Plan			
		BE	AE	Expr. in Perentage	Unspent Balance	BE	AE	Expr. in Perent-age	Unspent Balance	BE	AE	Expr. in Pere	Unspent Balance
1	National Consumer Disputes Rederssal Commission	3.44	0.00	0.00	3.44	0.00	2.39 (against RE 2.39)	100.00	0.00	31.34	22.19	70.80	9.15
2	Consumer Awareness (Publicity)	84.02	80.27	95.54	3.75	87.23	85.73	98.28	1.50	391.15	361.44	92.40	29.71

3	Consumer Protection/ Capacity Building/ Consumer Helpline	32.32	21.83	67.54	10.49	35.69	13.42	37.60	22.27	206.19	111.43	54.04	94.76
4	Weights and Measures	62.50	59.45	95.12	3.05	64.44	45.86	71.17	18.58	200.94	163.50	81.37	37.44
5	National Test House	17.17	15.67	91.26	1.50	21.22	16.86	79.45	4.36	92.39	61.38	66.44	31.01
6	Bureau of Indian Standards	3.05	1.53	50.16	1.52	2.42	2.28	94.21	0.14	61.49	7.18	11.68	54.31
7	Forward Market Commission	17.50	9.17	52.40	8.33	14.00	9.08	64.86	4.92	92.50	30.81	33.31	61.69
	Total	220.00	187.92	85.42	32.08	225.00	175.62	78.05	49.38	1076.00	757.93	70.44	318.07

2.3 The following expenditure has been made during the year 2012-13 (as on 31.03.2013).

(Figures in crores)

	Allocation (RE)	Expenditure Provisional
Plan	150.00	130.95
Non-Plan	363.10*	360.89**

*Includes RE of Rs.31.80 crores in respect of Consumer Welfare Fund.

**Includes Expenditure of Rs.30.54 crores in respect of Consumer Welfare Fund

2.4 The Committee have been informed that the total Budget Estimate for the financial year 2013-14 is Rs. 602.70 crores consisting of Rs. 241.00 crores for Plan Schemes and Rs. 361.70 crores for Non-plan Schemes which includes Rs. 45.80 crores for consumer welfare fund created under Central Excise and Salt Act 1944. During the financial year 2012-13, a total allocation (Plan + Non-plan) of Rs. 602.29 crores was made which was subsequently reduced to Rs. 481.30 crores at R.E. stage but the total expenditure was only Rs. 375.48 crores (as on 31.12.2012) which constitutes 78.01% of Revised Estimate. Further, in Plan expenditure, B.E. of Rs. 241 crores was revised to Rs. 150 crores and the actual expenditure incurred was only Rs. 125.15 crores (upto February, 2013). The same pattern was observed in non-plan expenditure where only Rs. 266.43 crores was spent against RE of Rs. 331.30 crores upto (Dec 2012). In reply to a query, the representatives of the department stated that under the Plan and Non-plan expenditure upto March 2013 they were able to spend Rs. 130.95 crores and Rs.360.89 crores respectively.

2.5 It is also observed that during the last 5-6 years BE was reduced at RE stage in every year of the 11th Plan period and actual expenditure also remained less than RE throughout the 11th Plan period. The Committee note that the total Plan allocation of BE Rs. 1,076.00 crores was subsequently reduced to Rs. 857.00 crores at RE stage and Actual Expenditure was even less amounting to only 757.93 crores. Thus, the Department was not able to spend Rs. 100 crores during the 11th Plan period. When asked about the justification for it, during the evidence, the representatives of the Ministry stated that: -

"RE was reduced from Rs. 185 crores to Rs. 150 crores during 11th Plan period. We have received approx Rs. 250 crores. But our expenditure was around Rs. 125 crores. This is a big constraint of the Department. We accept it and deliberating upon it. We are trying hard to strengthen the institutional structure of the delivery system."

2.6 In regard to the steps taken by the Department in 12th Plan period in order to overcome the shortcomings faced during implementation of the Schemes in the 11th Plan period, in a written note, the Department submitted that:

"The guidelines have been revised to provide for decentralization so that decision regarding construction of Consumer Fora etc. can be taken at state level by Committee headed by Chief Secretary. The Department has also enhanced the quantum of assistance for construction of Consumer Fora buildings and for providing infrastructure therein. We are proposing to enhance amount granted under Consumer Clubs Scheme and also the amount granted to various States for consumer awareness campaign in local language."

2.7 When enquired by the Committee whether any road-map has been chalked out for the better implementation of the schemes/projects in the 12th Plan period, the Department furnished the following reply:

"During the 12th Plan the Department proposes to focus on the following in a time bound manner. The milestone will be: -

- 1) Providing better infrastructure to various consume fora.
- 2) Tackling the menace of misleading advertisement.
- 3) Autonomy to FMC for better regulation of Future's Trade.
- 4) Intensive and extensive price monitoring.
- 5) Accelerating campaign on Consumer Rights in remote and rural areas.
- 6) Setting up Mediation/ Advisory Centres for Consumers."

2.8 The Scheme-wise details of BE, RE and Actual Expenditure incurred by the Department on its Plan and Non-Plan Schemes as well as unspent balance for 2012-13 and BE 2013-14 are given as under:

Sl. No.	Name of the scheme/project/ programme	2011-2012					2012-2013					2013-14
	PLAN SCHEMES	BE	RE	Expr.	Percentage Utilization	Unspent Balance	BE	RE	Provisional Expr. upto 28.02.13	Percentage Utilization	Unspent Balance	BE
1	National Consumer Disputes Redressal Commission	0.00	2.39				0.00	0.00				
	NER											
	Total	0.00	2.39	2.39	100.00	0.00	0.00	0.00	0.00	0.00		
2	Consumer Awareness (Publicity)	78.41	78.41				80.10	52.20				67.20
	NER	8.82	8.82				8.90	5.80				7.80
	Total	87.23	87.23	85.73	98.28	1.50	89.00	58.00	56.53	97.47	1.47	75.00
3	Consumer Protection, HRD/Capacity Building, Consumer Helpline	32.42	13.90				43.20	13.23				54.24
	NER	3.27	2.39				4.80	1.26				5.69
	Total	35.69	16.29	13.42	82.38	2.87	48.00	14.49	12.30	84.89	2.19	59.93
4	Weights and Measures Establishment of Laboratories	58.00	43.56				52.20	48.26				57.51
	NER	6.44	5.22				5.80	5.50				6.49

	Total	64.44	48.78	45.86	94.01	2.92	58.00	53.76	39.60	73.66	14.16	64.00
5	National Test House	19.00	15.98				16.20	11.40				16.87
	NER	2.22	2.02				1.80	1.60				1.88
	Total	21.22	18.00	16.86	93.67	1.14	18.00	13.00	10.48	80.62	2.52	18.75
6	Strengthening of Price Monitoring Cell						2.70	0.68				1.65
	NER						0.30	0.07				0.19
	Total	0.00	0.00	0.00	0.00	0.00	3.00	0.75	0.00	0.00	0.75	1.84
7	Forward Markets Commission	12.50	9.00				13.50	7.20				14.58
	NER	1.50	1.00				1.50	0.80				1.62
	Total	14.00	10.00	9.08	90.80	0.92	15.00	8.00	5.64	70.50	2.36	16.20
8	Setting up of Gold Hallmarking Assaying Centres in India.	0.59	0.59				0.54	1.62				0.54
	NER	0.07	0.07				0.06	0.18				0.06
	Total	0.66	0.66	0.63	95.45	0.03	0.60	1.80	0.60	33.33	1.20	0.60
9	Bureau of Indian Standards (Standardisation & Quality Control)	1.58	1.48				8.46	0.18				4.20
	NER	0.18	0.17				0.94	0.02				0.48
	Total	1.76	1.65	1.65	100.00	0.00	9.40	0.20	0.00	0.00	0.20	4.68

	Total	225.00	185.00	175.62	94.93	9.38	241.00	150.00	#125.15	83.43	24.85	241.00
	Expenditure against NER is included in the relevant functional heads.											
	# Includes Rs. 55.25 crores authorized in favour of other Ministries/Departments. Expenditure is provisional as reported by Principal Accounts Offices.											

Sl. No.	Name of the scheme/project/ programme	2011-2012					2012-2013					2013-14
		BE	RE	Expenditure	Percentage/ Utilization	Unspent Balance	BE	RE	Provisional Expr. Upto 28.02.2013	Percentage/ Utilization	Unspent Balance	
	NON-PLAN											BE
1	Secretariat Economic Services	16.42	15.27	14.85	97.25	0.42	16.86	15.83	15.40	97.28	0.43	17.31
2	National Test House	22.26	23.84	23.49	98.53	0.35	25.72	26.19	25.85	98.70	0.34	28.29
3	Consumer Cooperatives and Subsidies	300.00	250.00	250.00	100.00	0.00	300.00	270.00	230.05	85.20	39.95	250

4	Consumer Protection	6.57	6.97	6.71	96.27	0.26	7.59	8.53	7.94	93.08	0.59	8.82
5	Regulation of Weights & Measures	4.02	4.26	3.90	91.55	0.36	4.63	4.52	4.27	94.47	0.25	4.89
6	International Cooperation	0.10	0.10	0.19	190.00	-0.09	0.11	0.11	0.10	90.91	0.01	0.15
7	Regulation of Markets	6.19	5.87	5.47	93.19	0.40	6.38	6.12	5.39	88.07	0.73	6.44
8	Projects under Consumer Welfare Fund	19.80	31.30	26.28	83.96	5.02	21.80	31.80	28.66	90.13	3.14	45.8
	Total Gross	375.36	337.61	330.89	98.01	6.72	383.09	363.10	317.66	87.49	45.44	361.70
10	Deduct Refund	19.80	31.30	26.33	84.12	4.97	21.80	31.80	28.66	90.13	3.14	45.8
	Net	355.56	306.31	304.56	99.43	1.75	361.29	331.30	289.00	87.23	42.30	315.90

It may be noted from the above statement:

(i) During the year 2011-12, under the Plan scheme Consumer Protection, HRD/Capacity Building and Consumer Helpline, BE of Rs. 35.69 crores was reduced to Rs.16.29 crores at RE stage whereas AE was only Rs. 13.42 crores. Though the Actual Expenditure was so less the Department, during the year 2012-13, kept BE of Rs. 48.00 crores whereas Actual Expenditure was only Rs. 12.30 crores. For the year 2013-14 again BE of the said scheme has been kept as high as Rs. 59.93 crores by the Department.

(ii) Under the scheme BIS, for setting up of Gold Hallmarking and Assaying Centres in India, percentage utilization was only 33.33% in the year 2012-13.

(iii) Under Non-Plan schemes, during the year 2012-13 out of total allocation of Rs. 363.70 crores the Department was able to spend Rs.360.89 crores and under the consumer cooperatives and subsidies for the year 2011-12 the percentage utilization was 100%. Under National Test House scheme the percentage utilisation was 98.53% and 98.70% in the year 2011-12 and 2012-13 respectively.

(iv) Under Regulation of Weight & Measures for the year 2011-12 the percentage utilization increased from 91.55% to 94.47% in the year 2012-13 and in Projects under Consumer Welfare Funds, percentage utilization increased from 83.90% to 90.13% in the same time period.

2.9 The Department of Consumer Affairs have furnished the following statement showing BE, RE and AE (for plan schemes) incurred during last three years and BE of current financial year 2013-14.

(Rs. In crores)

S. No.	Name of the scheme/project/programme	2009-2010			2010-2011			2011-2012			2012-2013			2013-14	Answer to Question No.
		BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Provisional upto 28.2.2013	BE	
1	Strengthening of Consumer Fora	7.71	2.00	7.00	13.14	10.94	10.58	17.15	7.50		22.00	4.93		19.97	
	NER	2.00	2.00		1.77	1.77		1.85	1.85		3.00	0.55		2.25	
	Total	9.71	4.00	7.00	14.91	12.71	10.58	19.00	9.35	6.77	25.00	5.48	3.84	22.22	33
2	Consumer Awareness (Publicity)	69.90	70.00	70.60	75.47		80.27	78.41	78.41		80.10	52.20		67.20	
	NER	8.00	8.00		8.55	8.20		8.82	8.82		8.90	5.80		7.80	
	Total	77.90	78.00	70.60	84.02	80.67	80.27	87.23	87.23	85.73	89.00	58.00	56.53	75.00	60 & 63
3	Weights and Measures Establishment of Laboratories	28.72	28.22	26.02	45.37	45.37	49.20	53.00	36.19		47.50	46.25		48.02	
	NER	3.28	3.27		4.63	4.63		6.20	5.22		5.00	5.50		5.99	
	Total	32.00	31.49	26.02	50.00	50.00	49.20	59.20	41.41	40.94	52.50	51.75	38.03	54.01	71
4	Regional Reference Standards Laboratory	4.88	1.98	0.87	7.33		6.76	2.00	4.37		3.50	0.81		2.50	
	NER	0.52	0.02		1.62	1.62		2.24	0.00		0.80	0.00		0.50	
	Total	5.40	2.00	0.87	8.95	7.45	6.76	4.24	4.37	3.16	4.30	0.81	0.37	3.00	72 (a)

5	Indian Institute of Legal Metrology	0.60	0.00	0.00	3.55	3.55	3.49	3.00	3.00	1.76	1.20	1.20	1.20	1.00	72 (a)
6	Bureau of Indian Standards (Standardisation & Quality Control)	13.72	0.60	0.40	2.07	0.90	1.00	1.58	1.48		8.46	0.18		4.20	
	NER	1.54	0.07		0.23	0.15		0.18	0.17		0.94	0.02		0.48	
	Total	15.26	0.67	0.40	2.30	1.05	1.00	1.76	1.65	1.65	9.40	0.20	0.00	4.68	76
	Setting up of Gold Hallmarking Assaying Centres in India.	0.90	0.73	0.81	0.67	0.42	0.53	0.59	0.59		0.54	1.62		0.54	
	NER	0.10	0.08		0.08	0.03		0.07	0.07		0.06	0.18		0.06	
	Total	1.00	0.81	0.81	0.75	0.45	0.53	0.66	0.66	0.63	0.60	1.80	0.60	0.60	76
7	Forward Markets Commission	16.20	8.10	6.79	15.75	9.68	9.17	12.50	9.00		13.50	7.20		14.58	
	NER	1.80	0.90		1.75	0.85		1.50	1.00		1.50	0.80		1.62	
	Total	18.00	9.00	6.79	17.50	10.53	9.17	14.00	10.00	9.08	15.00	8.00	5.64	16.20	67

From the above statement, it is observed that:

- (i) Under the Plan scheme, strengthening of Consumer Fora in the year 2012-13 the BE of Rs. 25 crores was drastically reduced to Rs. 5.48 crores at RE stage whereas actual expenditure was only Rs. 3.84 crores.
- (ii) Under the scheme Consumer Awareness (Publicity) actual expenditure was reduced to Rs. 56.53 crores in the year 2012-13 from Rs. 85.73 crores in the year 2011-12.
- (iii) Under Regional Reference Standards Laboratory (RRSL) during the year 2012-13 Budget Estimate of Rs. 4.30 crores was revised to Rs. 0.81 crore and expenditure upto February, 2013 was only Rs. 0.37 crore.

2.10 The Committee observed that there were major variations during preparation of B.E and R.E. of the Department since last 2-3 years and the actual expenditure was even less against the Revised Estimates. When enquired about this, the Department informed the Committee that BE is decided on the basis of future projections which are generally on the basis of past experience. The Department has kept higher estimates for future years hoping that problems faced earlier such as delayed submission of Utilization Certificates by States/UTs., slow pace of construction by designated agencies, delayed submission of audited accounts by grantee organizations, delay in allotment of land etc. will be effectively tackled through greater persuasion, closer monitoring and personal interaction.

2.11 The following statement shows the expenditure details of ongoing schemes during the Annual plan 2012-13 and BE of 2013-14 out of 12th plan outlay: -

Sl. No	Ongoing Schemes	12th Plan Outlay	Annual Plan 2012-13			Annual Plan 2013-14
			BE	RE	Provision Exp. As on 28.02.2013	BE
1	National Consumer Disputes Rederssal Commission	0.00	0.00	0.00	0.00	0.00
2	Consumer Awareness (Publicity)	409.29	89.00	58.00	56.53	75.00
3	Consumer Protection/Capacity Building/ Consumer Helpline	234.00	48.00	14.49	12.30	59.93
4	Weights and Measures	300.00	58.00	53.76	39.60	64.00
5	National Test House	88.90	18.00	13.00	10.48	18.75
6	Bureau of Indian Standards	26.00	10.00	2.00	0.60	5.28
7	Forward Market Commission	191.00	15.00	8.00	5.64	16.20
8	Strengthening of Price Monitoring Cell*	10.81	3.00	0.75	0.00	1.84
Total		1260.00	241.00	150.00	125.15**	241.00

*New Plan Scheme awaiting EFC approval.

**This includes Rs. 55.25 crores authorized in favor of other Departments.

From the above statement it may be observed that:

- (i) Under the scheme Consumer Protection/Capacity/Building/Consumer Helpline during the year 2012-13 Budget Estimate of Rs. 48.00 crores which was revised to Rs. 14.49 crores and provisional expenditure as on 28.02.2013 was only Rs.12.30 crores. BE for the year 2013-14 is kept as high as Rs. 59 crores.

- (ii) In the scheme BIS, the total 12th Plan outlay is only Rs. 26 crores and out of this for the very first year 2012-13, BE was kept at Rs. 10 crores which was subsequently reduced to Rs. 2.00 crores at RE stage and only Rs. 0.60 crore was spent on the scheme.
- (iii) Under the head of Forward Market Commission Rs. 191 crores has been allocated for the 12th Plan period and only Rs. 5.64 crores was spent in the first year of 12th Plan.
- (iv) In the Scheme Strengthening of Price Monitoring Cell for the year 2012-13 against BE of Rs. 3 crores, revised estimate was Rs. 0.75 crore whereas actual expenditure was nil.

2.12 When the Committee enquired the reasons for nil expenditure in the scheme 'Strengthening Price Monitoring Cell' against RE of Rs. 0.68 crores during 2012-13, the Department furnished the following reply: -

"A new Plan Scheme for Strengthening Price Monitoring Cell was proposed during the 12th Plan and this has been approved with an allocation of Rs. 10.81 crores for 2012-17. For the first year of the 12th Plan i.e. 2012-13 an allocation of Rs.3.00 crores was approved. This was subsequently revised at the RE stage to Rs.0.75 crores.

As the Plan Scheme of PMC has been shown for budgetary purposes along with Forward Markets Commission (FMC), approval of EFC was required. This necessitated an evaluation of the Plan Scheme strengthening of Forward Markets Commission. As the Evaluation Report on Strengthening of FMC is still to be received by the Department, the said EFC Meeting could not be held and resultantly the allocation available to PMC could not be utilized. Once, the EFC approves the proposal, the allocated amount can be spent."

2.13 The Committee desired to know during the year 2012-13 under the plan expenditure, when the actual expenditure was only Rs. 130.95 crores (upto March, 2013), why B.E. 2013-14 was kept as high as 241 crores. In their reply, the Department of Consumer Affairs stated the following in a written note:-

"Historically the expenditure is always the least in the first year of every Plan. This happens due to requirement of holding EFC/SFC before spending on Plan Schemes. Hence even though the expenditure during 2012-13 was less more provision of funds were made for 2013-14. We have recently amended the guidelines of various schemes providing for more decentralization and enhancement of norms. This will help higher utilization of funds in future years. For example, we have increased the eligible area for district courts consumer fora from 4000 to 5000 sq. ft. and the area of State Commission from 10000 to 11000 sq. ft. The construction amount has also been enhanced, now Rs.1.25 crores can be spent on District Fora and Rs.2.75 crores can be spent on State Commission building. The decision making regarding location and monitoring of construction has been decentralized for expeditious implementation of the schemes."

Utilisation of Funds by the States/UTs

2.14 When the Committee enquired about the number of Utilization Certificates received from the States/UTs in respect of funds allocated under various schemes/projects during the last three years, the Ministry submitted the following statement:

Utilization Certificates Received during 2010 –11 (01.04.2010 to 31.03.2011)

Consumer Protection Unit (CPU)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
Dadra & Nagar Haveli (IPCP)	-	-	19.86	31.09.2010
Uttar Pradesh (IPCP)	227.66	04.03.2011	459.00	06.09.2010
Punjab (IPCP)	57.55	13.04.2010	-	-
Tripura (IPCP)	46.20	30.09.2010	-	-
Nagaland (IPCP)	204.00	05.10.2010	-	-
Kerala (IPCP)	18.93 5.00 14.50	09.11.2010 07.03.2011 14.03.2011	-	-
Sikkim (IPCP)	20.50	19.11.2010	-	-
Mizoram (IPCP)	7.72	28.03.2011	-	-
Gujarat (IPCP)	455.50	19.11.2010	-	-

Utilization Certificates Received during 2011–12 (01.04.2011 to 31.03.2012)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
Karnataka (IPCP)	-	-	804.18	28.12.2011
Punjab (IPCP & SCF)	33.43	05.03.2010	113.43	03.10.2011
	22.45	31.03.2010		
	57.55	13.04.2010		
	18.75 25.66	17.10.2011 23.03.2012	-	-
Haryana (IPCP)	75.00	19.02.2010	75.00	19.07.2011
Nagaland (SCF)	204.00	05.10.2010	204.00	03.06.2011
	260.25	04.07. 2011		
Kerala (SCF)	15.00	13.05.2011	-	-
Sikkim (SCF)	12.50	14.06.2011	-	-

Tamil Nadu (SCF)	196.79	22.07.2011	-	-
Gujarat (IPCP & SCF)	83.92	08.02.2007		
	56.00	22.03.2007		
	24.00	22.03.2007		
	168.00	28.02.2007		
	81.75	27.12.2007		
	12.00	27.12.2007		
	136.50	15.02.2008		
	66.00	27.03.2008	508.25	
	224.60	30.03.2009	402.55	
	283.65	17.03.2009	258.20	
	242.70	12.03.2010	119.92	
	150.63	29.03.2010	3.64	21.06.2011
	455.50	19.11.2010	455.50	29.06.2011
	14.80	Diverted from NBA		

Utilization Certificates Received 2012-13 (01.04.2012 to 08.03.2013)

(Amount in lakhs)

Name of States	Released Amount	Released by letter dated	Amount utilized	Received by letter dated
West Bengal (SCF)	148.21	12.01.2012	148.21	29.11.2012
Nagaland (SCF)	204.00	05.10.2010	204.00	03.06.2011
	204.00	04.07.2011	204.00	05.07.2012
	56.25	04.07.2011	56.25	06.07.2012
Kerala (SCF)	14.50	14.03.2011	14.50	07.02.2013
Tamil Nadu (SCF)	196.79	22.07.2011	196.79	14.12.2012

Publicity

Utilization Certificates received for funds allocated in last three years				
Sl. No.	Name of State	Year	Amount	U.C. submitted
				In Rupees
1	Goa	2009-10	304000.00	304000.00
		2010-11	Nil	Nil
		2010-11	Nil	Nil
2	Himachal Pradesh	2009-10	1919076.00	1501076.00
		2010-11	Nil	Nil
		2011-12	Nil	Nil
3	Rajasthan	2009-10	4498638.00	3303638.00
		2010-11	Nil	Nil
		2011-12	Nil	Nil

4	Tamil Nadu	2009-10	5800000.00	5800000.00
	Special Project	2009-10	4000000.00	4000000.00
		2010-11	4800000.00	Nil
		2011-12	4650000.00	Nil
5	West Bengal	2009-10	Nil	Nil
	Special Project	2010-11	3577079.00	3577079.00
		2011-12	2700000.00	2683543.00
6	Mizoram	2009-10	1600000.00	1600000.00
		2010-11	1600000.00	Nil
		2011-12	1200000.00	Nil
7	Nagaland	2009-10	1600000.00	1600000.00
		2010-11	2200000.00	2200000.00
		2011-12	1650000.00	1650000.00
8	Tripura	2009-10	Nil	Nil
		2010-11	800000.00	800000.00
		2011-12	600000.00	600000.00
9	Sikkim	2009-10	800000.00	800000.00
	Special Project	2010-11	800000.00	Nil
		2010-11	1698000.00	Nil
		2011-12	600000.00	Nil

Weight & Measure

2.15 Utilization Certificates have been received from following States for the Grant-in-Aid released to States:

2009-10.

(Rs. In Crores)			
Sl. No.	Name of States/UTs	Grant in aid released 2009-10	UC received 2009-10
1	Arunachal Pradesh	1.25	1.25
2	Gujarat	2.25	0.78
3	J&K	1.50	
4	Karnataka	2.25	2.00
5	Manipur	0.50	0.35
6	Meghalaya	0.50	0.50
7	Mizoram	1.25	0.50
8	Nagaland	1.25	1.25
9	Puducherry	0.25	0.25
			6.88

2010-11

(Rs. In Crores)

Sl. No.	Name of States/UTs	Grant in aid released 2010-11	UC received 2010-11
10	Arunachal Pradesh	2.0	2.0
11	Maharashtra	2.25	1.56
12	Meghalaya	1.0	1.0
13	Uttar Pradesh	1.70	1.48
		Total	6.04 Cr.

2.16 With regard to the number of Utilisation Certificates received from the States/UTs in respect of funds allocated during last 3 years, the Committee observed that in the year 2009-10 States like Tamil Nadu, Mizoram & Sikkim have not submitted Utilisation Certificates. Similarly in the year 2010-11 States like Punjab, Tripura, Nagaland, Kerala, Sikkim, Mizoram & Gujarat have not furnished Utilisation Certificate against released amount, while furnishing the reasons for the same and efforts made by the Ministry for full utilization of the fund released for the purpose, the Department submitted the following reply:

The status of Utilization Certificate is as follows:

2010-11

1. Punjab: Part Utilization Received.
2. Tripura: Higher Amount has been requested by State Government (which has now been released in March, 2013).
3. Nagaland: UC received.
4. Kerala: Part Utilization Received.
5. Sikkim: Utilization pending. Reminder sent on 02.04.2013 by fax, telephonic request also made.
6. Mizoram: Utilization pending. Reminder sent on 02.04.2013 by fax, telephonic request also made.
7. Gujarat: Part Utilization Received.

2.17 It is observed that under Weight & Measures Scheme, States like Gujarat & Mizoram have only spent Rs. 0.78 crores against the released amount of Rs. 2.25 crores and only Rs. 0.50 crores out of Rs.1.25 crores respectively, where as Jammu & Kashmir has not submitted utilisation certificates against the allocation of Rs. 1.50 crores during the year 2009-10. When enquired about the reasons for non-submission of utilisation certificate by J&K as well as less utilisation of funds by these States, the Department furnished the following reply:

"Govt. of Jammu & Kashmir has informed that the whole amount of Rs. 1.50 Cr released during 2009-10 has been given to J&K Housing Board for construction of six Laboratories and the work is in progress and is expected to be completed within four months. They have informed that the funds may be treated as utilized however a formal utilization certificate shall be submitted after the end of the current financial year.

Govt. of Gujarat has informed that Rs. 2.25 Cr was released as grant in aid for the construction of nine Laboratories, which has already been disbursed in the account of Road and Building Department of Govt. of Gujarat for the construction of laboratory buildings and Rs. 78.60 Lakh has already been spent till 31.3.2012 and Utilization Certificate for Rs. 1,46,39,473/- will be sent as early as possible.

Govt. of Mizoram has submitted Utilization certificate for Rs. 50 Lakh and informed that the Utilization Certificate for Rs. 75 Lakh will be submitted after completion of works. The delay in submission of Utilization certificate seems to be due to construction work, which takes more time".

2.18 When the Committee desired to know whether the Utilisation Certificates were timely furnished by the States/UTs in respect of funds allocated and if not the steps taken by the Department thereon, the Department stated that the matter is taken up through correspondence as well as through conference/video conference with the State Governments. The Department makes constant effort to obtain UCs by written reminders, Fax messages, Video Conferences, Telephonic request and personal interactions.

2.19 When asked about the monitoring mechanism available with the Department to check the proper utilization of funds by the States/UTs, the Department stated that:

"Periodical meetings are held and letters are also sent to ascertain the utilization of funds provided to States/UTs. In case utilization certificate is not made available, further release of funds is stopped. This apply to all States/UTs."

2.20 In this context, the Committee desired to know the details of States which have been restricted the grant-in-aid in case Utilisation Certificates are not furnished by them to the Ministry, the Department submitted that four (4) States, namely, Andhra Pradesh, Meghalaya, Orissa and Sikkim have not been provided further financial assistance due to non-receipt of UCs of the grants released earlier.

Utilisation of funds by North East States

2.21 Regarding the timely and regularly submission of Utilisation Certificates by all the NE States/UTs, under various schemes/projects, the Department submitted the following reply:

Consumer Protection Unit

2.22 In respect of earlier schemes of One Time Grant (OTG, 1995-99 & OTG, 2004-05) and IPCP, full Utilization Certificates have been received from Tripura, Sikkim, Nagaland and Mizoram. Part Utilization Certificates have been received in respect of Meghalaya, Manipur, Arunachal Pradesh and Assam. In respect of UTs of Delhi, Puducherry, Andaman & Nicobar Islands, Chandigarh, Dadra Nagar Haveli, Daman & Diu and Lakshadweep, part Utilization Certificates have been received.

2.23 The defaulter States and UTs are being regularly reminded at the level of Secretary/Chief Secretary concerned for submission of UCs.

Weight & Measures

2.24 The Utilization certificate of some of the NE States is still pending which are Assam, Manipur, Mizoram, Sikkim and Tripura. The State Governments could not utilize the whole fund due to difficulty in finding the land for the construction work and delay in releasing the funds by the State Governments themselves.

Bureau of Indian Standards

2.25 Under the Scheme on Consumer Education & Training, HRD & Capacity Building, out of Seven NE States, three States (Manipur, Assam and Nagaland) have sent UCs timely and utilized complete disbursed amount. However, SIRDs of other four states (Arunachal Pradesh, Meghalaya, Sikkim and Mizoram) did not report utilization in time, in spite of reminders. (LOP Q 19)

2.26 When the Committee asked regarding the steps taken by the Ministry to ensure proper utilisation of funds allocated to NE States, particularly Arunachal Pradesh, Meghalaya, Sikkim and Mizoram. The department have furnished the following reply: -

"Repeated reminders have been sent to states for sending UCs. The details for the same are given below:

Sl. No.	NE State (ATI/ SIRD)	Total Amount Sanctioned (in Lakhs)	UC Received for Amount (in Lakhs)	UC to be Received for Amount (in Lakhs)	Efforts/Steps to ensure proper UC of funds
1.	Arunachal Pradesh (SIRD)	3.53000	1.10339	2.42601	Reminders sent on 22/04/09, 03/09/09, 03/03/11, 16/03/12 & 20/03/13
2.	Meghalaya (SIRD)	4.60000	3.32000	1.27713	Reminders sent on 11/09/09, 08/11/10, 09/03/11, 19/03/12 & 20/03/13
3.	Sikkim	2.90000	0.50000	2.40000	Reminders sent on 22/04/09,

	(SIRD)				15/09/09, 09/03/11, 19/03/12 & 20/03/13
4.	Mizoram (SIRD)	4.65000	3.80003	0.84997	Reminders sent on 22/04/09, 11/09/09, 19/02/10, 09/03/11, 19/03/12 & 20/03/13

2.27 In reply to a query Regarding the projects/schemes in States/UTs that have got delayed due to non-allotment of land and steps proposed to be taken in this regard, the Department furnished the following reply:-

'Land was required for construction of Regional Reference Standard Laboratory at Nagpur in Maharashtra and also at Varanashi in UP. Land has been earmarked by the State Govt. of Maharashtra. The State Govt. of UP still has to allot the land for the said purpose. Efforts are being made to get the land at the earliest. Similarly BIS has requested for land in Kochi to set up an Office and Laboratory. Matter is being vigorously pursued with State Government'.

2.28 The Committee note that during the 11th Plan period the total amount allocated to the Department of Consumer Affairs as Budget Estimates was Rs. 1076.00 crores which was subsequently reduced at Revised Estimate stage to Rs. 857.00 crores whereas the total actual expenditure incurred during the entire 11th Plan period was Rs. 757.93 crores having unspent balance of Rs. 100 crores. In the 12th Plan period during the year 2012-13, the BE was kept at Rs. 241.00 crores which was revised to Rs. 150.00 crores at RE stage and the actual expenditure incurred upto February, 2013 was only Rs. 125.15 crores. The Committee find that the performance of the Department is unsatisfactory not due to scarcity of funds but due to non-utilization of funds. A detailed study of schemes in 11th Five-Year Plan document produced before the Committee, shows that under the scheme Consumer Protection/Capacity Building/Consumer Helpline, the average expenditure in percentage utilization was never satisfactory. Since the year 2007-08 it varies from 37.60% to 67.77%, which is very low. Similarly, under the scheme, Bureau of Indian Standards, since 2007-08 except the year 2011-12, where percentage utilization was 94.21%, percentage utilization was as low as 2.78% in the year 2008-09. The Committee, further note that under the same Scheme, the Department was able to spend only 11.68% of total allocation of 11th five-year Plan. Similarly, under the scheme Weight & Measures, National Test House and Forward Market Commission total percentage utilization were 81.37%, 66.44% and 33.31% respectively in 11th Five-Year Plan. The Committee strongly feel that since last six years there has been trend of miscalculation while preparing the Budget Estimates and under utilisation of the funds allocated at Revised Estimate stage. The Committee are disappointed to note that performance of the Department is not up to the expectations as the Department was not able to spend the allocated funds in the stipulated time period and therefore, did not achieve desired outcome. The Committee feel that

the Department could have opened more Centres of Bureau of Indian Standards and Hallmarking Centres in the Country, had intensive awareness campaign for consumer welfare and initiated consumer helpline in States which are not covered till date so that funds could not remain unutilized in the said period. The Committee are of the view that this continuous oversight and improper assessment of the Department reflects deterioration in their performance. The Committee, therefore, recommend that the Department should make proper assessment and broaden their activities on project/schemes in accordance with the funds allocated so that funds do not remain unutilized and performance of the Department can be improved.

2.29 The Committee note that from the very first year of the 12th Plan period i.e. 2012-13 the momentum of funds utilization under various ongoing schemes/projects is unsatisfactory. The Committee are unhappy to note that under the scheme Consumer Awareness (Publicity) only Rs. 56.53 crores was spent against the BE of Rs. 89.00 crores upto 28.02.2013. Similarly, under the scheme Strengthening of Price Monitoring Cell, for the year 2012-13 against BE of Rs. 3 crores, which was reduced to Rs. 0.75 crores at RE stage, the Actual Expenditure was nil. The Committee observed the same pattern of BE, RE and Actual Expenditure of all ongoing Plan schemes in 11th Plan period that continued in 1st year of 12th Plan too.

The Committee are not convinced by the reasons given by the Department that due to requirement of holding Expenditure Finance Committee Meeting (EFC)/Standing Finance Committee (SFC) in first year of 12th Plan they could not perform as most of the schemes were awaiting EFC approval from Planning Commission and expenditure is always the least in the first year of every plan. It goes without saying that the Department of Consumer Affairs are entrusted with the larger responsibility of providing welfare to the consumers of such a vast country, the Government has to bring changes in their way of functioning. The Committee feel that the Department needs methodological changes to carry out their mandate. The Committee, therefore, strongly recommend that the Department should strictly review their performance in 11th five year Plan and take pre-emptive steps so that 12th Plan period does not suffer with the same infirmities as experienced during the 11th Plan period and total outlay of 12th Plan period could be properly utilized in effective implementation of various schemes/projects run by the Department.

2.30 The Committee are unhappy to note that during the last three years number of Utilization Certificates received from the States/UTs in respect of funds allocated to implement various schemes/projects of the Department have not been submitted on time. The Committee note that during the year 2010-11 under the ongoing scheme Consumer Protection, States like Punjab, Tripura, Nagaland, Kerala, Sikkim and Gujarat have not furnished Utilisation Certificates. Similarly, in the same year, under the head Consumer Welfare (publicity), States like Tamil

Nadu, (special project), Mizoram, Sikkim (special project) were provided Rs. 48 lakh, Rs. 16 lakh and 8 lakh respectively for which Utilization Certificates were not submitted. Likewise, under the scheme Weight & Measures the Utilisation Certificates of some of NE States viz. Assam, Manipur, Mizoram, Sikkim and Tripura were still pending. Under BIS scheme, Arunachal Pradesh, Meghalaya, Sikkim and Mizoram did not report utilization on time inspite of several reminders sent. The Committee, were informed that the State Governments could not utilize the funds due to difficulty in finding the land for the construction work, delay in releasing the funds by the State Governments themselves and long time taken by the construction work. The Committee were also informed that the Department makes constant efforts to obtain Utilization Certificates by written reminders, messages, video conferences telephonic request and personal interactions. The Committee also note that some of States like Arunachal Pradesh, Meghalaya, Odisha and Sikkim have not been provided further financial Assistance due to non-receipt of Utilisation Certificates of the grants released earlier. Appreciating these measures, the Committee feel that, other than stopping financial assistance to States in case Utilisation Certificates are not submitted on time, the Department may consider to impose penalty of paying interest on unutilized fund by the State Governments till the funds are not utilized or Utilization Certificate is not submitted. The Committee feel that Department should also constantly monitor the physical output in terms of construction works and assets created by the States. In case of States, which could not utilize the fund due to difficulty in finding land, the Department should vigorously pursue such State Governments to remove this bottleneck at the earliest.

CHAPTER III

CONSUMER PROTECTION

The Department have informed the Committee that protecting and promoting the welfare of consumers is one of the major concerns of Government. Policies have been designed and legislations enacted to protect the interest of the consumers and grant them the rights of choice, safety, information and redressal. A separate Department of Consumer Affairs had been created in the Central Government in the year 1997 to act as the nodal Department to focus exclusively on protecting the rights of consumers including redressal of consumer grievances as well as to promote standards of goods and services, standards in weights & measures, regulation of packaged commodities, maintenance of essential commodities, etc.

A. The Consumer Protection Act, 1986

3.2 The Consumer Protection Unit in the Department of Consumer Affairs is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remains vibrant and meets the objectives for which it was enacted. The Consumer Protection Act has been amended thrice during the years 1991, 1993 and in 2002. The Consumer Protection (Amendment) Bill, 2011 was introduced in Lok Sabha on 16.12.2011 to further amend the provisions of the Act. The Bill was referred to the Standing Committee on FCA&PD for its examination which has submitted its report on 19.12.2012. Amendments have been proposed to widen the scope of various provisions of the Act, facilitate quicker disposal of cases and rationalize the qualifications and procedure of selection of the Presidents/Members of the Consumer Fora at the State level & Members at the National level.

3.3 In terms of provisions of the Act, it is the responsibility of the State Governments to establish and effectively run the District Fora and State Commissions in their respective States/UTs. However, to supplement the efforts of the State Governments, the Department of Consumer Affairs has been extending financial assistance to the States/UTs to strengthen the infrastructure of Consumer Fora. Further, the Consumer Fora are being computerized and networked to enable dissemination of information leading to quicker disposal of cases.

B. Scheme for improving the functioning of Consumer Fora

3.4 The Committee are informed that the schemes/programmes/projects being implemented by Consumer Protection Unit for improving the functioning of Consumer Fora are as under:

(a) Computerization and Computer Networking of Consumer Fora in the country (CONFONET)

The scheme of 'Computerization and Computer Networking of Consumer Fora in the country, (CONFONET)' was launched during the 10th Plan period in March, 2005 at a cost of Rs. 48.64 crores. Under the scheme, the Consumer Fora at all the three tiers throughout the country were to be fully computerized to enable access of information and quicker disposal of cases. The project is being implemented by the National

Informatics Centre (NIC) on a turnkey basis. The scheme is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. During the year 2012-13, an amount of Rs.6.60 crores has been released to NIC for the activities to be undertaken under “CONFONET” Project in the 12th Plan. As on December, 2012, out of 640 locations being covered, the CONFONET is operational in 340 Consumer Fora. 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgments.

(b) Construction of Building of the National Commission

A new office building for National Commission has been constructed at INA, New Delhi, which is part of an Integrated Building Complex at INA, New Delhi. For this purpose, an amount of Rs.19.90 crore was released to Central Public Works Department (CPWD). The construction of Building has been completed and they have started functioning in the new premises w.e.f. 17.8.2011.

(c) Scheme of ‘Strengthening Consumer Fora (SCF)’

The Central Government has been extending financial assistance to States/UTs for strengthening the infrastructure of Consumer Fora so that minimum level of facilities are made available at each Consumer Forum, which are required for their effective functioning. The scheme, ‘Strengthening Consumer Fora (SCF)’ has been formulated for implementation with an overall outlay of Rs. 54.50 crore during the last 4 years of the 12th Plan viz. 2008-09 to 2011-12. Infrastructural Facilities being provided under the scheme, include construction of new building of the Consumer Fora, carrying out addition/alteration/renovation of existing buildings and grant for acquiring non-building assets such as furniture, office equipment etc. Under the scheme of ‘Strengthening Consumer Fora’, an amount of Rs. 3.84 crore has been released to 4 eligible States upto 31.12.2012 during 2012-13.

(d) Consumer Protection Cell

This is an on-going scheme. The scheme aims to enable the Consumer Protection Cell to render secretarial assistance to the Department in administering the Consumer Protection Act, and other related activities, including holding of meetings of the Central Consumer Protection Council (CCPC). The last CCPC meeting was held on 16.11.2012.

3.5 When the Committee desired to know if the Government face any difficulty in implementing the CONFONET Scheme, the Department stated that under the 12th Plan CONFONET scheme, in order to make the officer & Staff of Consumer Fora self-sufficient in operationalization of CONFONET scheme, technical support personnel were posted at all location during the first year of the Scheme were subsequently reduced to half & then to one third respectively. However, considering the smooth functioning of Consumer Fora in the long run, it has been now agreed in principle to continue to utilize the services of Technical Support Personnel, till the particular location gets fully operational. The Case Monitoring System has been implemented under CONFONET Project for capturing the entire life cycle of consumer complaints from registration to till its disposal in a computer based system and are published on a national web portal.

3.6 The Department further informed that as on December, 2012, 340 Consumer Fora are operational. 288 Consumer Fora are uploading cause list. 191 Consumer Fora are uploading judgments. Around 1466 staff members of Consumer Fora have been trained onsite on the use of 'CONFONET' application software by the Technical Support Personnel posted in the respective Consumer Fora. During the current Plan period, it is proposed to cover computerization network in all District Fora locations across the country. In reply to a query, the Department stated that as one of the objectives of 'CONFONET' scheme, the computerization of Consumer Fora across the country is expected to be completed by the end of the 12th Plan period.

3.7 When asked the reasons for less operationalisation of CONFONET Project in rest of the locations being covered, the Committee were informed that less operationalization of CONFONET Project in rest of the locations is due to very old Hardware, AMC not done by State Governments, lack of trained Staff in Consumer Fora, withdrawal of Technical Support Personnel (TSPs). The Department has taken following steps for improving functioning of CONFONET:-

- (a) Replacement of Hardware,
- (b) AMC will be part of purchase order,
- (c) Software has been simplified to avoid need for specialized training.
- (d) Technical Support Personnel (TSP)/man-power will continue.

3.8 The Committee note that Consumer Protection Unit of the Department is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remain vibrant and meets the objectives for which the Act has been amended thrice during the years 1991, 1993 and 2002. The Act is being amended again through the Consumer Protection (Amendment) Bill, 2011 on which the Committee have already submitted their report to the Parliament on 19.12.2012. The Committee have made several observations/recommendations with regard to widening the provisions of the Act, facilitating quicker disposal of cases, rationalizing the qualifications and procedure for selection of President/Members of the Consumer Fora at the State level and Members at the National level. The Committee hope that the Government will accept all their observations/recommendations and implement them in letter and spirit and ensure that the objectives of the Act are achieved.

3.9 The Committee note that the Scheme of 'Computerization and Computer Networking of Consumer Fora in the Country, (CONFONET)' which was launched during the 10th Plan period in March, 2005 is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. An amount of Rs. 6.60 crore has been released to NIC for the activities to be undertaken under the CONFONET Scheme during the year 2012-13. The Committee feel the initiative taken by the Department in implementing the Case Monitoring System under the CONFONET Project for capturing the entire life cycle of consumer complaints cases from registration till its disposal will go a long way in addressing the grievances of the

Consumer and also instill faith of the consumers in the System. The Committee are, however, concerned to note that out of 640 locations being covered, only 340 Consumer Fora are operational so far and 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgements. The Committee also note that the Department has taken replacement of Hardware, simplified the software to avoid specialized training and continue technical support manpower to ensure smooth functioning of the Scheme till particular location gets fully operational. The Committee, therefore, recommend that the Department should take all necessary steps to replace old hardware with new ones and also ensure that the Case Monitoring System is operational in all Consumer Fora. The Committee further urge the Department to ensure operationalization of Consumer Fora in all the Districts of the country during the 12th Plan period.

C. Strengthening of Consumer Fora-

3.10 The details of BE, RE and Actual Expenditure incurred in respect of Strengthening of Consumer Fora Scheme during the last 2 years and BE for 2013-2014 are given as under:-

(Rs. in Crore)			
Year	BE	RE	AE
2011-12	19.00	9.35	6.77
2012-13	25.00	5.48	3.84 (As on 28.02.2013)
2013-14	22.22	-	-

The above statement indicates that Budget Estimate of the Scheme 'Strengthening of Consumer Fora' has been drastically reduced at Revised Estimate stage and the Actual Expenditure incurred were still far less than the reduced RE during the years 2011-12 and 2012-13.

3.11 When asked the reasons for the major variation at BE and RE stage, the Department informed the Committee that 2012-13 being the first year of the 12th Plan, the Schemes required appraisal and approval by the competent authority like Standing Finance Committee/ Expenditure Finance Committee etc. which is a time consuming procedure. Some of the Schemes including 'Strengthening of Consumer Fora' also required evaluation before they could be continued in the 12th Plan. The evaluation report was made available by June, 2012. Moreover, the permission to continue the ongoing scheme on the basis of existing guidelines during the first year of 12th Plan had only been received in the month of October, 2012.

3.12 The Department further stated that the pre-conditions for release of central assistance to State Governments such as providing land for construction of building alongwith creation of post of President/ Members in Consumer Fora, furnishing of Utilisation Certificates of grants released earlier have also not been met by the various States. Therefore, funds allocated for RE was less. The EFC for the SCF scheme for

12th Plan is under consideration of Planning Commission and Department of Expenditure. Some of the bottlenecks identified while implementing the scheme during the 11th Plan have been addressed such as decentralization of decision making to the empowered Committee headed by the Chief Secretary of the concerned State, enhancement of central assistance for infrastructure including buildings, uniformity in the assistance amount irrespective of the location/ category/ classification etc. However, an amount of Rs.7.74 Cr. has been reallocated in the RE and the same has been released to six States as per available provisional figure.

3.13 The Department further informed the Committee that under the Scheme 'Strengthening of Consumer Fora', an amount of Rs. 3.84 crore was released to 4 eligible States during 2012-13 upto (31.12.2012) against total outlay of Rs. 25 crore. When asked how many States/UTs were given financial assistance during 2012-13 and proposed to be given in the current financial year, the Department stated that under this scheme 'Strengthening Consumer Fora' financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. During 2012-13, financial assistance has been sanctioned to the following States/UTs:

Sl.No.	Name of State	Released Amount (in crore)
1.	Mizoram	0.1575
2.	Punjab	0.0433
3.	West Bengal	1.6679
4.	Tamil Nadu	1.9741
	Total	3.8428

Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration.

3.14 The Committee desired to know the procedure and eligibility criteria for sanctioning of funds under the scheme. The Department, inter-alia, stated that the guidelines for the 12th Plan has been thoroughly revamped based upon the experiences and shortcomings as observed while implementing the Scheme during the last plan period. The salient points of the revised guidelines for the 12th Plan are as given below:-

1. An Empowered Committee under the Chairmanship of the Chief Secretary will be set up in each State for the purpose, which will make further allocation of funds for the construction/ Strengthening of infrastructure of individual Consumer Fora, based on local need analysis.
2. Funds will be released to States as a Lump Sum and placed at the disposal of Chief Secretary concerned.
3. The funds so released in the name of Chief Secretary will be at the disposal of Chief Secretary and the Empowered Committee under the Chairmanship of the Chief Secretary will decide as to how to release it and

to which Fora it should be released according to the needs and requirements arising from time to time.

4. The Central Government assistance for building purposes, would be limited to creation of built up area of 5,000 square feet in respect of a District Forum building and 11,000 square feet in respect of a State Commission building, which would include 1000 square ft. for construction of a Mediation Centre. For independent buildings constructed, assistance will also include cost of construction of compound walls.
5. Irrespective of the location of the Consumer Fora, for building purposes, the Central Govt. assistance would be admissible at the rate of Rs. 2500/- square feet subject to ceilings of built up area mentioned at Para iii) above.

3.15 When asked what follow up action is taken by the Ministry with the State Governments to whom funds have been sanctioned, the Department stated that Progress of the work is reviewed in the meetings/conferences held with Secretaries in-charge of Consumer Affairs from time to time. This is also reviewed through Periodical (Monthly & Quarterly) Reports received from States/UTs. This Department also impresses upon the States/UTs to furnish Utilization Certificates (UCs) to whom financial assistance has been sanctioned.

3.16 When asked how many States have so far been covered under the scheme and what difficulties are being faced by the States to whom funds were released, the Committee were informed that the Department of Consumer Affairs has been periodically granting funds to various States and UTs for construction of buildings for State Commission and Consumer Fora. In the year 1995, One Time Grant (OTG) of Rs. 61.80 crore were released to 25 States and 7 UTs. Subsequently, in OTG 2004-05, Rs. 10.20 crores was released to 13 States which covered new created States like Jharkhand, Uttrakhand and Chhattisgarh. Further, during 2005-08, under the scheme of 'Integrated Project on Consumer Protection (IPCP)', an amount of Rs.73.82 crores was released to 21 States thereby covering 506 Consumer Fora. During 2008-12, under the scheme of 'Strengthening Consumer Fora (SCF)', an amount of Rs. 44.92 crore were released as central assistance to 16 states for improvement of infrastructure in various Consumer Fora. Thus, a total of nearby Rs.190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Not a single State or UT has been excluded from grants. The main difficulties faced by States in utilizing the grants is the delay in locating and allotting the land by State Government, long time taken for construction work by the authorized agencies of State Government etc.

3.17 The Secretary of the Department also stated during the evidence that it is difficult to implement and co-ordinate with all 623 Consumer Fora where building work is to be undertaken. Accordingly, a new empowered Committee under the Chairmanship of Chief Secretary has been made in each State which will be conferred powers to allocate the funds required by the States for the purpose. Hence, they will better monitor the availability of land in their States.

3.18 In reply to a query, the Department furnished the following details regarding the steps taken to strengthen the infrastructure of Consumer Fora for the speedy disposal of grievances of the Consumers as below:

- (1) The State Governments have been requested from time to time to take action well in advance for filling up of vacancies of President and Members and to maintain a panel of candidates for filling up of future vacancies also to avoid delay in appointments.
- (2) Circuit Benches from National Commission have been frequently visiting States.
- (3) Some State Commissions have constituted Additional Benches mainly to dispose off backlog of pending cases.
- (4) The National Commission and some of the State Commissions as well as District Fora are adopting the process of holding Lok Adalats for speedy disposal of the cases.
- (5) Financial assistance is provided by the Central Government to the States/UTs for strengthening of infrastructure of Consumer Fora including computerization and networking.

3.19 The Committee observe that for the Scheme 'Strengthening of Consumer Fora', the BE were Rs. 19.00 crore and Rs. 25.00 crore during the year 2011-12 and 2012-13 respectively which were drastically reduced to Rs. 9.35 crore and Rs. 5.48 crore at RE stage and the Actual Expenditure incurred were Rs. 6.77 crore and Rs. 3.84 crore only. The Department stated that 2012-13 being the first year of the 12th Plan, the schemes required appraisal and approval by the competent authority like Standing Finance Committee/Expenditure Finance Committee, etc. which is a time consuming procedure and are the reasons for major variation at BE and RE stage. The Committee further note that allocation of funds at RE stage were less due to non-fulfillment of the pre-conditions for release of central assistance namely providing land for construction of building, creation of posts of President/Members in Consumer Fora, furnishing of Utilization Certificates of grants released earlier etc. by various States. The Committee are not fully convinced with the reasons cited by the Department regarding non-utilization of allocated funds in full because such issues could be sorted out by timely action and regular consultation with the States. The Committee, therefore, recommend that the Department should make earnest efforts to utilize the allocated funds in full so as to strengthen the Consumer Fora in the country. The Committee further desire that the Department should take up the matter with the States and ensure that they fulfill the desired pre-conditions for release of Central Assistance under the scheme.

3.20 The Committee note that under the Scheme 'Strengthening of Consumer Fora', financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. An amount of Rs. 3.84 crore has been released to 4 eligible States during 2012-13 against total outlay of Rs. 25 crore. Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration. The Committee also note that the guidelines for the 12th Plan have been thoroughly revamped based upon the experiences and shortcomings observed during the last Plan period. The Committee further note that a total amount of Rs. 190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Various steps such as filling up of vacancies, setting up of circuit benches, holding of Lok Adalats etc. have also been taken for strengthening infrastructure of Consumer Fora and for speedy disposal of consumer grievances. The Committee desire that the Department should take pro-active role and strictly follow up with various States/UTs to ensure that the revised guidelines are followed and the funds released to them are utilized properly so that sufficient infrastructure of Consumer Fora is created in all the States/UTs in the country.

D. Structure of Consumer Fora

3.21 The Consumer Protection Act seeks to better protect the rights of consumers by establishing an "Alternate Justice Delivery System" to render quick and inexpensive redressal to the consumers. A three-tier quasi-judicial redressal machinery at the National, State and District level has been set up to provide simple, inexpensive and time bound redressal of consumer grievances against defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. Filing of a simple complaint on plain paper with the details of the case with supporting documents seeking relief/compensation is enough and it is not obligatory to engage a lawyer. In fact, any authorized agent can represent the complainant or the opposite party. These redressal agencies are popularly known as Consumer Fora. According to the objects and purposes of the Consumer Protection Act, these quasi-judicial bodies are required to observe the principles of natural justice and adopt procedure summary trial expeditiously adjudicating the consumer complaints. At present, a National Commission in New Delhi, 35 State Commissions and 632 District Fora at the State and district level respectively have been established in the country.

3.22 Under the Consumer Protection Act, 1986 (Section 9) the responsibility for setting up of the National Consumer Disputes Redressal Commission (NCDRC) rests with the Central Government. Accordingly, the NCDRC was set up in 1988. The President of National Commission has been empowered to constitute Benches with one or more Members. The responsibility for setting up of the State Commissions and District Fora and to ensure their effective functioning lies with the State Governments/UT Administrations. The State Commissions have been set up in the State capitals. The President of State Commission has also been empowered to constitute Benches with one or more Members. The District Fora are to be set up in each District.

3.23 In terms of the Consumer Protection Act, Consumer Disputes Redressal Agencies provide simple, inexpensive and time bound justice to the consumer complaints against defective goods, deficient services including the unfair/restrictive trade practices adopted by the traders or any person. Under section 24B of the Consumer Protection Act, 1986, National Commission have administrative control over all the State Commissions in the following matters, namely:

- (i) Calling for periodical returns regarding the institution, disposal pendency of cases;
- (ii) Issuance of instructions regarding adoption of uniform procedure in the hearing of matters, prior service of copies of documents produced by one party to the opposite parties, furnishing of English translation of judgments written in any language, speedy grant of copies of documents;
- (iii) Generally overseeing the functioning of the State Commissions or the District Fora to ensure that the objects and purposes of the Act are best served without, in any way, interfering with their quasi-judicial freedom.

3.24 The National Commission is maintaining State-wise data in respect of cases filed, disposed of and pending, since inception, in the National Commission, State Commissions and District Fora.

(i) Filling up of Vacant post in Consumer Fora:

3.25 In reply to a query, the Department furnished the following details showing information regarding vacancy position in the National Commission, State Commissions and District Forums:

(Update on 06.03.2013)

Sl. No.	States	State Commission		District Forum		As on
		President	Member	President	Member	
	National Commission	0	1			06.03.2013
1	Andhra Pradesh	1	0	8	6	31.12.2012
2	A & N Islands	0	0	0	0	31.3.2006
3	Arunachal Pradesh	0	0	0	14	30.11.2012
4	Assam	0	1	1	9	31.12.2012
5	Bihar	0	1	0	18	30.09.2012
6	Chandigarh	0	0	0	0	31.12.2012
7	Chattisgarh	0	2	1	10	31.12.2012
8	Daman & Diu and DNH	0	0	0	2	31.03.2011

9	Delhi	0	1	0	1	31.01.2013
10	Goa	0	0	0	0	31.01.2013
11	Gujrat	0	0	4	1	31.01.2013
12	Haryana	0	1	7	9	31.01.2013
13	Himachal Pradesh	0	0	0	3	31.01.2013
14	Jammu & Kashmir	0	0	0	0	31.12.2011
15	Jharkhand	0	0	3	12	31.12.2012
16	Karnataka	0	2	6	27	31.01.2013
17	Kerala	0	1	0	1	30.05.2012
18	Lakshadweep	1	1	0	1	31.12.2012
19	Madhya Pradesh	0	1	1	11	31.01.2013
20	Maharashtra	0	2	33	54	30.06.2012
21	Manipur	0	0	0	1	31.12.2008
22	Meghalaya	1	0	0	1	31.10.2012
23	Mizoram	0	0	0	0	08.03.2010
24	Nagaland	0	0	0	0	31.12.2011
25	Odisha	0	1	7	9	31.12.2012
26	Puducherry	0	0	1	0	31.12.2012
27	Punjab	0	1	3	2	31.01.2013
28	Rajasthan	0	0	7	3	31.12.2012
29	Sikkim	0	0	0	4	31.12.2012
30	Tamil Nadu	0	1	7	33	31.12.2012
31	Tripura	0	0	0	0	31.01.2013
32	Uttar Pradesh	0	6	11	10	31.12.2012
33	Uttarakhand	0	0	0	7	31.12.2012
34	West Bengal	0	0	0	0	31.12.2012
	TOTAL	3	22	100	249	

3.26 The Committee were further informed that the State Governments have been requested from time to time to take action well in advance for filling up of vacancies of President and Members and to maintain a panel of candidates for filling up of future vacancies also to avoid delay in appointments.

3.27 The Secretary, Department of Consumer Affairs stated during evidence regarding filing up of vacant posts as under:-

"Hon'ble Minister and the Department have impressed Chief Minister and Chief Secretary of each State to take immediate steps to fill up vacant posts in Forum. It has been proposed that the members of the Forum will be provided training in Judicial Academy of the States."

"Regarding guidelines for selection of Members of Consumer Fora, the Secretary stated inter-alia, that Maharashtra and one or two States have effectively made selection procedure through written exams competitive. Hence, States are being asked to bring competition in selection procedure as done by Maharashtra."

(ii) Disposal of Cases in Consumer Fora:-

3.28 The Committee desired to know the total number of complaints filed/disposed and pending in the National Commission, State Commissions and District Forums in the country, the Department furnished the following data as informed by the National Commission (as on 22.03.2013):

Name of Agency	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of total Disposal
National Commission	80,014	69,253	10,761	86.55%
State Commissions	6,00,097	5,04,834	95,263	84.13%
District Fora	32,42,324	29,94,256	2,48,068	92.35%
TOTAL	39,22,435	35,68,343	3,54,092	90.97%

3.29 The details of the Year-wise filing & disposal of cases in National Commission & State Commission during 2012 are given below:-

(Upto 31.12.2012)

	2012	
	Filed	Disposed
National Commission	5116	4452
States	2012	
	Filed	Disposed

Andhra Pradesh	1138	175
A & N Islands		
Arunachal Pradesh		
Assam	68	354
Bihar		
Chandigarh	576	598
Chattisgarh	878	717
D & N Haveli/Daman &Diu		
Delhi		
Goa	79	139
Gujrat		
Haryana	1476	5983
Himachal Pradesh	1452	2021
Jammu & Kashmir	327	411
Jharkhand	190	453
Karnataka	2446	2252
Kerala		
Lakshadweep		
Madhya Pradesh	2557	2241
Maharashtra	1593	125
Manipur		
Meghalaya	4	0
Mizoram		
Nagaland		
Orissa	1026	844
Pondicherry	41	36
Punjab	1912	2387
Rajasthan	2963	2247

Sikkim	2	1
Tamil Nadu		
Tripura	66	82
Uttar Pradesh	3968	3117
Uttarakhand	216	232
West Bengal	1827	1170
TOTAL	24535	25585

Year-wise filing & disposal in District Fora

(Upto 31.12.2012)

States	2012	
	Filed	Disposed
Andhra Pradesh	2407	548
A & N Islands		
Arunachal Pradesh		
Assam		
Bihar		
Chandigarh	3485	3537
Chattisgarh	2384	2382
D & N Haveli/Daman & Diu		
Delhi		
Goa	173	220
Gujrat		
Haryana	8899	9038
Himachal Pradesh	2060	2104
Jammu & Kashmir		
Jharkhand	1565	1037
Karnataka	7917	7344
Kerala		

Lakshadweep		
Madhya Pradesh	11106	11265
Maharashtra		
Manipur		
Meghalaya		
Mizoram		
Nagaland		
Orissa	4162	2980
Pondicherry	50	4
Punjab	8645	8714
Rajasthan	24016	21301
Sikkim	13	18
Tamil Nadu		
Tripura		
Uttar Pradesh	23854	26708
Uttarakhand	1224	803
West Bengal	4386	4466
TOTAL	106346	102469

**Statement of Cases Filed / Disposed of / Pending in the National Commission
and State Commissions**

(Update on 06.03.2013)

Sl. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
	National Commission	80014	69253	10761	86.55	28.02.2013
1	Andhra Pradesh	28675	27469	1206	95.79	31.12.2012
2	A & N Islands	42	38	4	90.48	31.01.2008

3	Arunachal Pradesh	63	61	2	96.83	30.11.2012
4	Assam	2577	1867	710	72.45	31.12.2012
5	Bihar	15333	10770	4563	70.24	30.09.2012
6	Chandigarh	12204	12035	169	98.62	31.12.2012
7	Chattisgarh	8612	8016	596	93.08	31.01.2013
8	Daman & Diu and DNH	25	20	5	80.00	31.03.2011
9	Delhi	34653	32857	1796	94.82	31.01.2013
10	Goa	2321	2252	69	97.03	31.01.2013
11	Gujarat	44989	36905	8084	82.03	31.01.2013
12	Haryana	42841	42718	123	99.71	31.01.2013
13	Himachal Pradesh	7871	7629	242	96.93	31.01.2013
14	Jammu & Kashmir	6652	6061	591	91.12	31.12.2012
15	Jharkhand	5101	4601	500	90.20	31.12.2012
16	Karnataka	44505	39485	5020	88.72	31.01.2013
17	Kerala	25502	24307	1195	95.31	31.12.2012
18	Lakshadweep	17	16	1	94.12	31.12.2012
19	Madhya Pradesh	41886	36958	4928	88.23	31.01.2013
20	Maharashtra	57109	41344	15765	72.39	30.06.2012
21	Manipur	139	96	43	69.06	30.09.2008
22	Meghalaya	262	175	87	66.79	31.10.2012
23	Mizoram	200	196	4	98.00	31.01.2013
24	Nagaland	25	6	19	24.00	31.12.2011
25	Odisha	21883	15667	6216	71.59	31.12.2012
26	Puducherry	959	944	15	98.44	31.12.2012
27	Punjab	29596	23575	6021	79.66	31.12.2012
28	Rajasthan	51308	46999	4309	91.60	31.12.2012
29	Sikkim	42	41	1	97.62	31.12.2012
30	Tamil Nadu	24223	22125	2098	91.34	31.12.2012
31	Tripura	1421	1397	24	98.31	31.01.2013

32	Uttar Pradesh	67119	38625	28494	57.55	31.12.2012
33	Uttarakhand	4641	3856	785	83.09	31.12.2012
34	West Bengal	17301	15723	1578	90.88	31.12.2012
	TOTAL	600097	504834	95263	84.13	

Statement of Cases filed/disposed of/pending in District Fora

(Update on 06.03.2013)

Sl. No.	Name of State	Cases filed since inception	Cases disposed of since inception	Cases Pending	% of Disposal	As On
1	Andhra Pradesh	192331	186441	5890	96.94	31.12.2012
2	A & N Islands	330	301	29	91.21	31.03.2006
3	Arunachal Pradesh	404	338	66	83.66	30.11.2012
4	Assam	13704	11976	1728	87.39	31.08.2010
5	Bihar	84369	73573	10796	87.20	30.09.2012
6	Chandigarh	46795	45614	1181	97.48	31.12.2012
7	Chattisgarh	37292	34129	3163	91.52	31.01.2013
8	Daman & Diu and DNH	162	144	18	88.89	31.03.2011
9	Delhi	239215	228875	10340	95.68	30.09.2011
10	Goa	6387	5840	547	91.44	31.01.2013
11	Gujarat	173597	161750	11847	93.18	31.01.2013
12	Haryana	220997	203297	17700	91.99	31.01.2013
13	Himachal Pradesh	57043	53672	3371	94.09	31.01.2013
14	Jammu & Kashmir	20792	18855	1937	90.68	31.12.2007
15	Jharkhand	33985	30720	3265	90.39	31.12.2012
16	Karnataka	155588	150723	4865	96.87	31.01.2013
17	Kerala	180640	172869	7771	95.70	31.12.2012
18	Lakshadweep	75	65	10	86.67	31.12.2012
19	Madhya Pradesh	184906	169904	15002	91.89	31.01.2013

20	Maharashtra	255993	236744	19249	92.48	30.06.2012
21	Manipur	1037	1012	25	97.59	30.09.2008
22	Meghalaya	847	750	97	88.55	31.10.2012
23	Mizoram	3466	2819	647	81.33	31.12.2010
24	Nagaland	290	266	24	91.72	31.12.2011
25	Odisha	92978	86305	6673	92.82	31.12.2012
26	Puducherry	2907	2714	193	93.36	31.12.2012
27	Punjab	154458	148813	5645	96.35	31.12.2012
28	Rajasthan	289436	261290	28146	90.28	31.12.2012
29	Sikkim	296	280	16	94.59	31.12.2012
30	Tamil Nadu	102719	97061	5658	94.49	31.12.2012
31	Tripura	2751	2538	213	92.26	31.10.2012
32	Uttar Pradesh	565666	490670	74996	86.74	31.12.2012
33	Uttarakhand	34759	32598	2161	93.78	31.12.2012
34	West Bengal	86109	81310	4799	94.43	31.12.2012
	TOTAL	3242324	2994256	248068	92.35	

3.30 When asked to furnish the reasons for the large number of cases pending alongwith their duration of pendency in the Consumer Fora, the Department in their reply stated that the reasons for pendency include delay by State Governments/UTs in timely filling up vacant posts, lack of adequate supporting staff, rising number of consumer complaints etc. Regarding the poor disposal of cases or low percentage of disposal, the Department stated that due to some vacancies in some District Fora/State Commissions in the States of Assam, Bihar, Maharashtra, Manipur, Meghalaya, Nagaland, Orissa, Punjab and Uttar Pradesh, there is poor disposal of cases.

3.31 The Committee were informed that the Consumer Affairs Ministry has decided to set up a mediation centre, similar to a lok adalat, in each district of India under direct supervision of the district consumer forum to expedite the pending cases. When asked the current status in this regard, the Department stated that the EFC Memorandum for the scheme 'Consumer Counseling & Mediation' has been approved by the IF Wing of this Department. The same has been circulated to the Planning Commission and Department of Expenditure (Ministry of Finance) for their comments.

3.32 The Committee note that besides the National Commission in New Delhi, 35 State Commissions and 632 District Fora have been established in the country for providing simple, inexpensive and time bound redressal of grievances against

defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. The Presidents of the National Commission and State Commissions have been empowered to constitute Benches with one or more members for speedy disposal of grievances of consumers. The Committee, however, are concerned to note that a large number of cases are pending in the National Commission, State Commissions and District Fora as these Consumer Fora could dispose of 86.55%, 84.13% and 92.35% cases respectively. The Committee find that non-filling up of vacancies by States/UTs, lack of adequate supporting staff, rising number of complaints etc. are the reasons for pendency of cases. The Ministry has decided to set up mediation centres, similar to Lok Adalat, in each District of India under the direct supervision of the District Forum to expedite disposal of pending cases. The Committee hope that the Government would pursue with the Planning Commission and the Ministry of Finance to expeditiously obtain their approval of the Memorandum for the scheme 'Consumer Counseling and Mediation' so that Mediation Centres are set up in every district of the country for speedy disposal of pending cases.

3.33 The Committee are unhappy to note that as on 06.03.2013, as many as 3 posts of President and 22 Members are lying vacant in the State Commissions. Besides 100 posts of President and 249 posts of Members are also lying vacant in the District Forum across the country. The Committee note that the Department have requested the State Governments from time to time to take advance action for filling up vacancies of Presidents and Members and also maintain a panel of candidates for filling up further vacancies. Hon'ble Minister of the Department have also impressed upon the Hon'ble Chief Minister and Chief Secretaries of States/UTs to take immediate steps to fill up the vacancies in the Consumer Fora. The Committee also note that States are being asked to bring competition in selection procedure as done by Maharashtra. While appreciating the efforts made by the Department, the Committee are, however, constrained to say that too many posts of Presidents and Members are still lying vacant in various State Commissions and District Forums. The Committee, therefore, urge the Department to make more earnest efforts in persuading the States/UTs to fill up the vacancies in all the Consumer Fora so that cases are not kept pending due to vacancies in the State Commissions/District Fora.

E. CONSUMER WELFARE FUND

3.34 Consumer Welfare Fund was created in 1992 with the objective of providing financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country, particularly in rural areas. The Fund was set by the Department of Revenue under the Central Excise and Salt Act, 1944, and is operated by the Ministry of Consumer Affairs, Food & Public Distribution. The Central Excise and Salt Act, 1944 was amended in 1991 to enable the Central Government to create the CWF where the money, which is not refundable to the manufacturers, consumers etc. is credited.

The Consumer Welfare Fund Rules were framed and notified in the Gazette of India in 1992. Under these Rules, any agency/organization engaged in consumer welfare activities for a period of three years and registered under the Companies Act, 1956 or any other law for the time being in force, village/mandal/samiti-level cooperatives of consumers, industries State Governments etc. are eligible for seeking financial assistance from the Fund. An inter-Ministerial Standing Committee has been constituted under the Rules to make recommendations for proper utilization of the money credited to the Consumer Welfare Fund for the welfare of the consumers.

3.35 The BE, RE and Actual Expenditure of the Consumer Welfare Fund under the Plan and Non-plan scheme during the last three years and the current financial year given as under:-

Non-Plan Scheme (Consumer Welfare Fund)

(Rs. in crores)

Year	BE	RE	Actual Expenditure
2010-11	13.80	13.80	13.65
2011-12	19.80	31.30	26.27
2012-13	21.80	31.80	28.66
2013-14	45.80		

Plan Scheme

Plan Scheme (State Consumer Helpline)

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2010-11	1.50	1.50	1.36
2011-12	2.00	1.00	0.94
2012-13 upto Feb.2013	2.00	1.49	1.4809
2013-14	3.00		

3.36 The statement showing the details of funds released to State/UTs and expenditure incurred by each States/UTs during last 3 years as furnished by the Department is given as under:-

Amount in Rs.

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure incurred by each States
1	2009-10	Chandigarh			5,00,000	Expenditure statement yet to be received

2		Himachal Pradesh		27,00,000		
3		Odisha			50,00,000	Expenditure statement yet to be received
4		Tamil Nadu			50,00,000	50,00,000

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2010-11	Madhya Pradesh	3,39,00,000			
2		Nagaland			10,00,000	10,00,000

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2011-12	Kerala	7,50,00,000			
2		Lakshadweep				
3		Madhya Pradesh	4,11,00,000			
4		Maharashtra			37,00,000	Expenditure statement yet to be received
5		West Bengal	1,02,00,000			

Sl. No.	Year	State	Corpus Fund*	Seed Money*	Consumer Club	Expenditure
1	2012-13	Bihar	2,63,00,000			
2		Karnataka	2,63,00,000			
3		Nagaland	2,63,00,000		10,00,000	Expenditure statement yet to be received
4		Odisha	2,63,00,000			
5		Tamil Nadu	1,00,00,000			
6		West Bengal	6,48,00,000		40,00,000	Expenditure statement yet to be received

*** One time grant for setting up State Consumer Welfare Fund**

3.37 The Committee were informed that for creating consumer welfare fund seed money is provided to States/UTs at the ratio of 50:50 as financial support which has been enhanced with a big amount of Rs. 10 crore as Corpus Fund by the Central

Government as Central share in the ratio 75:25 (Center:State). In case of special category States, the ratio will be 90:10 (Center:State). However, so far the schemes is implemented in 3 States namely, Madhya Pradesh, Kerala and West Bengal. Further part payment has been released to 4 States namely, Bihar, Odisha, Nagaland and Karnataka. The Department further stated that the enhanced Corpus Fund under Consumer Welfare Fund has been implemented w. e. f. 30.3.2011. The Department has utilized the entire fund allocated under the Head Grant in aid to State Government/UTs of Consumer Welfare Fund. The delay in creation of a separate independent interest-bearing account by State Governments and also delay in depositing their own share of 2.5 crores is creating difficulties in implementation.

3.38 When the Committee desired to know the possible reasons for not setting up Consumer Welfare Fund by the remaining States/UTs despite given financial assistance and the action taken to persuade the remaining States/UTs to set up the Consumer Welfare Fund, the Department stated that 21 States have created Consumer Welfare Fund in their respective States as regards remaining States/UTs no response have been received so far. Most of the State do not have separate Consumer Affairs Department. The Department of Consumer Affairs is mostly attached with Food and Civil Supplies, so the official are preoccupied with supply chain of Food Product and Public Distribution System. However the remaining States Govts/UTs have been impressed upon through periodical meeting/video conferencing and reminded. The amount granted has been enhanced to Rs. 7.5 Crore towards Corpus Fund.

3.39 The Committee note that Consumer Welfare Fund was created to provide financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country. The financial assistance by the Central Government for setting up Consumer Welfare Fund has been enhanced to Rs. 10 crore as Corpus Fund and the Central Government share has also been increased to the ratio of 75:25 and in case of special category States, the ratio is 90:10. The Committee also note that 21 States have created CWF in their respective States whereas no response has been received from the remaining States/UTs so far. Delay in creation of a separate independent interest- bearing account by State Government and also delay in depositing their own share of Rs. 2.5 crores is creating difficulties in implementation of the scheme. Also most of the States do not have separate Consumer Affairs Department and it is mostly attached with Food and Civil Supplies Department whose official are pre-occupied with supply chain of food product and Public Distribution System. The Committee feel that all the States/UTs should be impressed upon to create separate independent interest bearing account as well as separate Consumer Department in their respective States/UTs for better implementation of the scheme. The Committee, therefore, recommend the Department to take the matter with the State Government at the highest level and also urge the remaining States/UTs to set up Consumer Welfare Funds in order to promote and protect the welfare of the Consumers.

F. National Consumer Helpline.

3.40 National Consumer Helpline is a land mark project set up in collaboration with the Delhi University at a cost of Rs.3.13 Crore. Consumers from anywhere in the country can dial the toll free number 1800-11-4000 and seek advice in all areas of consumer interest and sort out their grievance. Delhi University has been granted an amount of Rs.378 lakh for second phase of the National Consumer Helpline.

3.41 State Consumer Helpline: The Committee are informed that Consumer Help line is Plan scheme to be set up in States on similar lines as National Consumer Help Line, which will be a partnership effort between State and active VCOS of the States. These Help lines will extend service in the regional language of the State Concerned and in Hindi & English. So far 28 States/UTs have been sanctioned funds to set up Consumer Help lines. The scheme has been extended in the XII Five Year Plan.

3.42 In response to a query regarding the expenditure incurred since inception of the National Consumer Helpline, the Department furnished the following data:-

Year	Amount Sanctioned	Expenditure incurred by University of Delhi
Amount Sanctioned in Ist Phase		
2004-2005	10727800.00	4262340.00
2005-2006	4911400.00	6411764.00
2006-2007	4911400.00	6537792.00
2007-2008	4100000.00	5342726.00
2008-2009	3200000.00	2808130.00
2009-2010	3438820.00	5530081.00
Till June 2010	0.00	100575.00
Grand Total	31289420.00	30993408.00

The second phase duration of National Consumer Helpline was implemented from 1st April 2010 to 31st March 2013 during which, the expenditure incurred, year-wise is given below:-

Amount Sanctioned in IInd Phase		
C/F from 1st Phase	296000.00	
2010-2011	12081600.00	10330399.00
2011-2012	10264199.00	9890154.00
2012-2013	12736955.00	6796662.00
2012-2013(balance grant)	2421246.00	
Grand Total	37800000.00	27023889.00

It is seen from the above statement that during second phase of the aforesaid scheme (i.e. 1st April, 2010 to 31st March, 2013) the expenditure incurred was Rs.27023889.00 against the sanctioned amount of Rs. 37800000.00, which is short of Rs. 10776111.00.

3.43 Asked about the average complaints received as well as resolved by the National Consumer Helpline, the Department furnished the following details showing the number of complaints received, pending and percentage of complaints resolved during the last three years:

Year	Complaints sent to Companies	Redressal received (Partial or otherwise from Companies)	Grievances pending	%age of complaints resolved
Jan-Dec 2010	7858	4873	2985	62.01
Jan-Dec 2011	12787	7688	5099	60.12
Jan-Dec 2012	14146	10457	3689	73.92

3.44 The Department further stated the State Government also have their own helplines which provide service in regional languages. These helplines are set up under the plan schemes and not financed under Consumer Welfare Fund. Funds have been released to 28 States/UTs for setting up of State Consumer Helplines. Out of which State Consumer Helpline are functional in 16 States/UTs.

3.45 When the Committee enquired how the Ministry propose to extend State Consumer Helpline Services to all States/UTs, the Ministry stated that the Department has been vigorously pursuing with the remaining States/UTs for implementing the State Consumer Helpline in their respective State through conducting Video Conferencing

and meeting with Secretaries of State Governments/UTs as well as periodic reminders. The Department has also advise State Government to take help of NGOs/VCOs to run these organizations if they can not run it departmentally. Arrangement have been made with the IIPA Delhi, and ASCI, Hyderabad to train the Helpline staff . Standard software has been developed and freely supplied.

G. Setting up of Consumer Clubs in School/Colleges.

3.46 This scheme was launched in 2002, according to which a Consumer club can be set up in each Middle/High/Higher Secondary School/College affiliated to a Government recognised Board or University. A grant of Rs.10,000/- per consumer club is admissible under the scheme. This scheme has been decentralized and transferred to the Government of States/UTs w. e. f from 1.4.2004. Proposals can be submitted under the scheme to the Nodal Officer in the Food, PD & Consumer Affairs Department of the respective States/UTs by eligible organisations/VCOs. Funds are transferred to the Nodal Officer in the State on receipt of the list of schools from the State. An amount of Rs.115 lakhs released in 2008-09, Rs.105lakhs in 2009-2010, Rs.10 lakh in 2010-11, Rs.37 lakh in 2011-12 and Rs.50 lakh during 2012-13 till date. So far, 7749 consumer clubs have been sanctioned in 23 States/UTs. The remaining States/UTs have been vigorously pursued to implement the scheme.

3.47 When the Committee asked the details of responses received from the remaining States/UTs, the Department informed that the response from remaining States/UTs are still awaited. However, the Department has conducted Video Conferencing and meeting with Secretaries of State Governments/UTs and also issued reminders to the remaining States/UTs.

3.48 In response to a query about the progress of consumer clubs set up in schools/colleges so far, the Department informed that 7749 consumer clubs have been set up in schools/Colleges in 23 States/UTs and in 12 States/UTs namely, Assam, Bihar, Delhi, Goa, Jharkhand, Madhya Pradesh, Manipur, Meghalaya, Uttar Pradesh, Andaman & Nicobar Island, Dadra Nagar Haveli and Daman and Diu, Consumer Clubs are yet to be set up.

3.49 The Committee note that the National Consumer Helpline Scheme was set up in collaboration with the Delhi University at a cost of Rs. 3.13 crore. The Delhi University has been granted an amount of Rs. 378 lakh for taking up the second phase of the National Consumer Helpline (i.e. from 1st April, 2010 to 31st march, 2013). The Committee also note that 28 States/UTs have been sanctioned funds for setting up State Consumer Helpline on similar lines as the National Consumer Helpline. The State Consumer Helpline will extend services in regional language of the State concerned besides Hindi and English. The State Consumer Helpline is presently functional in 16 States/UTs only. While arrangements have been made with the IIPA, New Delhi and ASCI, Hyderabad to train the helpline staff, the Department has advised the State Governments to take the help of NGOs/VCOs to run the State Consumer Helplines, if necessary. Standard software has been developed and supplied free of cost. The Committee are, however, of the view that while it is essential to ensure that the National Consumer Helpline as well as

the State Consumer Helplines are functional at all times, there is also need to create awareness of the consumers about the existence of these helplines. Moreover, State Consumer Helplines should be set up in the remaining States/UTs also. The Committee, therefore, recommend that while ensuring that these helplines are functioning efficiently, the remaining States/UTs should be persuaded to set up State Consumer Helplines at the earliest by extending financial assistance to them.

3.50 The Committee note that for setting up of Consumer Clubs in Schools/ Colleges a grant of Rs. 10,000/- per consumer club is admissible and this scheme has been decentralized and transferred to the Governments of States/UTs w.e.f. 1.4.2004. Proposals can be submitted now to the Nodal Officer in the Food, Public Distribution and Consumer Affairs Department of the respective States/UTs by eligible organizations/VCOs. The Committee also note that an amount of Rs. 317 lakhs have been released since 2008-09 and 7749 consumer clubs have been sanctioned in 23 States/UTs. The Department have been vigorously pursuing the remaining States/UTs to implement the scheme. The Committee feel that setting up consumer clubs in Schools/Colleges would go a long way in creating awareness about the consumer rights amongst the school/college students. The Committee, therefore, recommend that the Department should persuade and convince the remaining States/UTs to set up Consumer Clubs in as many schools and colleges as possible.

H. Consumer Protection Cell Scheme

3.51 Consumer Protection Cell scheme is an on-going scheme which aims to render secretarial assistance to the Department in administering the Consumer Protection Act, and other related activities, including holding of review meetings and annual conferences of NCDRC and the Central Consumer Protection (CCPC). Under the Consumer Protection Cell scheme, expenditure is incurred for conducting evaluation studies of various schemes administered by the Consumer Protection Unit of this Department. In addition, the Department is represented in international consumer institutions/associations for participating in various international consumer related conventions and conferences.

3.52 When enquired in what way Consumer Protection Cell render assistance to the Department in administering the Consumer Protection Act, the Department stated that establishment expenses like expenses for holding of CCPC Meetings, payment of professional fees to Government Counsels in court cases arising out of consumer issues etc. are met out of the provisions under the 'Consumer Protection Cell' Head.

3.53 Asked to furnish the details regarding number of meetings conducted by Consumer Protection Council at the State/District level during the last 3 years (including the current financial year), the Department stated that as per the provisions of Consumer Protection Act, 1986, it is the responsibility of State Governments to constitute State Consumer Protection Councils (SCPCs) and District Consumer Protection Councils (DCPCs) in their respective States. The information regarding the

details of number of Meetings conducted by SCPCs/DCPCs during the last three years including the current financial year is not maintained centrally. The Department further stated that they are proposing to take up the matter in the next meeting of Central Consumer Protection Council so that monitoring of such meetings is done by CCPC itself.

3.54 The Committee note that the Consumer Protection Cell Scheme aims to render secretarial assistance to the Department in administering the Consumer Protection Act and other related activities including holding of review meetings, annual conferences of National Consumer Disputes Redressal Commission (NCDRC) and Central Consumer Protection Council (CCPC). Payment of professional fees to Government counsels in court cases arising out of consumer issues etc. are also met out of the provisions under the Consumer Protection Cell Head. Though the State Governments are responsible to constitute State Consumer Protection Council (SCPC) and District Consumer Protection Councils (DCPCs) under the Consumer Protection Act, the Committee feel that the Department should monitor and keep themselves informed of the meetings held and decisions taken by the SCPC/DCPCs. The Committee, therefore, recommend that the Central Consumer Protection Council should monitor the meetings of the SCPCs/DCPCs.

I. Consumer Awareness

3.55 Protection of consumer interests and welfare had today become a critical function of good governance and consumer awareness is increasingly being recognized as a step in that direction. Though the consumer movement is slowly gaining ground in our country, a lot of ground still needs to be covered. Due to the sheer size and complexity of the country the level of consumer awareness varies from State to State depending upon the level of literacy and social awareness of the people. Educating more than 120 crore people of various categories of population, particularly those in rural areas on various subject matters of consumer interests being dealt by different Ministries/ Department is a Herculean task. It can only be undertaken as a sustained national programme with adequate resource availability.

3.56 The BE, RE and Actual Expenditure incurred for Consumer Awareness during the last three years and the current financial year are as under:-

(Rs. in crores)			
Year	BE	RE	Actual Expenditure
2010-11	84.02	80.67	80.27
2011-12	87.23	87.23	85.73
2012-13	89.00	58.00	56.53
2013-14	75.00*		

* **Proposed.**

3.57 Asked whether the publicity campaign of the Government with slogan 'Jago Grahak Jago' and other multi-media publicity campaign has brought satisfactory results in rural and remote areas, the Department stated that the study indicates that awareness level is slightly less in rural areas in comparison to urban areas. To fill this gap, the department made extensive use of All India Radio and Regional Doordarshan Kendras to effectively cover rural and remote areas through campaigns in regional languages.

3.58 When the Committee desired to know whether any survey has been conducted by the Department at the State and District level to ascertain the extent of awareness amongst the consumers particularly the consumers living in remote, hilly and backward areas, the Department informed that they have conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country. Out of total sample size of 2400 persons, 400 were selected from NE region. The study indicate that people in NE region are aware about campaigns of the department. However, no specific study has been done to ascertain extent of awareness in remote or backward areas or among various States of people in society. The Department proposes to commission such as study in 12th Plan.

3.59 Asked whether DAVP have ever been requested to highlight consumer related issues for publicity campaign from time to time, the Department stated that all print and multimedia campaigns of the department are released through DAVP, All India Radio, Doordarshan and NFDC. The Department obtains creative contents on consumer related issues through professional agencies and release those in different media as per approved media plan. Recently the department has issued campaigns to cover issues on real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc.

3.60 The Committee desired to know the status as well as the steps taken to expedite the proposals of the Union Food & Consumer Affairs Ministry has mooted the idea of setting up an inter-ministerial group to look into complaints of misleading advertisements, with an investigative wing that will probe the complaints and file cases for suitable action. In response, the Department stated that tackling the menace of Misleading Advertisement has been a priority concern of the Department. In this context a series of meetings/workshops were held with the stakeholders in Delhi, Kolkata, Chennai and Ahmedabad. It was brought out in these conferences that a separate act will be required to confer punitive and investigative power on any executive agency to take action against misleading advertisement. The National Law University of Bangalore has been assigned the task of drafting a legislation on this. Meanwhile on the basis of orders of Madhya Pradesh High Court an inter-ministerial committee is proposed to be set up including representation of Ministry of I&B, Health, Commerce etc. Draft orders has been sent to Ministry of I&B for their comments which are shortly expected.

3.61 The Committee note that consumer awareness is essential for good governance though it may not be an easy task to educate the entire population of the country with different background and level of literacy. The Committee are aware that the Department is making various publicity campaigns through the print and electronic media including 'Jago-Grahaak-Jago' campaign to create awareness amongst the consumers. The Department has conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country with a sample size of 2000 persons of which 400 were selected from NE region. Such study is proposed to be commissioned during the 12th Plan to ascertain extent of awareness in remote or backward areas among various States. The Committee appreciate that the Department has accorded priority concern to tackling the menace of misleading advertisements and recently issued campaigns covering issues of real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc. The Committee are happy to note that the National Law University, Bangalore has been assigned the task of drafting a legislation on Misleading Advertisement. The Committee are, however, concerned that rampant misleading advertisement on various products and services remained unchecked till today. The Committee, therefore, strongly recommend that the Department should vigorously pursue with the National Law University, Bangalore and the Ministry of Information and Broadcasting to expeditiously complete drafting of the legislation and obtain comments thereon respectively.

CHAPTER-IV

Prices of Essential Commodities

The Department has informed the Committee that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. During the year 2009-10, the prices of 17 essential commodities ,viz., rice, wheat, gram dal, arhar dal, moong dal, urad dal, masoor dal, tea, sugar, salt, potato, onion, vanaspati, groundnut oil, mustard oil, milk and atta were monitored by this Department. The retail prices were monitored on daily basis and wholesale prices on weekly basis were collected from 27 and 37 centres respectively across the country. During 2010-11, the number of essential commodities monitored by this Department was increased from 17 to 21 with the addition of 4 essential commodities, namely, gur, soya oil, palm oil and sunflower oil respectively. During the year 2011-12 tomato has been included making the total of essential commodities to 22. Further, the number of reporting centres was increased to 49 and wholesale prices like the retail prices were also collected/monitored on a daily basis. Information on retail and wholesale prices are presently collected on daily basis from 55 centers of the country. The retail and wholesale prices of essential commodities are updated on a daily basis and are available in the web site of the Department of Consumer Affairs and can be accessed at (<http://fcamin.nic.in>).

4.2 In general, the Price Monitoring Cell studies the international and domestic market trends of major commodities from various sources and this information is incorporated in the Notes prepared for the High Level Meetings such as Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP), to enable the Committees to arrive at considered policy decisions. The decisions taken in these meetings are implemented by the Ministry/Department concerned which is charged with the responsibility of the subject matter of the decision and Department of Consumer Affairs monitors the same.

4.3 It is further stated that the Government has been taking effective steps to bridge the gap between demand and supply of essential commodities and contain inflation. The retail prices of pulses (except urad dal), edible oils like groundnut oil, mustard oil, tea loose and onion registered an increasing trend whereas the retail prices of urad dal, vanaspati and sunflower oil registered declining trends over the last one year in Delhi.

4.4 The details of retail prices of essential commodities in Delhi as on 5.2.2013 along with their variation over a period of one year are indicated in the Table below:

Commodity	Current Date 05/02/2013	One Year (as on 05/02/2012)	Variation
Rice	26	23	3
Wheat	19	16	3
Atta (Wheat)	20	17	3

Gram Dal	68	50	18
Tur/Arhar Dal	78	68	10
Urad Dal	68	71	-3
Moong Dal	79	69	10
Masoor Dal	60	53	7
Sugar	38	34	4
Milk @	30	29	1
Groundnut Oil	155	142	13
Mustard Oil	109	93	16
Vanaspati	75	77	-2
Soyaoil	97	95	2
Sunflower	108	110	-2
PalmOil	NR	NR	NR
Gur	37	33	4
Tea Loose	202	165	37
Salt Pack I	16	14	2
Potato	12	7	5
Onion	30	13	17
Source: State Civil Supplies Department			

4.5 The Committee has also been informed that prices of select essential commodities were closely monitored by the Department and various measures were taken to augment supplies and bring in price stability of these essential commodities during the year 2012-13. The prices of some of the essential commodities monitored by this department such as vanaspati, palm oil, potato and tomato have shown steady to declining trend while there has been an increase in the case of rice, wheat, atta, pulses such as gram dal, tur dal, urad dal, moong dal, masoor dal; sugar, gur, salt, milk, groundnut oil, mustard oil, tea (loose) and onion during the period under review (April-December, 2012).

4.6 The Committee are informed that the Steps taken by the Government to contain price rise in essential commodities inter-alia include the following:

- Reduced import duties to zero – for wheat, onion, pulses, crude palmolein (now 2.5%) and to 7.5% for refined & hydrogenated oils & vegetable oils.
- Duty free import of white and raw sugar was extended upto 30.6.2012; presently the import duty has been kept at 10%.
- Banned export of edible oils (except coconut oil, forest based oil and edible oils in blended consumer packs upto 5 kg with a Minimum Export Price of USD 1500 per MT) and pulses (except Kabuli chana and organic pulses and lentils up to a maximum of 10000 tonnes per annum).
- Imposed stock limits from time to time in the case of select essential commodities such as pulses, edible oils and edible oilseeds for a period upto 30.9.2013 and in respect of paddy and rice upto 30.11.2013.
- Ban on export of onion was imposed for short period of time whenever required. Exports of onion were calibrated through the mechanism of Minimum Export Prices (MEP).
- Maintained the Central Issue Price (CIP) for rice (at Rs 5.65 per kg for BPL and Rs 3 per kg for AAY) and wheat (at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY) since 2002.
- Suspended Futures trading in rice, urad, tur, guar gum and guar seed.
- To ensure adequate availability of sugar for the households covered under TPDS, the levy obligation on sugar factories was restored to 10% for sugar season 2011-12.
- Government allocated rice and wheat under OMSS Scheme.
- Resumed the scheme for subsidized imported pulses through PDS in a varied form with the nomenclature "Scheme for Supply of Imported Pulses at Subsidized rates to States/UTs for distribution under PDS to BPL card holders" with a subsidy element of Rs. 20/- per Kg for the residual part of the current year and extended the scheme for subsidized imported edible oils to 30.9.2013 with subsidy of Rs.15/- per Kg for import of upto 10 lakh tonnes of edible oils for this period.

In the medium term, Government has taken initiatives such as the National Food Security Mission (NFSM), Rashtriya Krishi Vikas Yojana (RKVY) to improve production and productivity in agriculture.

4.7 In reply to a query whether the Department has chalked out any strategy in consultation with the other Departments, traders and FMC to control the prices of essential commodities especially the prices of foodgrains, the Department stated that the strategy to regulate prices of essential commodities is essentially an outcome of

inter-ministerial discussions that take place in the COS, CCP, EGoM etc. Department of Consumer Affairs monitors wholesale and retail prices furnished by State Civil Supplies Departments received from the identified Reporting Centres, and suggest measures to hold the price line. The multi-pronged strategy with the Government to facilitate availability of essential commodities at reasonable prices cuts across the different Departments/Ministries of the Government. In so far as the Department of Consumer Affairs is concerned, attempts to hold the price line of essential commodities is through a series of measures which include inter-alia:

- Monitoring of wholesale and retail prices and placing it before the High Level Committees of the Government.
- Market interventions when retail prices spike as in the case of onions.
- Imposing of export ban to mitigate domestic retail prices as in the case of pulses, onions etc.
- Concessional import duty as in the case of pulses, oilseeds etc. (Zero duty on import of wheat, onion and pulses & In the case of refined oil, it is 7.5%)
- Provisions contained under Essential Commodities Act 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act 1980 to prevent exploitation by unscrupulous traders
- Suspension of futures trading as in rice, pulses like arhar, urad, Guar gum and Guar seed.
- Imposition of special margins, reduction in speculator's position limit etc. taken by FMC to arrest speculative trading in agricultural commodities. In extreme cases closing out or suspension of contracts is also resorted to by the Commission.

4.8 The Committee note that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. With the addition of 4 essential commodities in the year 2010-11, the Department is presently monitoring the prices of 22 essential commodities on daily basis from 55 centres of the country. The Price Monitoring Cell generally studies the international and domestic market trends of major commodities from various sources and the information is incorporated in the notes for high level meetings of the Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP) for taking considered policy decisions on prices. The Committee are concerned that retail prices of pulses, edible oils, tea and onion keep rising though the retail prices of urad dal, vanaspati and sunflower declined over the last one year. Retail prices of most of the 22 essential commodities also registered an upward trend over a period of one year and the variation is as high as Rs. 37 in case of loose tea, Rs. 17 in onion and Rs. 18 in Gram dal. Though the

Government have taken several steps to contain rise in prices of essential commodities such as reducing import duty to zero, duty free import of white and raw sugar, ban in export of edible oils, imposition of stock limit from time to time, etc., yet the prices of essential commodities still increasing. The Committee, therefore, strongly recommend that the Department in consultation with other concerned departments should step up their efforts to contain rise in prices of essential commodities by strengthening monitoring mechanism, market interventions etc.

Price Monitoring Cell (PMC)

4.9 The PMC is also responsible for reporting these prices daily on the website and also forward them by mail to the concerned Departments/Ministries. The Cell analyses the collected data and prepares regular notes on the review of prices of essential commodities for the consideration of the COS, CCP, EGoM. The decisions and policy interventions as decided by COS/CCEA are then implemented by the concerned Departments/Ministries and follow-up action monitored by the PMC.

4.10 In the XII Plan it is proposed to both improve the representativeness of the sample and also enhance the robustness of the data. To improve the representativeness, it is felt that we need to collect prices of meat, fish and eggs which have been showing not only a rising trend but also due to its weight in the index, contributing to an increase in the inflation rates. However given the different types of fish, it is not clear whether prices of this item can be collected and monitored. In addition to the existing 55 centres, it is proposed to add about 10 centres annually bringing the number of reporting centres to 100 by the end of the XII Plan. Priority will be given to unrepresented areas in the first instance. Thereafter centres will be added as required on a region-wise basis.

4.11 In reply to a query, the Committee were informed that Price Monitoring Cell in the Department of Consumer Affairs(DCA) organised the '1st National Workshop on Prices' in July 2010. This workshop was attended by the officials of the Price Reporting Cells of States/UTs. The main aim of this workshop was to have an interface between the officials of the State and the officers/staff of PMC to discuss the technicalities of price collection and reporting. A training session for online reporting of prices was organised during this workshop. Instruction manuals were distributed and these manuals are being updated on a regular basis. PMC subscribes to the services of agencies such as Newswire18 and Agriwatch for getting latest inputs on national/international scenario of various commodities. Staff of PMC has also been trained on accessing data and reports from these websites. In-house training was provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. Internal meetings to discuss the technicalities of price data and its manner of analysis by PMC officials/staff are also held. Previously teams of PMC were sent to some states to review the existing methodology and practices of price collection in the reporting centres with a view to effect improvements that are necessary to make the data robust.

Strengthening of Price Monitoring Cell:

4.12 From the Outcome Budget, it is seen that no expenditure has been incurred on the Scheme Strengthening of Price Monitoring Cell during the year 2012-13 though there was Budgetary allocation of Rs. 2.70 crore. The BE of Rs. 1.65 crore has been proposed for the year 2013-14.

4.13 When asked the reasons for nil expenditure in the aforesaid scheme during 2012-13, the Department stated that a new Plan Scheme for Strengthening Price Monitoring Cell was proposed during the 12th Plan and this has been approved with an allocation of Rs. 10.81 crores for 2012-17. For the first year of the 12th Plan i.e. 2012-13 an allocation of Rs.3.00 crores was approved. This was subsequently revised at the RE stage to Rs.0.75 crores. As the Plan Scheme of PMC has been shown for budgetary purposes along with Forward Markets Commission (FMC), approval of EFC was required. This necessitated an evaluation of the Plan Scheme strengthening of Forward Markets Commission. As the Evaluation Report on Strengthening of FMC is still to be received by the Department, the said EFC Meeting could not be held and resultantly the allocation available to PMC could not be utilized. Once, the EFC approves the proposal, the allocated amount can be spent.

4.14 While briefing the Committee the representatives of the Department further stated as below:

"...the Price Monitoring Scheme has been introduced as a Plan Scheme only from 2012-13, that is, from 12th Plan. So, it required to go through the EFC process and be approved by the Planning Commission. Since the Planning Commission and the Government itself approved the outlay for the 12th Plan only in September-October, we could only move a Standing Finance Committee Note in November. Then, the Planning Commission felt that we are not introducing small schemes as new schemes, you kindly merge it with some other scheme in the Department. So, we have now merged it with a Forward market Commission's Scheme. We have not been able to spend any amount on this scheme because it has not yet been approved."

A. Strengthening of Price Monitoring Cell in States

4.15 When asked about strengthening of the Price Monitoring Cell in the States/UTs, the Department stated that Strengthening of PMC is essential to develop a strong data base and undertake an intensive research and analysis work. The PMC at the Centre is proposed to be strengthened in the following ways:

1. Organising training programmes to facilitate capacity building of existing manpower in PMC.

2. Subscribing to the Web Services of Professional Organisations engaged in the field. This is required to undertake research work related to availability and trend of prices of essential commodities.
3. Hiring Professionals (Domain experts) from the open market that may include Agricultural Economists, Statisticians and Econometricians for a more detailed analysis.
4. Engaging private organisations for conducting research studies and surveys.

The Department stated that Prices are collected and reported by the respective State Civil Supplies Departments on daily basis. Quality and authenticity of data largely depend on the efficiency of Price Monitoring Cells in State Governments. Strengthening State PMCs along with PMC in the Centre will address the issues in a holistic manner. The State PMCs are proposed to be strengthened in the following ways:-

1. By getting trained manpower employed in the collection and tabulation of data at the State level. A suitable data entry operator (DEO) can be selected by the State Governments dedicated to price collection and monitoring that could be supported by the Centre.
2. By organizing regular workshops at the regional and national level to get the feedback from field workers and discuss the practical problems being faced in the collection and reporting of prices.
3. By providing IT infrastructure such as computers, printers and UPS, etc., in respect of new centres to be taken up and up gradation in respect of hardware already given.
4. By increasing the sample size in order to obtain representative sets of price data. With a designated DEO at each centre, States could be encouraged to progressively increase the number of centres from 55 (existing) to 100 by the end of XII Plan. This will enhance the robustness of the data.

B. Strengthening of National Informatics Centre (NIC) Unit by DCA by purchasing required hardware and software.

Data Collection and Reporting of Prices

4.16 When the Committee desired to know regarding the problem faced by the Department while collecting data and reporting of prices and steps taken to resolve this issue, the Department informed that the State Governments send the daily report of retail prices of essential commodities of their centre either through online entry, fax or email. At present, only 39 centres out of 55 centres, namely, Delhi, Chandigarh, Shimla, Mandi, Amritsar, Lucknow, Kanpur, Varanasi, Agra, Raipur, Ahmedabad,

Rajkot, Bhopal, Indore, Mumbai, Nagpur, Hyderabad, Vijaywada, Bangaluru, Dharwad, Thiruvananthapuram, Ernakulum, Chennai, Dindigul, Thiruchirapally, Bhubaneswar, Cuttack, Hisar, Karnal, Bathinda, Gwalior, Kolkata, Puducherry, Kozhikode, Shillong, Ranchi, Guwahati, Jabalpur, and Sambalpur enter online entry of retail and wholesale prices. About 9 centres send the price data by fax, 6 centres by e-mail and one centres not reporting at present. However, during evidence, the representatives of the Department stated that :

"We are collecting the retail and wholesale prices of 22 essential commodities from 57 centres across the country, like rice, wheat, cereal, sugar, tea, salt, all pulses, edible oils, etc. This is coming from 57 centres across the country. These prices are fed to us on a daily basis. We get most of them on online entry; initially they were only through fax, but now 45 centres are sending them online, five are sending by email and the remaining are sending by fax. We have given a small manual on how they should go and collect."

4.17 The Committee are informed that the present challenges before the Department in the collection and reporting of prices include inter-alia:

- Lack of uniform mechanism for transmission of data
- Methodology of collection not necessarily the same across the reporting centres
- Authentication and validation of the data by the State Govt.
- Absence of a nodal officer in some States making it difficult for the PMC to seek information on prices reported where necessary.
- Improve efficiency of data collection and reporting.
- Inadequate studies to explain trends in prices of certain commodities like Chana.
- Research to understand the nature of demand for specific commodities, changes/shifts in demand and their impact on prices

4.18 In reply to a query regarding monitoring authority with the Department in this regard, the representatives of the Department stated during evidence as below:

"Regularly we are looking at the prices. Suppose if the variation is very wide, we immediately get back to the States to find what is the cause for that. We call for the reasons, why it is happening. If it is within the normal limits, then, we are not getting into it. It is on our website; this is also sent to some of the select Departments on a daily basis. This is the only Department which is doing it on a daily basis – both wholesale and retail. He further stated that they have regular meeting of the Secretary level; States do take corrective action based on our suggestions."

4.19 It is further stated that a number of steps have been taken to improve data collection and monitoring in the States. The Department had asked all States to nominate a Nodal Officer with whom the Department could interact for information/clarification etc. Some States have appointed Nodal Officers and intimated the same. Centres have been added for instance in the States/UTs of Port Blair, Puducherry, Goa (Panaji), Madhya Pradesh (Jabalpur), Kerala (Kozhikode) as the existing centres were inadequate in view of the size of the State. Centres reporting data irregularly like Panaji in Goa have been reminded at the level of Chief Secretary of the State to report regularly. Chief Secretaries of some States have also been addressed to transmit data in time so that the daily report can be generated and hosted on the site by evening daily. Letters have also been addressed to States to improve their reporting of prices. Two more new centres viz., Raurkela, Vishakhapatnam will be reporting daily prices shortly.

4.20 In respect of studies on demand and surveys to understand shift in consumption of products particularly pulses etc., PMC proposes to assign studies to technical organisations involved in such work and also hire professionals for giving support to the existing staff to undertake commodity analysis. The National Informatics Centre is also proposed to be strengthened by upgrading the server and system software and also engage the services of solution architect and developers to prepare data warehousing and facilitate more insightful presentation of data and its application.

4.21 The Committee note that the task of Price Monitoring Cell is to monitor the Prices of 22 essential Commodities collected from 55 centres spread across the country through the Civil Supplies Department of the States/UT Governments and other matters related to price scenario. The Department proposes to add 10 Centres annually to increase the number of collecting centres to 100 by the end of the XII Plan. The Department organized a 'National Workshop on Prices' in July, 2010 to have an interface between the officials of PMC and States to discuss the technicalities of price collection and reporting. In house training was also provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. The Committee appreciate the efforts made and steps taken by the Department to improve the functioning of the PMC. The Committee, however, urge the Department to make more earnest efforts to improve the efficient functioning of the PMC by organizing frequent workshops, training of officials and opening of reporting centres etc.

4.22 The Committee observe that no expenditure was incurred against the BE of Rs. 2.70 crore in the year 2012-13 under the scheme strengthening of Price Monitoring Cell. Again BE of Rs. 1.65 crore has been proposed for the year 2013-14. A plan scheme of PMC has been shown for budgetary purposes alongwith Forward Market Commission (FMC) for which approval of Expenditure Finance Committee (EFC) was required. The Department is also facing problems in collection and reporting of prices such as lack of uniform mechanism for

transmission of data, methodology of collection, authentication and validation of data by the States/UTs, absence of nodal officers in some States, inadequate studies to explain trends in prices, research to understand the nature of demand for specific commodities etc. To overcome these problems, the Department has taken various measures to strengthen the PMC in States by way of organizing training programmes, subscribing the web services of professional organizations, hiring of professionals and engaging private organizations for conducting research studies and surveys. The Department has also asked all the States/UTs to nominate nodal officers with whom the Department should interact for information or clarification. While appreciating the steps taken by the Department for strengthening the PMC and State PMCs, the Committee recommend that thorough training be given to manpower employed in collection and tabulation of data, organize regular workshop at regional and national levels and upgrade the IT infrastructure including software systems etc, so as to improve the efficiency and reliability of the PMC and State PMCs.

CHAPTER-V

WEIGHTS AND MEASURES

The Weights and Measures laws in the country are enforced through The Legal Metrology Act, 2009. Through these legislations, the Government ensures that all weight or measure used for trade or commerce or for protection of human health and safety are accurate and reliable so that users are guaranteed of their performance. This in turn enables the consumer to get the right quantity/quality for which he has paid for. With the developments in the field of Science & Technology coupled with economic liberalization policy being pursued by the Government, a number of state-of-art weighing and measuring instruments are being introduced in the Indian market rapidly. To accommodate these new types of weights or measures, their specification also needs to be adopted/updated. The Department of Consumer Affairs have informed that under the head Weights and Measures, two schemes viz. Strengthening of Regional Reference Standards and Indian Institute of Legal Metrology, Ranchi were implemented in the 11th Five Year Plan.

5.2 The details of BE, RE and Actual Expenditure incurred during the year 2012-13 and BE for the year 2013-14 under the head Weights and Measures are as follows:

Plan

Sl. No.	Ongoing Schemes	12th Plan Outlay	Annual Plan 2012-13			Annual Plan 2013-14
			BE	RE	Provisional Exp. As on 28.02.2013	
1.	Weights and Measures	300.00	58.00	53.76	39.60	64.00

5.3 The Committee note that during the year 2012-13, under the head of Weight & Measures Rs. 39.60 crores was spent against the total allocation at RE stage of Rs. 53.76 crores for the schemes/projects. The Committee have been informed by the Department that for the 12thth Five year Plan (2012-2017), proposed outlay is Rs.300 crores for the schemes under weight and measures which includes construction of laboratory building, supply of equipments and capacity building of Legal Metrology enforcement officials. Under the scheme Strengthening of Regional Reference Standards, a new proposal for the construction of Controller Office in 12 states and establishment of R&D centre in 5 states is proposed. Further, under the same scheme a proposal for the supply of mobile laboratories with net content checking for packages is also being made.

5.4 The B.E., R.E., and Actual expenditure incurred on each of the schemes since 2009-2010 (year-wise and scheme-wise) and B.E. for 2013-14 are given in the following statement:-

(Rs. In crores)

Name of the scheme/project/programme	2009-2010			2010-2011			2011-2012			2012-2013			2013-14
NON-PLAN	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Actual Expr.	BE	RE	Provisional expr. upto 28.2.2013	BE
Regulation of Weights & Measures	0.67	0.66	0.43	0.73	0.51	0.43	0.47	0.59	0.52	0.65	0.67	0.64	0.72
Regional Reference Standards Laboratory	1.65	1.76	0.80	1.95	2.09	1.80	2.21	2.24	2.1	2.42	2.42	2.24	2.62
Indian Institute of Legal Metrology	1.51	1.48	1.27	1.56	1.46	1.27	1.35	1.44	1.28	1.56	1.44	1.39	1.55

(Rs. in Crore)

Sl. No.	Scheme etc.	Major Head	B.E. 2012-2013	RE 2012-2013	Actual expenditure 2012-13 upto Dec. 12	B.E. 2013-2014
1.	Weights & Measures, Establishment of Laboratories	5475	4.20	1.67	1.43	3.00
		3475	22.50	21.59	23.11	35.01
		3601	25.00	24.50	3.00	19.25
		3602	0.50	0.50	--	0.25

5.5 The Committee note that from the outcome Budget 2013-14 of the Ministry (Department of Consumer Affairs), under the head of Weights and Measures, Establishment of Laboratories the actual expenditure was Rs. 27.54 crore which is only 57% of R.E. of Rs. 48.26 crore (Excluding NE region). In this context, the Committee asked the Department to explain why the B.E. for the year 2013-14 is kept as high as Rs. 57.51 crores (Excluding NE region) when the actual expenditure during the year 2012-13 was only Rs. 27.54 crore. In this regard the Department submitted the following reply:-

"Under this scheme the Department supplies various machines and equipments to Laboratories. These purchases are made through DGS&D, who

in turn floats tenders for procurement. The finalization of specification of technical machinery by involving experts takes a long time. Often purchases get delayed due to poor response to tenders or delayed supply. Effort is always made to keep higher budget estimate with the hope and belief that DGS&D will be able to procure on time and our Laboratories in various States/UTs can have benefit of modern testing machines."

5.6 When asked about the main activities undertaken in each of the schemes under Weight and Measures during the year 2012-13, the Department submitted the following reply:

"(i) Strengthening Regional Reference Standards Laboratory [RRSLs] and Indian Institute of Legal Metrology [IILM], Ranchi.

- a. The objective of the scheme is to strengthen Regional Reference Standards Laboratories (RRSLs) by complementing the existing facility in mass, volume and length measurement. The scheme aims at providing new testing facilities in Force, Torque and Flow Measurement for better consumer protection.
- b. Laboratory equipment like Mass Comparators, Laser based length measurement instrument etc. may be provided to all Regional Reference Standards Laboratory (RRSL) and Indian Institute of Legal Metrology (IILM), Ranchi.
- c. Flow measurement facilities have been installed at RRSL, Ahmedabad and Bhubaneswar and will be completed at RRSL Faridabad & Bangalore.

(ii) Strengthening Legal Metrology infrastructure of State/ UTs.

The objective is to augment State's Legal Metrology Department infrastructure in holistic way namely construction of laboratory building, supply of equipments and their capacity building of enforcement officials for effective implementation of weights and measures laws. The Scheme aims at better implementation of weights and measures laws, thus ensuring better consumer protection.

During 2007-10 a pilot scheme was implemented where in, 41 units of mobile kits for testing weighbridges and 59 sets of Secondary Standards balances had been supplied to various States/UTs. A new proposal was approved in October, 2009 at a outlay of Rs 143.286 Crore. Grant in Aid of amount Rs 55.07 Cr has been issued to 29 States/UTs. Around 200 Legal Metrology officers of States/UTs have been trained at NPL-New Delhi, NIST-U.P. and FCRI Kerala. Rs. 4.54 Crore were spent on Machinery & Equipments during 2009-10 Rs. 32.44Cr were spent during 2010-11 and Rs. 21.95 Cr during 2011-12. The funds were given to DGS&D and Indian Government Mint, Mumbai to procure/ supply of standard equipments to States/ UTs including NE States'.

5.7 When the Committee desired to know the present status of the scheme, the Department submitted that it is proposed to continue both the schemes during the XII Five Year Plan. The XI Plan schemes have already been evaluated by an independent third party and the EFC/ SFC of the Schemes is submitted to Planning Commission and Ministry of Finance for their comments. Scheme related to strengthening of RRSL and IILM, Ranchi has also been approved by Planning Commission. Comments on other scheme is awaited."

5.8 During the evidence, the representatives of the Department further added that

"our laboratories are at the State level and District level. We have five Central existing laboratories at Ahmedabad, Bhubaneswar, Bangalore, Guwahati and Faridabad. We have given proposal for two new laboratories, which will cost Rs. 5 crores on each. One will be at Nagpur and the best part of this is that we have been provided free land by the Government and we will start work very soon. Other than this we will make one laboratory at Varanasi also. We are looking for the land through State Government and will start work in this year only. We give Rs. 50 lakh at State Capital and we give funds at District level for secondary laboratories. Likewise we are making small laboratories in every State and we have scheme for future also. We have already existing 204 laboratories."

5.9 In a note, furnished by the Department regarding the existing practice for verification of sophisticated Weights and Measures Instruments and whether it is done through Special Verification Agent (SVA) or through Government Approved Test Centre (GATC) the Committee were informed that so far verification of weights and measures instruments was being done by the Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new Rules. These Rules provide for setting up Government Approved Test Centres (GATC) all over the country. Legal vetting and notification of the Rules are in process. In reply to a query, the Committee were further informed by the Department that the Government have not made it mandatory for all the States/UTs to convert existing mechanical weighbridge into digital weighbridge.

5.10 The Department has informed that under the Scheme 'Strengthening Legal Metrology infrastructure of States/UTs' new proposal for the construction of Controller Office in 12 States and establishment of R&D Centre in 5 States is proposed. Further a proposal for the supply of mobile laboratories with net content checking for packages is also being made. The details of status of the proposals made in aforesaid scheme are as follows:

GRANT IN AID FOR CONTROLLER OFFICE AND R&D CENTRE

Sr. No.	States/UTs.	Grant in Aid for Controller Office and R&D Centre	
		Research & Development centre	Controller Office
1	Andhra Pradesh	1	

2	Arunachal Pradesh		1
3	Gujarat	1	1
4	Jharkhand		1
5	Kerala		1
6	Maharashtra	1	1
7	Nagaland		1
8	Sikkim		1
9	Tripura		1
10	U.P.	1	1
11	West Bengal	1	1
12	Chandigarh		1
13	Lakshadweep		1
	Total	5	12

MOBILE KIT FOR CHECKING NET CONTENT

Sr. No.	States/UTs.	No. of PCR mobile kit for net content checking
1	Andhra Pradesh	20
2	Arunachal Pradesh	4
3	Assam	5
4	Bihar	6
5	Chhatisgarh	4
6	Goa	2
7	Gujarat	7
8	Haryana	6
9	Himachal Pradesh	4
10	J&K	5
11	Jharkhand	6
12	Karnataka	14
13	Kerala	14
14	M.P.	6
15	Maharashtra	20

16	Manipur	2
17	Meghalaya	2
18	Mizoram	4
19	Nagaland	4
20	Odisha	6
21	Punjab	4
22	Rajasthan	5
23	Sikkim	1
24	Tamil Nadu	7
25	Tripura	3
26	U.P.	20
27	Uttrakhand	4
28	West Bengal	10
29	Chandigarh	1
30	Daman & Diu	1
31	Lakshadweep	1
32	Puducherry	2
	Total	200

All the above proposals have been submitted for approval by Finance Ministry and Planning Commission (EFC).

5.11 The Committee note that existing practice for verification of sophisticated Weight & Measures instruments is done through Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new rules, which provide for setting up Government Approved Test Centres (GATC) all over the country for which legal vetting and notification of the rules are in process. The Committee have been informed that under the scheme Strengthening Legal Metrology Infrastructure of States/UTs, new proposal for the construction of Controller office in 12 States and establishment of Research & Development (R&D) Centres in 5 States is proposed. The Committee observe that in the 12th Plan, Rs. 300 crores have been allocated under the head Weights and Measures and Rs. 53.76 crores was granted for the first year of the 12th Plan i.e. 2012-13. The Committee are disappointed to note that despite having so many proposals, the Department were able to spend only 39.60 crores out of Rs. 53.76 crores. The Committee hope that the Government will make every sincere effort to complete the project of opening controller office in 12 States and R&D Centres in 5 States on urgent basis by utilizing the fund allocated for the purpose within a definite time period. The Committee are of the view, that the Department should make earnest efforts to open Government Approved Test Centres (GATC) all over the

country for advantage of the consumer at large so that the workload for increasing the capacity and available infrastructure of testing in States could be shared. The Committee would also like to be apprised of the action taken in regard to above proposals made by the Department, during the year 2013-14.

CHAPTER -VI

BUREAU OF INDIAN STANDARDS

The Bureau of Indian Standards, the National Standards Body of India became functional as a statutory body under the Bureau of Indian Standards Act, 1986 with effect from 1 April 1987 taking over staff, assets and liabilities of Indian Standards Institution established in 1947. The Bureau is promoting and nurturing the standardization movement in the country.

6.2. BIS is formulating need-based Indian Standards in line with the national priorities as a time bound programme. The Bureau has taken a decision to harmonize national standards with international standards, wherever feasible, in order to facilitate adoption of international standards by all segments of business and industry. The progress on activities relating to formulation of Indian Standards is as under:

Sl. no.	Activities	Performance	
		2011-12	Apr - Dec 2012
1.	New and revised standards formulated	410	344
2.	Standards in force	18742	18901
3.	Standards Reviewed	3784	1912

6.3 The details of licenses granted, renewed, suspended or cancelled during the last three years and the current financial year are as under:

Particulars	2009-10	2010-11	2011-12	2012-13 (upto 31/1/2013)
Licences Granted	1044	1059	1654	1441
Licences Renewed	2119	1690	2290	2970
Licences Expired	-	-	343	324
Licences Suspended/ Cancelled	239	452	16	23

6.4 Regarding the steps taken by the Department to bring Standards of Indian commodities at the international level, the Ministry submitted the following reply:

"Bureau of Indian Standards (BIS) is a member of International Organization for Standardization (ISO) and International Electrotechnical

Commission (IEC), which are the international standard-setting bodies comprising of representatives from various national standards bodies.

BIS is member of Technical Committees of ISO and IEC and is a Participating 'P' Member of 302 Technical Committees of ISO and Observer 'O' Member of 308 Technical Committees. In IEC, BIS is 'P' Member of 68 Technical Committees and 'O' Member of 87 Technical Committees. It participates in the standards setting process at international level by scrutinizing various draft international standards, sending comments, exercising voting rights, etc. Wherever India's comments are substantial, Indian delegation participates in the ISO/IEC meetings to put forth viewpoint and safeguard India's interest. As a matter of policy, Indian Standards are harmonized with ISO/IEC standards to the extent as feasible. BIS has harmonized 5039 Indian Standards with ISO/IEC. This amounts to 84% of ISO/IEC standards wherever corresponding Indian Standards exists."

6.5 The details of schemes/programmes of BIS being undertaken by the Department during the 12th Plan period are as under:

A. Old Schemes (To be continued from 12th Plan)

1. *Gold Hallmarking*

This scheme is in continuation from 10th Plan with the main purpose of creating infrastructure facilities in terms of 'Hallmarking Centres' so that jewellers do not face any difficulty in getting their gold or silver articles tested (regarding purity and then hallmarked) from any of such BIS recognized Hallmarking Centres. The components of the scheme are as indicated below:

i) **Infrastructure building- Setting up of A& H Centres**

ii) **Capacity building:**

- a. Training of artisans
- b. Training of Trainers (BIS auditors)
- c. Training of personnel of assaying and hallmarking Centres

2. *National System for Standardization*

There is a strong need for strengthening standardization activity, both at national and international level, for not only protecting consumers from receipt of sub-standard products but also for the domestic industry for their survival. The importance of technical regulations and their alignment with international standards, as per the provisions of WTO/TBT Agreement, further highlight the necessity of national standards and effective participation at international level so that national standards can be aligned with international standards.

The scheme on National System of Standardization operating under the 11th Plan to be continued, but to be split into the following two separate schemes with components as indicated below:

a) *Strengthening Standardization at National Level*

- i) Training programmes for BIS technical committee members/ Standards Developing Organizations (SDO)
- ii) R&D projects for establishment/revision of Indian Standards
- iii) Intensifying participation of BIS Technical Committee Members in BIS Technical Committee Meetings

b) *Strengthening Standardization at International level*

- i) Intensifying participation of BIS Technical Committee Members in international standardization by attending the meetings, workshops, seminars, etc.
- ii) Organizing ISO/IEC and other international/regional/ multilateral/ bilateral Meetings/ Seminars/ Workshops/ Trainings in India
- iii) Visits of officials and experts to different countries for lobbying in favour of India's view point at International Standardization
- iv) Participation of officials and experts in International/ Regional/ Bilateral Seminars/ Workshops/ Conferences/ Training Programmes.

B. New Schemes

1. *Registration for self declaration of conformity scheme*

This is an alternative means of conformity assessment. Realizing the need for product safety towards consumer protection, the Central Government is considering making "Registration" mandatory as a means of conformity assessment for certain products such as toys, electronic and IT Goods etc. The implementation of these orders of the Government is likely to generate large volume of work and thus it is imperative that the BIS, which has been given the responsibility of "Registration" is provided with adequate resources.

The components of the scheme are given below:

- i) Development of software for online 'Registration' for self declaration of conformity and its operation
- ii) Capacity Building:
- iii) Training of BIS officers
- iv) Engagement of Outsourced manpower at BIS locations
- v) Training For outsourced personnel
- vi) Infrastructure requirements

2. *Creating awareness through Publicity about advantages of BIS certified products amongst consumer and about new standards*

The purpose of the Scheme is to create awareness about advantages of BIS Certified Products, Hallmarking of Gold Jewellery and about new standards through publicity. It is necessary to create awareness amongst consumers and manufacturers alike about the advantages of BIS Certified products. Additionally, there is a need for creating awareness about the new standards being developed nationally and internationally and how these standards would affect the product quality, consumer safety or even trade (since dropped).

6.6 SYSTEM OF MONITORING OF SCHEMES UNDER BIS

1. **Gold Hallmarking Scheme:** Monitoring by two Committees: (i) Executive Committee – chaired by Additional Secretary (CA) to review the progress and take decisions regarding substantive issues arising from time to time and (ii) Implementation Committee chaired by Director General, Bureau of Indian Standards to decide on implementation issues relating to selection of districts, screening of applications, etc have been set up. Meeting is held at periodical intervals to review the progress.

2. **National System for Standardization**

Steering Committee chaired by Special Secretary/ Additional Secretary (CA) for giving guidance for proper implementation of the scheme. Review meeting are held at regular intervals.

3. **Consumer Education and Training, HRD/Capacity Building**

Steering Committee chaired by Special Secretary/ Additional Secretary (CA) for giving guidance for proper implementation of the scheme. Review meeting are held at regular intervals.

4. **HRD/ Capacity Building in Educational Institutions :** Monitoring Committee, chaired by Special Secretary (CA), review the progress of the Scheme. Review of progress of all Plan Scheme is also done by Secretary (CA) on Regular interval.

6.7 The Committee have been informed that 12th Five Year Plan of BIS are awaiting approval from Competent Authority & as such no new schemes/programmes/projects has been taken up. In this context, the Committee desired to know details of the proposed new schemes/programmes/projects which are awaiting approval alongwith funds allocated for the purpose.

"In their reply, Ministry submitted that following schemes are under process.

Sl. No.	Name of the Scheme	Outlay Proposed (Rs. In Crore)
1.	Strengthening Standardization at National Level	4.00
2.	Strengthening Standardization at International Level	10.50
3.	Registration for self declaration of conformity	8.50
	TOTAL	23.00

The Department have further stated that the Competent Authority has decided that the schemes at Sl. No. 1 & 2 be merged in a single existing scheme. The scheme will then be considered as continuation of existing scheme with modification. The Department have also stated that the Planning Commission during Annual Plan (2013-14) discussion held on 14 January 2013 with this Department, decided that the scheme may be merged as additional component of ongoing scheme of BIS."

HALLMARKING OF GOLD JEWELLERY:-

6.8 The Committee observed that for the scheme 'Setting up of Gold Hallmarking/Assaying Centres in India, Standardization & Quality Control, the B.E. for the year 2012-13 was Rs. 9.00 crore which was revised as low as Rs. 1.80 crore and the actual expenditure was only Rs. 0.60 crore which is only 33% of R.E. When enquired about this, the Department stated that the Budget Estimates was reduced substantially because the scheme of publicity for popularizing BIS products was brought to avoid duplication.

6.9 The Committee pointed out that during the examination of Demands for Grant (2012-13) of the Department of Consumer Affairs, it was observed that under the Gold Hallmarking Scheme certain modifications had been made as well as the rate of financial assistance was revised for normal and North East/ Special category States/ Rural Areas. The Committee desired to know the details of the modifications done so far and the outcome therefore. In reply, the Department have stated as under:-

"Initially, the Scheme was approved in October 2005 under the 10th Five Year Plan, on a pilot basis, for 35 districts. Under the scheme, it was decided to give one time financial assistance @ 15% of cost of machinery and equipment subject to maximum of Rs. 15 lakhs per centre. Since then, the following modifications have been made:

- i. The financial assistance was enhanced in Dec. 2006 to 30% of cost of equipment and machinery subject to a maximum of Rs. 30 lakh for NE

Region & Spl. Category States. The Scheme was extended under the 11th Plan for 50 centres.

- ii. This financial assistance applicable for NE Region & Spl. Category States was extended in November 2009 to the rural areas of the country and Centres being established in deficient locations, entitling them to receive 30% per centre with a maximum of Rs.30 lakhs.
- iii. Applications for setting up of A&H Centres in NE Region and Special Category States were allowed in November 2009 to be considered for assistance even to those who did not apply in response to the BIS advertisement for Expression of Interest.
- iv. In December 2010 the rates of subsidy had further been revised as follows:

Area	Existing Rate	Revised Rate	
		To Private Entrepreneur	To PSU
Normal	15%	30%	50%
NE/SCS/RA	30%	50%	75%

NE – North East States, SCS - Special Category States, RA – Rural Areas".

6.10 While observing that the BIS Act is being amended to bring Hallmarking of Gold Jewellery under mandatory certification, the Committee desired to know the major amendments proposed in the BIS (Amendment) Bill, 2012 in relation to Hallmarking. The Department furnished the following reply:

- "(i) Definitions of hallmark, jeweller, precious metal and precious metal articles (Sections 2 (fa), (ia), (ma) & (mb)
- a. Recognition of hallmark or the mark of an International body or institution. (Section 2 (t)
- b. A new section 14 A is proposed to be incorporated in the Act to provide for compulsory hallmarking by Central Government for precious metal articles, for such jewellers, in such geographical areas and having such turnovers as may be specified by Regulations.
- c. Contravention of Hallmarking provisions in BIS Act made punishable.
- d. To enable Executive Committee of BIS for making Regulations on the matters related to jewellers, precious metal articles, geographical areas and minimum turnover of jewellers (Section 38 (2) (ca)."

6.11 The Committee observed that in the year 2011-12 the number of Assaying & Hallmarking Centres were 31 whereas in the year 2012-13 only 20 centres have been opened (upto 31.01.2013). When asked about the reasons for not setting up Assaying & Hallmarking Centres in rest of the States/UTs, the Department submitted the following reply:

"Setting up of A&H Centres is a market driven activity, where promoters are private entrepreneurs, and they choose the location of their business considering the demand for hallmarking. BIS has no control on the locations where Assaying & Hallmarking Centres are set up."

6.12 Regarding the criteria for setting up hallmarking centers in regions of rural/remote areas, the Ministry stated that under the Plan Scheme on Hallmarking, central assistance for setting up of A&H Centre has been extended in locations where no centre exists. The Committee have been informed that as on 31 January 2013 there are 200 Assaying & Hallmarking Centres recognized by BIS for certifying gold hallmarked articles and out of this 39 Centres have been set up under the Government Scheme.

NATIONAL SYSTEM FOR STANDARDIZATION

6.13 The amount of expenditure incurred by BIS to implement the scheme for standardization of National system during the last three years are as under:

	2009-10	2010-11	2011-12
Name of the Scheme/ Project/ Programme	Actual Expenditure (Rs. In Lakhs)		
Establishment of a National System of Standardization	45.52	154.2	172.31

6.14 While observing the physical targets and achievements of BIS, the Committee have found that for system certification scheme the achievements was 54 against the target of 150 during 2012-13. Regarding the reasons for less achievement against the target set by the BIS during 2012-13, the Ministry submitted that the achievement up to December 2012 was only 54 due to existence of other certifying bodies under Management System. The Department further informed that these schemes are under voluntary certification and the number of licences granted depend on the number of organizations coming forward for certification of their management systems.

6.15 The Committee observed that there are only 7 licenses in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licenses for Service Quality Management Systems as per IS 15700. Details of licence granted for Food Safety Management System (FSMS) as per IS/ISO 22000 and Service Quality Management Systems (SQMS) as per IS 15700 are as under:

Sl. No.	Name of the Organization	Place	Region	State	Scope	LICENCE Number
	AMBALA MILK PLANT	AMBALA	NRO		MANUFACTURE & SUPPLY OF POUCH PACKED MILK, STERILISED FLAVOURED MILK, GHEE & PANEER AS PER IS/ISO 22000:2005	FSMS/L-9000043
	BALLABGARH COOP MILK PRODUCERS UNION LTD	BALLABGARH	NRO	HARYANA	PROCESSING AND SUPPLY OF LIQUID MILK IN POUCHES, CHHACHH, DAHI, PANEER AND GHEE	FSMS/L-9000051
	HISAR MILK PLANT	HISAR	NRO	HARYANA	MANUFACTURE AND SUPPLY OF SKIMMED MILK POWDER, GHEE, PANEER, DAHI AND LIQUID MILK IN ACCORDANCE WITH QUALITY MANAGEMENT SYSTEM AS PER IS/ISO 9001:2008 EXCLUDING DESIGN AND DEVELOPMENT, VALIDATION OF PROCESS FOR PRODUCTION AND SERVICES PROVISION AND CUSTOM	FSMS/L-9000027
	KRISHNAN FOOD PROCESSORS	KOLLAM	SRO	KERALA	RECEIPT OF GRADED KERNELS, PACKAGING AND SUPPLY OF PROCESSED CASHEW KERNELS	FSMS/L-6000027
	NANITAL DUGDH UTPADAK SAHAKARI SANGH LTD	DISTT. NAINITAL	NRO	UTTARA KHAND	ACTIVITIES OF PROCUREMENT OF RAW MATERIAL, PROCESSING, PACKING, STORAGE AND DISPATCH OF LIQUID MILK (POUCH AND BULK), GHEE, WHITE BUTTER, DAHI, MATTHA AND PANEER AT NAINITAL DUGDH UTPADAK SAHAKARI SANGH LTD, LAL KUAN, DISTT: NAINITAL (UTTRAKHAND PRADESH	FSMS/L-9000019
	NEST FOODS & BEVERAGES CORPORATION	ALUVA	SRO	KERALA	EXTRACTION OF GROUND WATEARA, RAW WAATEAR STORAGE, FILTRATION, AREVEARSE OSMOSIS, OZONISATION, BOTTLE	FSMS/L-6000019

					BLOWING, FILLING, PACKING, STORAGE AND DESPATCH OF PACKAGED DRINKING WATER AT V/34 A, PALLIPURAM, MARAMPILLY P.O., ALUVA-683107, ERNAKULAM DT., KERALA	
	PARAG DAIRY	NOIDA	CRO	U.P.	PROCESSING AND SUPPLY OF LIQUID MILK IN POUCHES AND IN BULK	FSMS/L-8000019
	ROHTAK MILK PLANT	ROHTAK	NRO	HARYANA	MANUFACTURE AND SUPPLY OF SKIMMED MILK POWDER, GHEE, PANEER, DAHI AND LIQUID MILK IN ACCORDANCE WITH QUALITY MANAGEMENT SYSTEM AS PER IS/ISO 9001:2008 EXCLUDING DESIGN AND DEVELOPMENT, VALIDATION OF PROCESS FOR PRODUCTION AND SERVICES PROVISION AND CUSTOM	FSMS/L-9000035

List of Licences for Service Quality Management Systems

Sl. No.	Name of the Organization	Place	Scope	Licence Number
1	NEW DELHI GENERAL POST OFFICE	NEW DELHI	SERVICES PROVIDED ACROSS THE COUNTERS (SALE OF POSTAGE STAMPS/STATIONERY, REGISTERED/INSURED PARCELS, MONEY ORDERS, SAVINGS BANK ETC.) AT NEW DELHI GENERAL POST OFFICE; DELIVERY OF POSTAL ARTICLES WITHIN THE JURISDICTION OF NEW DELHI GENERAL POST OFFICE 1	SQMS/L-8000019.1
2	CENTRAL BOARD OF DIRECT TAXES	NEW DELHI	VARIOUS SERVICES OFFERED BY CBDT AT AAYAKAR SEVA KENDRA, PUNE IN COMPLIANCE WITH DIRECT TAX LAWS, AS UNDER: 1. TO ISSUE REFUND ALONGWITH INTEREST (WHERE THE RETURN COMPLETE IN ALL RESPECTS IS RECEIVED)	SQMS/L-8000027

			2. TO GIVE EFFECT TO APPELLATAE/REVISION ORDERS	
3	DEPARATMEANT OF ELEECRICAL INSPECTORATE	THIRUVANATHAPURAM	IMPLEMENTATION OF RELEVANT STATUTORY PROVISION UNDER ELECTRICITY ACT 2003 AND OTHER STATE REGULATIONS CONSISTING OF THE FOLLOWING FOR HEAD OFFICE AT THIRUVANANTHAPURAM AND 14 DISTRICT OFFICES AS PER ANNEXURE: * APPROVAL OF ELECTRICAL INSTALLATIONS * ISS	SQMS/L-6000019
4	CENTRAL BOARD OF EXCISE & CUSTOM	NEW DELHI	APEX OFFICE: OFFICE OF THE DIRECTORATE GENERAL OF INSPECTION, 5TH FLOOR, DRUM SHAPED BUILDING, IP BHAWAN, IP ESTATE, DELHI DELHI CENTRAL EXCISE –I SERVICES OFFICE OF COMMISSIONER OF CENTRAL EXCISE, DELHI – I. C.R BUILDING, I P ESTATE, NEW DELHI	SQMS/L-8000035
5	STATE BANK OF INDIA, CENTRAL PROCESSING UNIT	DELHI	FOR THE BRANCHES OF THE BANK ATTACHED TO CPPC DELHI COVERING THE GEOGRAPHICAL AREA OF ENTIRE STATE OF DELHI, RAJASTHAN, UTARAKHAND, AND SOME PARTS OF UTTAR PRADESH AND HARYANAM THE FOLLOWING SERVICES ARE OFFERED AT STATE BANK OF INDIA, CENTRALIZED PENSION	SQMS/L-8000043
6	DEPARTMENT OF POSTS INDIA,	SHIMLA	SERVICES PROVIDED ACROSS THE COUNTER {SALE OF POSTAGE STAMPS, STATIONARY, INDIAN POSTAL ORDER, BOOKING OF REGISTERED ARTICLES, INSURED PARCELS (DOMESTIC & INTERNATIONAL), MONEY ORDER, SAVINGS BANK AND SAVINGS CERTIFICATES ETC.} AND PREMIUM SERVICES	SQMS/L-9000019

6.16 The details of new schemes proposed under 12th plan are as follow:

(Rs. in Crore)

Sl. No.	New Schemes	BE 2012-13	RE 2012-13	Actual Expenditure Till date
1.	Strengthening of Standardization at International Level	0.52	0.11	0.00
2.	Strengthening of Standardization at National Level	0.42	0.05	0.19
3.	Registration of Self declaration of Conformity Scheme	1.05	0.04	0.00
4.	Creating Awareness through Publicity of BIS Certified Products	7.41	0.00	0.00
	Total	9.40	0.20	0.19

The Committee have noticed from the details of Plan Schemes furnished by the Department, that BE of Rs. 9.40 crore for the year 2012-13 for the Scheme Bureau of Indian Standards (Standardisation & Quality Control) has been revised to Rs. 0.20 crore and Actual Expenditure incurred was 0.19. The reasons for shortfall of expenditure incurred against these two schemes, the Department submitted the following reply:-

"The scheme at Sl. No. 4 has been dropped as it has overlapping objectives with other scheme of the department. Other three schemes are yet to be approved. Therefore no expenditure could be made under these schemes. The R.E. of Rs 0.20 crores would be spent by March 2013 as it is the committed liability towards continuing component of the scheme of Establishment of National System for Standardization."

6.17 The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of 7 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. The Committee also noted that evolution of curriculum was in progress in consultation with the identified Universities/Institutes.

6.18 As regard to Human Resource Development and Capacity Building in educational institutions, the Committee have observed that during the year 2012-13 balance amount available with BIS as on 31.03.2012 was Rs. 41.80 lakhs against the total amount of Rs. 50 lakhs released for the Scheme. When the Committee desired to know the reasons, the Department in a written note furnished the following reply:

"The purpose of this scheme was primarily "Introduction of the process of Standardization and Standards relating to important socio-economic sectors in Professional, Technical and Higher Education Institutions". BIS made efforts in this regard. The scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS. In view of the above, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered."

6.19 The Committee note that under the Plan Scheme on Gold Hallmarking, central assistance for setting up Assaying & Hallmarking Centres has been extended in locations where no centre exists. The Committee also note that as on 31.01.2013 there were 200 Assaying & Hallmarking Centres established in the country of which 20 Centres were set up in 2012-13 (upto 31.01.2013). The Committee are disappointed to note that in the year 2012-13 the Department has failed to set up any Assaying & Hallmarking Centres by providing central assistance. The Committee observed that under Gold Hallmarking Scheme certain modifications have been made and the financial assistance for setting up of Assaying & Hallmarking Centre under the schemes, was revised from 15% to 30% to private entrepreneur and 50% to PSUs. For North East States/Special Category States/Rural Areas the assistance was revised from existing rate of 30% to 50% to private entrepreneur and 75% to PSUs.

While noting that setting up of Assaying & Hallmarking Centres is a market driven activity where promoters are private entrepreneurs, the Committee feel that the Department should concentrate on popularizing this scheme through consumer awareness campaign by making the consumer aware of the benefits of Hallmarked Gold Jewellery so as to increase the demand of Hallmarked Jewellery in the market. This would encourage the entrepreneurs to setup more Assaying & Hallmarking Centres in the country. The Committee further reiterate their earlier recommendation made in the 18th Report on Demands for Grants (2012-13) that the Department should review the formalities of the Government scheme to simplify the procedure & suitably increase the financial assistance given under the Hallmarking scheme so as to attract private entrepreneurs to come forward not only in metropolitan cities but also in remote rural areas and open more centres of assaying and hallmarking throughout the country.

6.20 While observing the physical targets and achievements of the BIS for the scheme System Certification, the Committee note that the achievement was 54 against the target of 150 during 2012-13. The Committee are not convinced with the reasons furnished by the Department that there are other certifying bodies for Management System Certification and the certification schemes under Management Systems are voluntary in nature. The Committee feel that, though, certification scheme under management systems are voluntary in nature the Department has failed to achieve even 40% of their target. The Committee also note that there are only 7 licences in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licences for Service Quality

Management System as per IS/15700. In this context, the Committee were informed that three schemes were yet to be approved and 'Creating Awareness Through Publicity of BIS certified products' scheme was dropped as it had overlapping objectives with other schemes of the Department.

The Committee are shocked to note that during the year 2012-13, i.e. the first year of 12th Plan, the BE of the new schemes proposed under the Plan period was 9.40 crores which was drastically revised to Rs. 0.20 crore and till December 2012 Rs. 0.19 crores was spent. The Committee are disappointed to note the casual approach of the Ministry towards their mandate. The Committee feel that there is lack of proper planning, farsightedness and coordination on the part of the Ministry. The Committee also feel that scheme Creating Awareness Through Publicity of BIS product proposed under 12th plan is very important for creating awareness regarding standards. Therefore, the Committee recommend that creating awareness through publicity of BIS, being the primary responsibility of the Department should continue as a scheme.

The Committee, further, recommend that under Food Safety Management System, number of licence should also be increased on other essential food items other than milk and milk products so that maximum food items should be covered and come under the purview of BIS certification. But at the same time, the Committee desire that the Department should ensure and monitor maintenance of standards while granting licence to private entrepreneurs.

6.21 As regard to Human Resource Development and Capacity Building in educational institutions, the Committee observe that balance amount available with the BIS as on 31.03.2012 was Rs. 41.80 lakhs against total amount of Rs. 50 lakhs released for the Scheme. The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of Rs. 7.00 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. Evolution of curriculum was in progress in consultation with the identified Universities/Institutes. The Committee are disappointed to note that the scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS, therefore, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered.

The Committee are shocked to know that it took the Department four years to realize that introduction of the process of Standardization and Standards relating to important socio-economic sectors in curriculum of Professional, Technical and Higher Education Institutions does not come under the purview of Bureau of Indian Standards. The Committee take strong note of the lethargic approach of the Ministry and, therefore, strongly recommend that the Department should strictly follow the mandate before making schemes which are not under the purview of the Ministry so that the crucial funds are not wasted in this manner.

CHAPTER – VII

Forward Markets Commission (FMC)

Forward Markets Commission is a statutory body set up under Forward Contracts (Regulation) Act, 1952. The Commission functions under the administrative control of the Ministry of Consumer Affairs, Food & Public Distribution, Department of Consumer Affairs, Government of India.

7.2 The Commission has the following functions:-

- a. to advise the Central Government in respect of recognition or withdrawal of recognition of any association and other matters arising out of the administration of the Act; to keep forward markets under observation and take appropriate action in relation to them;
- b. to collect and publish information regarding trading conditions in respect of goods to which any of the provisions of the Act is made applicable including information regarding supply, demand and prices and to submit to Central Government periodical reports on the operation of this Act and on the working of the forward markets relating to such goods;
- c. to make recommendations to improve the organisation and working of forward markets;
- d. to undertake inspection of the accounts of recognised associations and/or any members thereof;
- e. to perform other duties prescribed by the Central Government.

7.3 The Commission is a statutory authority entrusted with regulatory functions under the Act. The Commission consists of a Chairman and two members. It has its headquarters at Mumbai and a Regional Office at Kolkata. Forward Markets Commission has 9 Divisions to carry out various tasks. Each Division is headed by an Economic Adviser/ Director and assisted by Deputy Directors, Assistant Directors, Economic Officers and Junior Research Assistants.

7.4 The regulatory activities of the Commission are concerned with the regulation of futures trading in all commodities in which trading takes place. In enforcement of the Forward Contracts (Regulation) Act, the Commission guides and trains the officers of the State Governments and the Union Territories in effectively enforcing the penal provisions of the Act.

7.5 During 2012-13, the Commission, as a regulator, focused its activities on the regulation of futures trading in commodities; spreading awareness amongst the various stakeholders; conducting capacity building programmes to enhance the capabilities of the various government officials, cooperatives, banks officers; training officials of the Commission, taking measures for increasing hedgers participation in the futures market and implementation of the Price Dissemination Project at various APMCs.

7.6 During the year, the Commission regulated futures trading in 113 commodities at 21 Recognized Commodity Exchanges. The total value of commodities traded during 2012-13 (upto 31st December 2012) was Rs. 129.62 lakh crore as against Rs. 137.23 lakh crore during the corresponding period in 2011-12.

7.7 Regarding the funding and viability of FMC, the representative of the Department during the evidence, stated that:

"Sir, in the Budget Estimate we have the Demand of Rs. 15 crores which became Rs. 8 crores in the Revised Estimate. We have to take sanction of all the money at initial stage and it takes time in the billing and payment of awareness programmes, capacity building programmes and placing of ticker board. Earlier our expenditure was less but this year we would have spent more but due to cuts in the Budget we could not. During the last three years we spent Rs. 9 crores and before that year we had spent Rs. 7 crores."

7.8 In response to a query, the Department have furnished the details of sanctioned strength vis-à-vis effective strength of the Officers and Staff of FMC in each category of posts/service and the percentage of SC/ST/OBC in each of the category as under:

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	GROUP 'A'			
1.	Chairman Rs.67000-79000 +HAG	1	1	0
2.	Member Rs.37400-67000 - 10000	2	1	01
3.	Economic Adviser,(IES)FMC Rs. 37400-67000 - 10000	1+1**	1+1**	00
4.	Director,IES Rs.15600-39100 + 8700 Director (Ex-cadre) Rs.15600-39100 + 8700.	1 10	01 05	00 05

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	Director (Ex-cadre) Rs.15600-39100 + 7600.			
5.	A. Deputy Director (Gr.III IES) Rs.15600-39100 + 6600	03	02	01
6.	B. Deputy Director(Ex-cadre) 15600-39100 + 6600	13	03	10
7.	(A) Assistant Director(Gr.IV IES) Rs.15600-39100 + 5400 (B) Assistant Director (Ex cadre) Rs15600-39100+ 5400	05 14	04 6	01 8
	Total Group 'A'	50+1**	24+1**	26
	GROUP 'B'			
8.	Hindi Officer Rs. 15600-39100 + 5400	01	01	00
9.	Assistant Secretary Rs. 9300-34800 + 4600	01	00	01
9.	Senior P.S. Rs. 9300-34800 + 4800	01	01	00
10.	Private Secretary Rs. 9300-34800 + 4600	02	02	00
11.	Economic Officer Rs. 9300-34800 + 4600	13	11	02
	Total 'B' Gazetted	18	14	4
12.	GROUP 'B' Non-gazetted			

S. No.	Name of Post Group (Gazetted/Non-Gazetted) and Pay Band + Grade Pay	Sanctioned	Number of Post(s)	
			In position	Vacant (date since when)
1.	2.	3.	4.	5.
	Superintendent Rs. 9300-34800 + 4600	01	00	01
	Total 'B' Non-gazetted	1	0	1
	GROUP 'C'			
13.	Deputy Superintendent Rs. 9300-34800 + 4200	1	1	0
14.	Stenographer Grade I Rs. 9300-34800 + 4200	2	0	2
15.	Translator (Mudia) Rs. 9300-34800 + 4200	1	0	1
16.	Translator (Gujarati) Rs. 9300-34800 + 4200	1	1	0
17.	Jr.Hindi Translator Rs. 9300-34800 + 4200	2	1	1

7.9 When enquired about the steps taken by the Ministry to fill up the vacancies, the Department stated their reply in a written note as under:

1. The process of filling up one vacant post of Member, FMC has already been initiated by the Department of Consumer Affairs and the proposal has been sent to the Cabinet Committee of Appointment.

2. 39 temporary Group A posts were created in the year 2004 and continued on year to year basis. For filling up of 23 vacant posts under 39 temporary Group A posts, the Selection Committee constituted by the Department of Consumer Affairs met on 15th January, 2013 and the recommendation of the Selection Committee has been sent by FMC to the Department of Consumer Affairs for approval for the appointment of 17 officers against the vacant posts. Necessary approval from the competent authority is being obtained.

3. Apart from the 39 temporary Group A posts, the FMC has got 11 IES cadre posts of EA/Director/DD/AD. Out of the 11 posts only 2 posts are vacant and IES Cadre has been requested to fill up the vacant posts time and again.

4. The Group B and Group C posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are vacant due to officers holding higher posts on deputation /temporary (ad hoc) basis.

**STATEMENT SHOWING THE REPRESENTATION OF SC/ST/OBC (in %) IN
FORWARD MARKETS COMMISSION, MUMBAI (AS ON 28.02.2013)**

Group of post	Sanctioned post	Total number of employees in position	SC		ST		OBC	
			Number	%	Number	%	Number	%
Group A (Gazetted)	50+1 @	24+1 @	5	10%	--	00%	3	06%
Group B	18	14	--	00%	--	00%	3	16%
Non-Gazetted	01	--	--	00%	--	00%	--	00%
Group C	47	23	6	13%	--	00%	2	04%
Group D	15	09	2	13%	2	13%	1	07%
TOTAL	131+1	70+1	13	10%	2	02%	9	07%

@ one SAG level post of IES (Economic Adviser) is temporarily transferred by Ministry of Finance, Department of Economic Affairs (IES Division) has vide Order No.P-1(PM)-4/2012 dated 23.02.2012.

7.10. When the Committee enquired about the problems in filling up of the vacancies in FMC which are lying vacant for years, the Department submitted the following:

"Sir, we have advertised for the recruitment of the 17 Officers, we have the problem we can only take officers on deputation. We have sent the proposal of 17 officers to take them on deputation."

7.11. The Committee note that despite employing officers on deputation, FMC have scarcity of officers and staff. When asked about the recruitment rules and procedure of employing officers/staff in the FMC, the representative of the Department submitted during the evidence that:

"Sir, since we don't have approved recruitment rules we don't recruit officers we can only take on deputations. We give the same pay scale as Government of India. We advertise for deputation too, for example we advertised five post for Directors this time for that we are employing five people out of ten and proposal for this have already been sent. We have still 18 posts for Deputy Director and Assistant Director are vacant, for which we have recommended name of 12 people, but very few people apply, we can only select people from Department of Government and Public Sectors."

7.12 The Committee note that the Forward Market Commission has an effective strength of 71 officers/staff against the sanctioned strength of 132 officer/staff including all the Group A, B, C & D posts. The Committee were surprised to note that the strength of officers/staff even went down in comparison to last year. The Committee further observe that in the Group 'A' category against the sanctioned strength of 51, only 21 posts are in position and 26 posts are vacant. Similarly, in Group 'B' 4 against the sanctioned of 18, and 50% of the posts under Group 'C' are unfulfilled. The Committee also find that besides there being a large number of vacancies, the SCs/OBCs communities are also not adequately represented in Group 'A, B & C' categories and STs are not represented at all in three categories of employees other than Group 'D'. The Committee, are of the view, that existence of such a large number of vacancies in a small organisation like FMC would not only hamper its functioning but would rather diminish effectiveness of the organisation. The Committee, therefore, reiterating its recommendation made during Demands for Grants (2012-13), strongly urge the Department/FMC to make further sincere efforts to fill up all the vacancies in all categories of post.

7.13 The Committee, further note that despite employing officers on deputation, there is always scarcity of officers and staff with the FMC. The Committee note that there is no proper procedure for recruitment to employ officers/staff in the FMC, due to which only higher posts which comes under Group 'A' are filled and other category of Group 'B' and 'C' posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are majorly vacant.

The Committee feel that, though, FMC is a small organisations but it is very necessary to have its working staff strength to run the organisation efficiently as FMC is entrusted with important economic regulatory functions that should not be hamper by these problems. Non-availability of suitable candidates on Group B & C posts, as only higher posts can be filled up by the deputation process, the Committee feel that other than deputation, Department/FMC may consider to establish a proper recruitment Cell to fill up the vacant posts in the category of Group 'B' and 'C' so that FMC can recruit officers/staffs of its own and will not depend upon other organisations to have adequate manpower to perform efficiently.

Project for Price Dissemination

7.14 To enable the farmers to use the knowledge of futures prices in pre-showing and post-harvest decisions, the Forward Markets Commission has, in association with the Commodity Exchanges initiated a process of dissemination of futures and spot prices at various mandis, post offices, rural branches of the Banks and other areas frequented by the farmers. The dissemination of price information is expected to help various hedger groups, especially farmers, in their pre-sowing and post harvest decision making process and hedging their price risks in the market. The project for dissemination of spot and futures prices in commodities of relevance to particular States / areas / mandis is being implemented in consultation with AGMARKNET. In the first phase, 183 ticker boards were installed in mandis spread across 10 States. During 2010-11, 588 price ticker boards were placed in various APMCs, KVKs under Phase-II. Under phase –III, 662 Price Ticker were installed. During the year 2012-13 under phase IV, 409 Price Ticker Boards have been installed till January, 2013 at various locations having heavy farmer footfall. In addition, future prices discovered in the Exchanges are published in newspapers, displayed in railway stations and bus stands, rural bank branches, are available on mobile phones, etc. Thus, the opacity of prices that existed earlier has reduced considerably and has resulted in better integration of various spot markets across the nation.

Installation of GPRS enabled Price Ticker Boards (PTBs)

7.15 The Department informed that due to shift from conventional price ticker board to GPRS enabled ticker boards and long time taken in raised tendering process thereof during the current year the installation of price ticker boards has been slow and there has been a shortfall in achievement of physical targets. In this context, when asked to furnish the details of the number of GPRS enabled price ticker boards installed during the current year (State-wise), the Department furnished the following statement showing State/UT wise installation of GPRS enabled price ticker boards during 2012-13:-

Sl. No.	Name of State/UT	No. of GPRS enabled Price Ticker Boards installed under Phase-IV of Price Dissemination Project (as on 25-03-2013)
1.	Punjab	1
2.	Uttar Pradesh	12
3.	Jharkhand	32
4.	Himachal Pradesh	2
5.	Haryana	2
6.	Bihar	-
7.	Madhya Pradesh	40
8.	Rajasthan	27

9.	Chattisgarh	42
10.	Maharashtra	73
11.	Odisha	38
12.	Jammu & Kashmir	12
13.	Uttarakhand	1
14.	West Bengal	-
15.	Gujrat	38
16.	Karnataka	-
17.	Andhra Pradesh	62
18.	Tamil Nadu	50
19.	Kerala	-
20.	Goa	-
21.	Delhi	1
22.	Pondicherry	-
23.	Chandigarh	-
24.	Andaman Nicobar	
25.	Lakshadweep	-
26.	Dadra & Nagar Haveli	-
27.	Daman & Diu	
	NORTH EAST REGION	
28.	Assam	-
29.	Sikkim	-
30.	Meghalaya	-
31.	Mizoram	-
32.	Tripura	-
33.	Manipur	-
34.	Arunachal Pradesh	-
35.	Nagaland	-
Total		433

From the above statement the Committee find that (as on 25.03.2013) out of 35 States/UTs only 15 States/UTs have Price Ticker Board and some States like Punjab, Himachal Pradesh, Haryana, Uttarakhand and Delhi have Price Sticker Boards (PTBs) ranging between 1-2.

7.16 Asked about the steps taken by the Department for installation of PTBs, the Committee were further informed that:

1. A substantial reduction in the cost of Price Ticker Boards was achieved however these prices were valid till March 2012 only. New procurement process will be followed in the current financial year to obtain most competitive prices for installation of ticker boards.
2. Commission will focus on consolidating its achievements and ensure that already installed Price Ticker Boards function effectively.
3. Effective Price Dissemination is also being achieved by using other means like SMS. The process of price dissemination through SMS alerts has already commenced. This facility does not involve any cost implications for clients.

7.17 When asked to furnish the number of States/UTs covered in previous three phases and the number of PTBs installed so far (Phase-wise), the Department furnished the following details:

**STATE / UT WISE INSTALLATION OF PRICE TICKER BOARDS UNDER PRICE
DISSEMINATION PROJECT AS ON 31-03- 2013**

SI No.	Name of State / UT	Phase-I 2009-10	Phase-II 2010-11 and 2011-12	Phase- NER 2010- 11 and 2011- 12	Phase-III 2011-12	Phase-IV 2012-13	Cumulative Total (A+B+C+ D+E)
		(A)	(B)	(C)	(D)	(E)	(F)
1	Punjab	-	39	-	29	1	69
2	Uttar Pradesh	1	32	-	71	12	116
3	Jharkhand	16	5	-	-	32	53
4	Himachal Pradesh	13	1	-	21	2	37
5	Haryana	-	84	-	80 (39+41)	2	166
6	Bihar	2	-	-	-	-	2
7	Madhya Pradesh	28	71	-	48	40	187
8	Rajasthan	3	65	-	42	27	137
9	Chattisgarh	11	27	-	-	42	80
10	Maharashtra	30	130	-	97	73	330
11	Orissa	3	6	-	38	38	47
12	Jammu & Kashmir	1	-	-	-	12	13
13	Uttarakhand	9	-	-	9	1	19
14	West Bengal	3	7	-	-	-	10
15	Gujarat	58	-	-	12	38	108
16	Karnataka	-	155	-	-	-	155
17	Andhra Pradesh	-	-	-	60 (53+7)	62	122
18	Tamil Nadu	-	32	-	-	50	82
19	Kerala	-	48	-	-	-	48
20	Goa	-	-	-	7	-	7

21	Delhi	2	-	-	-	1	3
22	Pondicherry	-	2	-	-	-	2
23	Chandigarh	-	1	-	-	-	1
24	Andaman Nikobar	-	-	-	-	-	-
25	Lakshadweep	-	-	-	-	-	-
26	Dadra & Nagar Haveli	-	-	-	-	-	-
27	Daman & Diu	-	-	-	-	-	-
	NORTH EAST REGION					-	-
28	Assam	-	-	23	-	-	23
29	Sikkim	-	-	-	-	-	-
30	Meghalaya	-	-	-	-	-	-
31	Mizoram	-	-	-	-	-	-
32	Tripura	-	-	13	-	-	13
33	Manipur	-	-	10	-	-	10
34	Arunachal Pradesh	-	-	11	-	-	11
35	Nagaland	-	-	12	-	-	12
	Total	180	705	69	476	433	1863

Targets under various phases are as follows:

(Phase-I-180, Phase-II-705, Phase-NE-92, Phase-III-476 and Phase-IV – 1000 Ticker Boards]

7.18 The Committee are happy to note that the shift from conventional Price Ticker Board(PTB) to GPRS enabled ticker boards, the Committee also note that the project for dissemination of spot and futures prices in commodities of relevance is implemented in consultation with AGMARKNET. During the year 2012-13 under phase IV, 409 PTBs have been installed till January, 2013 at various locations having heavy farmer footfall. The Committee while examining installation of PTBs under Price Dissemination Project in each phase find that so far 1863 PTBs have been installed since 2009-10, whereas in some of the UTs like Andaman Nicobar, Lakshadweep, Dadra & Nagar Haveli, Daman & Diu and North East Region viz. Sikkim, Meghalaya and Mizoram not a single PTBs has been installed. Besides this, targets under phase NE (2010-11) as well as under phase IV, there has been shortfall in achievement of physical targets. The Committee, therefore, recommend that work relating to installation of PTBs in NE Region, phase IV and other projects under phase IV may be expedited.

CHAPTER-VIII

HOARDING AND BLACK-MARKETING OF ESSENTIAL COMMODITIES

For the prevention of unethical trade practices like hoarding and black-marketing etc. the “Prevention of Black –marketing and Maintenance of Supplies Act, 1980” is being implemented by the State Governments/UT Administrations. The Act empowers the Central & State Governments to detain persons whose activities are found to be prejudicial to the maintenance of supplies of commodities essential to the community. The Department informed that there is a standing order issued to all the State Governments and UT Administrations to submit monthly reports to the Central Government (Department of Consumer Affairs) indicating the action taken under the provisions of the Essential Commodities Act, 1955 as also the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980. The defaulting State Governments/UT Administrations are reminded periodically. Action reported by States/UTs for 2012 (updated upto 06.02.2013) is at **Annexure----**.

8.2 The Department further stated that in accordance with the provision under Sub Section 4 of the Section 3 of the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980, every detention order has to be reported by the State Government concerned to the Central Government, together with ground on which the order has been made and such other particulars as, in the opinion of the State Govt., have a bearing on the necessity for the detention order, within 7 days from the date of approval given by the State Govt. to such detention order. Based on these provisions, the State Governments which are passing detention order, are reporting the facts together with the grounds of detention as well as other connected particulars to the Central Govt. (Deptt. of Consumer Affairs) within the stipulated period of 7 days. The information furnished by the Department of Consumer Affairs is based on such reports received from the concerned States during the years 2010-2012. It can be safely presumed that the remaining States/UTs did not issue any detention order under the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 during the years 2010-2012.

8.3 In reply to a query as to how many cases of Hoarding and Blackmarketing of essential commodities have been reported in the country, the Department stated that the action taken by the State Governments under the Essential Commodities Act, 1955 against persons involved in hoarding, black-marketing etc. in respect of essential commodities during the last three years as reported by them is as under:

Year	No. of raids	No. of Persons arrested	No. of Persons prosecuted	No. of Persons Convicted	Value of goods Confiscated (Rs .in lakhs)
2010	204783	10906	4539	161	10500.741
2011	180785	4498	4486	30	7164.8068
2012	128852	4022	3256	413	22907.626

8.4 When the Committee desired to know how does the Central and State Governments coordinate with each other while dealing with matters relating to hoarding and blackmarketing of Essential Commodities, the Department stated inter-alia that because of the regular interaction of the Central Government with the State Governments, the State Governments had taken necessary measures under both “Essential Commodities Act, 1955” and the “Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980” to prevent unethical trade practices like hoarding and black-marketing of essential commodities. As per reports received from the State Governments, the action taken under the Essential Commodities Act, 1955 during, 2010, 2011 and 2012 are as under:

YEAR	No. of raids	No. of Persons arrested	No. of Persons prosecuted	No. of Persons convicted	Value of goods confiscated (Rs. in Lakhs)
2010	204783	10906	4539	161	10500.741
2011	180785	4498	4486	30	7164.8068
2012	128852	4022	3256	413	22907.626

8.5 The Department further furnished the following details showing the detention orders made by the State Governments year-wise and state-wise during 2010, 2011 and 2012:

Name of the State	2010	2011	2012
Gujarat	79	67	41
Tamil Nadu	120	198	187
Orissa	02	-	-
Maharashtra	02	05	03
Andhra Pradesh	01	-	-
Chhattisgarh	01	-	-
Total	205	270	231

8.6 On being asked how many States/UTs have effectively implemented provisions of the Essential Commodities Act, 1955, the Department stated that the enforcement of the Essential Commodities Act, 1955 lies with the State Governments/ Union Territories. The State Governments/UT Administrations have been delegated powers to take necessary action under the provisions of both “The Essential Commodities Act, 1955” and “The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980”, to prevent hoarding and blackmarketing of essential commodities. The State Governments/UT Administrations have been repeatedly

requested to strictly enforce both the Acts and also monitor enforcement of these Acts. The Hon'ble Minister for Consumer Affairs, Food & Public Distribution had written to the Chief Ministers of all the States/UTs vide his letter dated 23.09.2009 and 21.12.2009 where he had reiterated the requirement of strict enforcement of the provisions of the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980 against unscrupulous elements indulging in malpractices. The Chief Ministers of some of the States like Chhattisgarh, Andhra Pradesh, Haryana, Mizoram and Maharashtra, have indicated the action taken by them towards implementing the provisions of the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980. Some more State Governments have acknowledged the receipt of the Hon'ble Ministers letter and have informed that they were having the matter looked into.

8.7 The Department further stated that the States/UTs had been requested to indicate the reasons for Low Conviction vis-à-vis the number of persons arrested and prosecuted. This issue was also taken up during the Video Conferences held on 28.01.2010, 29.01.2010, 12.10.2012, 15.10.2012 and 16.10.2012 with the States/UTs wherein some the States gave the following reasons for the low convictions:

- (i) Government of Bihar gave the reasons as witnesses not turning up or even if they do turn up their turning hostile is one of the reasons. The other reason is not drawing up proper FIRs which is thrown out by the courts.
- (ii) Government of Chhattisgarh informed that the main reason for low prosecution/conviction is that the cases investigated by the police go off track and are not investigated properly.
- (iii) Government of Gujarat gave the following reasons for low prosecution etc.:-
 - (a) The burden of proof is on the accused as per Section 14 of the EC Act. Hence, the courts treat these cases as any other criminal case leading to delay in prosecution.
 - (b) Since the cases take a long time in the courts, there are transfers of judges leading to delay in hearing, the delay also leads to witnesses turning hostile etc.
- (iv) Government of Punjab intimated that the low prosecution is due to the courts since there are no special courts/fast track courts for these matters.

8.8 The Committee note that for prevention of unethical trade practices like hoarding and black-marketing etc. the "Prevention of Black-Marketing and Maintenance of Supplies Act, 1980" is being implemented by the State Governments/UT Administrations. The Committee further note that based on the provisions under the Sub-Section 4 of the Section 3 of the Act, the State Governments which are passing detention order, are reporting the facts together

with the grounds of detention as well as other connected particulars to the Department of Consumer Affairs within the stipulated period of 7 days. The Committee have been informed that during the year 2012, 231 detention orders were reported to Central Government by three States namely Tamil Nadu, Gujarat and Maharashtra. The Committee appreciate the gesture shown by these States and hope that this will be followed by other States as well as it would help in preventing unethical trade practices in the country in times to come. The Committee, therefore recommend the Department to take follow up action with these State Governments in accordance with the grounds of detention furnished by them so as to prevent such practices in future.

8.9 The Committee note that there is low conviction vis-à-vis the number of persons arrested and prosecuted during 2012 as the number of persons arrested, prosecuted and convicted were 4022, 3256 and 413 respectively. The same trend was observed in the previous years. However the number of persons convicted during 2012 has increased from 30 when compared from the previous year. The Committee further note that some of the States namely Bihar, Chhattisgarh, Gujarat and Punjab have furnished the reasons for instance witnesses not turning up or even if they do turn up their turning hostile, not drawing up proper FIRs which is thrown out by the courts, cases investigated by the police go off track and are not investigated properly, transfer of judges and lack of special courts/Fast Track Courts for low conviction. The Committee feel that the provision of the Act to prevent unethical trade practices like hoarding and black-marketing is not taken in true spirit by the various organizations of the Government of the States/UTs. Taking this issue merely through video conferencing will not resolve the matter. The Committee, therefore, recommend the Department to co-ordinate with all States/UTs and discuss the matter at higher level so as to resolve the various reasons furnished by the States for low convictions.

CHAPTER-IX

Revival of the Super Bazar:-

The Department in the note furnished to the Committee regarding liquidation/revival of Super Bazar alongwith details of disposal of inventories, recovery position, outstanding dues, outstanding liabilities and loss borne by the Governemnt informed that the Union Cabinet, vide its decision dated the 16th October, 2001, approved winding up of Super Bazar due to continuous losses suffered and various irregularities in its functioning. Accordingly, the Central Registrar of Cooperative Societies issued formal order of liquidation and appointed a liquidator on 25th July, 2002. Subsequently, when an SLP was filed by the workers of Super Bazar, the Hon'ble Supreme Court allowed the Government to try and revive the Super Bazar through open bidding. The offer of the highest bidder, i.e., M/s Writers & Publishers Limited, was recommended by the Evaluation Committee and accepted by the Hon'ble Supreme Court.

9.2 The Department further informed that for facilitating the revival process, the Hon'ble Supreme Court, vide order dated 14.03.2011 in SLP© No. 8398-8399/2005 in the matter of Super Bazar Karamchari Hiteshi Sangathan V/s Ramesh Chander Aggarwal & Others directed as under:

“We hereby direct the highest bidder to deposit the amount with the Registry of this Court, within a period of 4 weeks from today. On deposits, the amount shall be invested till further orders. We also hereby empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time, which shall be complied with by the highest bidder without any demurrer, including inspection of Accounts”.

9.3 At present, both the Central Registrar and the official Liquidator are functioning in the Department of Agriculture & Cooperation and monitoring the revival of Super Bazar.

9.4 The Committee were informed that some of the workers have filed a fresh petition in Hon'ble Supreme Court against non-implementation of directions. Regular hearing is going on in the matter. Asked about the latest status of Super Bazar, the Department inter-alia informed that the next date of hearing which were due in 22.2.2013, the Hon'ble Court has further adjourned the same. The next date has not yet been fixed.

9.5 In reply to a query regarding the present status of petition filed by some of the workers against non-implementation of Directions issued by Supreme Court for facilitating revival process of Super Bazar, the Department in their reply informed that the Advocate for the workers union had made a special mention of the case during hearing of 1.4.2013 and had asked for an early hearing. The Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013.

9.6 The Committee note that in response to Special Leave Petition (SLP) filed by the workers of Super Bazaar, the Hon'ble Supreme Court allowed the Government to try and revise the Super Bazaar through open bidding. As a consequence, M/s Writers and Publishers Ltd. has been accepted as the highest bidder. The Committee are surprised to note that despite Supreme Court's orders dated 14.03.2011 which empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time and which shall be complied to by the highest bidder, there is an indication of non-implementation of directions as can be inferred from fresh petition filed in Supreme Court by the workers. The Committee have been further informed that the Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013. The Committee feel that waiting till the date of hearing of Supreme Court will further affect the effective functioning of Super Bazaar. The Committee, therefore, recommend that the Department themselves should take up the matter to check the authenticity of the petition filed by the workers against non-implementation of the orders of Supreme Court and strict action should be taken in case of non-compliance of the said orders.

NEW DELHI
26 April, 2013
06 Vaisakha, 1935 (Saka)

VILAS MUTTEMWAR,
Chairman,
Standing Committee on Food
Consumer Affairs and Public Distribution

Annexure – i

ACTION TAKEN UNDER THE ESSENTIAL COMMODITIES ACT, 1955
**(Relating to offences under E.C. Act - for other than violation of stock control orders/
for violation of stock control orders)**

INFORMATION RECEIVED FROM STATES/UTs FOR THE YEAR 2012

SL. NO.	STATE/UTs	No. of raids	No. of persons arrested	No. of persons prosecuted	No. of persons convicted	Value of goods confiscated	Reported upto
						(Rs. In Lakhs)	
1	Andhra Pradesh	9847	45	0	0	788.77	July
2	Arunachal Pradesh						Not Reported
3	Assam	898	1	2	NIL	12.51	Oct. / June
4	Bihar	59	29	-	-	43.75	July / March
5	Chattisgarh	186	0	23	5	102.96	June / Not Reported
6	Delhi	NIL	NIL	NIL	NIL	NIL	August / Not Reported
7	Goa	55	4	NIL	NIL	NIL	Dec.
8	Gujarat	21025	67	36	-	22.87	Nov.
9	Harayana	68	63	20	3	40.21	Dec. / July
10	Himachal Pradesh	7663	2	-	365	20.14	March / Not Reported
11	Jammu & Kashmir						Not Reported
12	Jharkhand						Not Reported
13	Karnataka	721	63	0	0	21.22	Oct. / Not Reported
14	Kerala	24151	0	0	0	0	Nov.
15	Madhya Pradesh						Not Reported
16	Maharastra	1437	2130	1241	0	20133.95	Nov. / Not Reported
17	Manipur	18	16	6	2	12.508	Oct.
18	Meghalaya	138	NIL	NIL	NIL	NIL	May.
19	Mizoram	154	NIL	NIL	NIL	NIL	Not Reported / Nov.
20	Nagaland	NIL	NIL	NIL	NIL	NIL	Nov.
21	Orissa	34753	2	107	-	4.968	Sept. / Not Reported
22	Punjab	120	1	1	1	2.09	April / Not Reported
23	Rajasthan						Not Reported
24	Sikkim	NIL	NIL	NIL	NIL	NIL	May / Not Reported
25	Tamil Nadu	3286	1030	590	29	184.65	June / Not Reported
26	Tripura	146	2	1	NIL	3.40	June / Not Reported
27	Uttarakhand						Not Reported
28	Uttar Pradesh	25524	273	984	6	1112.71	August / Not Reported
29	West Bengal	437	229	153	-	237.94	Nov.
30	Andaman & Nicobar Islands	211	NIL	NIL	NIL	NIL	Dec.
31	Chandigarh	4	16	-	-	0.16	July
32	Dadra & Nagar Haveli	5	13	5	-	21.98	Not Reported / Nov.
33	Daman & Diu						Not Reported
34	Lakshadweep	NIL	NIL	NIL	NIL	NIL	Not Reported / March
35	Puducherry	1430	71	100	2	12.606	Nov.
	Total	132336	4057	3269	413	22978.392	

Updated as on 06.2.2013

Appendix – I

MINUTES OF THE TWENTY FOURTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON WEDNESDAY, THE 20th MARCH, 2013

The Committee sat from 1500 hrs. to 1715 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Arvind Kumar Chaudhary
3. Shri Eknath M. Gaikwad
4. Shri Ponnamm Prabhakar
5. Shri Jagdish Thakor

RAJYA SABHA

6. Dr. Bhushan Lal Jangde
7. Smt. Rajani Patil
8. Dr. Bharatkumar Raut
9. Shri Veer Singh
10. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P.K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

Representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs)

1. Shri Afzal Amanullah	-	Special Secretary (CA)
2. Smt. Gangamurthy	-	Pr. Advisor
3. Shri Prabhat Kumar Jha	-	AS & FA
4. Shri Manoj Parida	-	Joint Secretary (CA)
5. Dr. Bijendra Kumar	-	DG, NTH
6. Shri Ramesh Abhishek	-	Chairman, FMC
7. Dr. M. Mathisekaran	-	Member FMC
8. Smt. Supriya S. Devasthali	-	Director, FMC
9. Smt. Bharti Das	-	CCA
10. Shri K.G. Radhakrishnan	-	Economic Advisor
11. Shri Suresh Mishra	-	Professor (IIPA)
12. Shri H.D. Nautiyal	-	Registrar (NCDERC)
13. Smt. Alka Panda	-	ADG(BIS)
14. Shri P. K. Gambhir	-	Scientist (BIS)
15. Shri A. K. Sen	-	DDG, BIS
16. Dr. Kanchan Anand	-	Scientist, BIS
17. Shri Brij Mohan	-	Director
18. Shri S.K. Nag	-	Director
19. Shri A.K. Jain	-	Director
20. Shri G.N. Singh	-	Director
21. Shri B .N. Dixit	-	Director
22. Shri M.S. Ashokan	-	Director (Coop.)
23. Shri Arvind Kumar Sharma	-	Technical Director

1. At the outset, Hon'ble Chairman welcomed the members to the sitting convened to have briefing by the representatives of the Ministry of Consumer Affairs, Food and Public Distribution (Department of Consumer Affairs) on Demands for Grants of the Department for 2013-14. Thereafter, the Special Secretary and other officials of the Department of Consumer Affairs were invited to the sitting of the Committee. After welcoming them, the Hon'ble Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker. Hon'ble Chairman, in his welcome speech, raised various important

issues such as failure of the Department to make realistic projection of funds at initial stage, major variation at BE and RE stage and reasons for even less actual expenditure done by the Ministry, reasons for non-utilization of funds allocated by the Planning Commission during 2012-13, steps taken by the Department for resolving consumer related issues, functioning of Consumer Fora's in the country, status of consumer welfare funds, special steps taken by the Government for creating awareness amongst the consumers in the country, targets achieved under Gold Hallmarking Scheme, Regulation of Forward Market Commission during 2012 etc.

2. Thereafter, the Special Secretary, Department of Consumer Affairs introduced his colleagues to the Committee and briefly addressed to the concerns raised by the Hon'ble Chairman in his opening remarks. The issues raised by Hon'ble Chairman were further supplemented by the members of the Committee. Thereafter, the representatives of the Ministry briefed the Committee on the functioning of the Ministry with reference to their budget proposals for the year 2013-14 with the help of power point presentation.

3. The following are some of the important points that emerged during the deliberations of the Committee:-

- (i) Need of independent head of Price Monitoring Cell rather than merging it with Forward Market Commission, as strengthening price monitoring cell is the need of the hour to protect the consumers;
- (ii) Building of institutional structures for the strong delivery system to the consumers and to remove the major bottlenecks like acquisitions of land to build the infrastructure in states to establish Consumer Courts/Forums;
- (iii) Lack of accountability on the part of Department was felt in opening of Laboratories in Weight & Measure Section, Centres for BIS, regularization of Consumer Courts etc. and need to improve the performance of the Department keeping in view of large consumer market in the country;
- (iv) Need to increase the expenditure on awareness programmes and emphasis should be given on awareness campaign against misleading advertisements;
- (v) Need to address lacunae in the working of redressal agencies, delay in disposal of complaints & level of consumer satisfactions;
- (vi) Need to advertise regarding provisions of the scheme of Consumer Welfare Fund at State and District level with the help of self help groups;

- (vii) Need to bring consumer helpline number to the District level to ensure wider coverage;
- (viii) Need for strengthening and computerization of Consumer Fora at the earliest;
- (ix) The grave effects of black marketing on price rise and steps taken to curb the same;
- (x) Need to fill up the vacant posts in the National Commission, State Commissions and District Forums and the efforts made by the Ministry in this direction;
- (xi) Need to expand the activities of the Gold Hallmarking Scheme under the BIS and making it mandatory; and
- (xii) Need to empower the Department to play pro-active role and take initiatives for better protection of consumer etc.

4. The representatives of the Department responded to the queries raised by the Chairman and the members on the aforesaid issues.

5. The Hon'ble Chairman then thanked the Special Secretary and other representatives of the Department of Consumer Affairs for their free and frank discussion.

6. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

Appendix – II

MINUTES OF THE TWENTY-SIXTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON MONDAY, 8TH APRIL, 2013

The Committee sat from 1430 hrs. to 1600 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

2. Shri Kantilal Bhuria
3. Shri Sanjay Dhotre
4. Shri Prataprao Ganpatrao Jadhav
5. Shri Sohan Potai
6. Shri Ponnamm Prabhakar
7. Shri Purnmasi Ram
8. Shri Chandulal Sahu
9. Shri Adhi Sankar

RAJYA SABHA

10. Dr. Bhushan Lal Jangde
11. Dr. Bharatkumar Raut
12. Dr. T. N. Seema
13. Shri Birender Singh
14. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P.K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

REPRESENTATIVES OF THE DEPARTMENT OF CONSUMER AFFAIRS

Sl. No.	Name of Officers	Designation
1.	Shri Pankaj Agrawala	Secretary (CA)
2.	Shri Afzal Amanullah	Special Secretary
3.	Smt. Gangamurthy	Pr. Adviser
4.	Shri Prabhas Kumar Jha	AS & FA
5.	Shri Manoj Parida	JS (CA)
6.	Dr. Bijendra Kumar	DG, NTH
7.	Shri Ramesh Abhishek	Chairman, FMC
8.	Smt. Bharti Das	CCA
9.	Ms. Ranjana Nagpal	Dy. DG (NIC)
10.	Prof. Suresh Mishra	IIPA
11.	Shri K.G. Radhakrishnan	Economic Adviser
12.	Shri H.D. Nautiyal	Registrar (NCDRC)
13.	Smt. Alka Panda	ADG, BIS
14.	Shri P.K. Gambhir	Scientist, BIS
15.	Shri S.K. Nag	Director
16.	Shri A.K. Jain	Director
17.	Shri G.N. Singh	Director
18.	Shri B.N. Dixit	Director

At the outset, Hon'ble Chairman welcomed the members to the sitting of the Committee convened to take oral evidence of the representatives of the Department of Consumer Affairs in connection with the examination of Demand for Grants of the Department for the year 2012-13. Thereafter, Secretary and other officials of the Department of Consumer Affairs were invited to the sitting of the Committee. After welcoming them, the Chairman apprised them of the provisions of Direction 55(1) of the Directions by the Speaker of Lok Sabha. Thereafter, the Hon'ble Chairman, in his welcome speech, raised various important issues such as pattern observed in plan and non-plan expenditure during 2012-13, need for Price Monitoring Cell in the country in the backdrop of rising prices of essential commodities in the recent years, need for awareness campaign to prevent consumers against misleading advertisements, schemes which are drastically revised or modified either due to lack of availability of

land or non-receipt of utilization certificates in respect of funds allocated in various categories from the States/UTs, etc. Thereafter, the Secretary, Department of Food and Public Distribution addressed to the concerns raised by the Hon'ble Chairman in his opening remarks with the help of a Power point Presentation. The issues raised by Hon'ble Chairman were further supplemented by the Members of the Committee.

2. The following are some of the important points that emerged during the deliberation of the Committee:-

- (i) To facilitate better monitoring of availability of land in the States, a new Empowered Committee under the Chairmanship of Chief Secretary has been made in each State who will be empowered to allocate the funds to States for the purpose.
- (ii) Need for providing modern digital equipments in each State.
- (iii) Need to allocate more funds to States to spread awareness in regional language, and also bring competition amongst States to spread awareness campaign nation-wide.
- (iv) Imparting training to the Members of the Forum Judicial Academy of the States.
- (v) Need to have guidelines for selection of members of Consumer Fora through competitive exams as being done by some States like Maharashtra, etc.
- (vi) Need to have uniform remunerative rules within Consumer Fora to attract good talents from various States.
- (vii) Need for uniform policy within Price Monitoring Cell for collection and dissemination of data relating to retail and wholesale prices as well as its validation by the State Governments.
- (viii) Need to run the CONFONET Scheme evenly in all the States and further expedite replacing old and obsolete hardware with new ones and their proper monitoring.

3. The representatives of the Department and other officials responded to the queries raised by the Chairman and the members on the various issues.

4. The Hon'ble Chairman then thanked the Secretary and other representatives of the Department of Consumer Affairs for their free and frank discussion.

5. The Committee also decided to undertake the study visit to some of the States in the month of May-June, 2013.

6. A verbatim record of the proceedings has been kept.

The Committee then adjourned.

Appendix – III

MINUTES OF THE TWENTY-EIGHTH SITTING OF THE STANDING COMMITTEE ON FOOD, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (2012-13) HELD ON FRIDAY, 26TH APRIL, 2013

The Committee sat from 1015 hrs. to 1100 hrs. in Chairman's Room No. 115 – A, First Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Vilas Muttemwar - Chairman

MEMBERS

LOK SABHA

11. Smt. Harsimrat Kaur Badal
12. Shri Shivraj Bhैया
13. Shri Arvind Kumar Chaudhary
14. Shri Sanjay Dhotre
15. Shri Eknath M. Gaikwad
16. Shri Ponnamm Prabhakar
17. Shri C. Rajendran

RAJYA SABHA

18. Shri Lalhming Liana
19. Shri Veer Singh
20. Shri Kaptan Singh Solanki

SECRETARIAT

1. Shri P. K. Misra - Joint Secretary
2. Smt. Veena Sharma - Director
3. Shri Khakhai Zou - Under Secretary

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee convened for consideration and adoption of the draft Reports on Demands for Grants (2013-14) of the Ministry of Consumer Affairs, Food and Public Distribution pertaining to the (i) Department of Food and Public Distribution, and (ii) Department of Consumer Affairs. In his opening remarks Hon'ble Chairman highlighted the important recommendations contained in both the draft Reports.

3. The Committee then took up for consideration the draft Reports pertaining to the Department of Food and Public Distribution and Department of Consumer Affairs. After due deliberation, the Committee unanimously adopted both the draft Reports pertaining to the Department of Food & Public Distribution and the Department of Consumer Affairs without any amendments/modifications.

4. The Committee then authorized the Chairman to finalize the aforesaid Reports and present the same to Parliament in the current Session of Parliament.

The Committee then adjourned.

SUMMARY OF OBSERVATIONS/RECOMMENDATIONS

Sl. No.	Para No.	Observation/ Recommendation
1.	2.	3.
1.	2.28	<p>The Committee note that during the 11th Plan period the total amount allocated to the Department of Consumer Affairs as Budget Estimates was Rs. 1076.00 crores which was subsequently reduced at Revised Estimate stage to Rs. 857.00 crores whereas the total actual expenditure incurred during the entire 11th Plan period was Rs. 757.93 crores having unspent balance of Rs. 100 crores. In the 12th Plan period during the year 2012-13, the BE was kept at Rs. 241.00 crores which was revised to Rs. 150.00 crores at RE stage and the actual expenditure incurred upto February, 2013 was only Rs. 125.15 crores. The Committee find that the performance of the Department is unsatisfactory not due to scarcity of funds but due to non-utilization of funds. A detailed study of schemes in 11th Five-Year Plan document produced before the Committee, shows that under the scheme Consumer Protection/Capacity Building/Consumer Helpline, the average expenditure in percentage utilization was never satisfactory. Since the year 2007-08 it varies from 37.60% to 67.77%, which is very low. Similarly, under the scheme, Bureau of Indian Standards, since 2007-08 except the year 2011-12, where percentage utilization was 94.21%, percentage utilization was as low as 2.78% in the year 2008-09. The Committee, further note that under the same Scheme, the Department was able to spend only 11.68% of total allocation of 11th five-year Plan. Similarly, under the scheme Weight & Measures, National Test House and Forward Market Commission total percentage utilization were 81.37%, 66.44% and 33.31% respectively in 11th Five-Year Plan. The Committee strongly feel that since last six years there has been trend of miscalculation while preparing the Budget Estimates and under utilisation of the funds allocated at Revised Estimate stage. The Committee are disappointed to note that performance of the Department is not up to the expectations as the Department was not able to spend the allocated funds in the stipulated time period and therefore, did not achieve desired outcome. The Committee feel that the Department could have opened more Centres of Bureau of Indian Standards and Hallmarking Centres in the Country, had intensive awareness campaign for consumer welfare and</p>

initiated consumer helpline in States which are not covered till date so that funds could not remain unutilized in the said period. The Committee are of the view that this continuous oversight and improper assessment of the Department reflects deterioration in their performance. The Committee, therefore, recommend that the Department should make proper assessment and broaden their activities on project/schemes in accordance with the funds allocated so that funds do not remain unutilized and performance of the Department can be improved.

2. 2.29 The Committee note that from the very first year of the 12th Plan period i.e. 2012-13 the momentum of funds utilization under various ongoing schemes/projects is unsatisfactory. The Committee are unhappy to note that under the scheme Consumer Awareness (Publicity) only Rs. 56.53 crores was spent against the BE of Rs. 89.00 crores upto 28.02.2013. Similarly, under the scheme Strengthening of Price Monitoring Cell, for the year 2012-13 against BE of Rs. 3 crores, which was reduced to Rs. 0.75 crores at RE stage, the Actual Expenditure was nil. The Committee observed the same pattern of BE, RE and Actual Expenditure of all ongoing Plan schemes in 11th Plan period that continued in 1st year of 12th Plan too.

The Committee are not convinced by the reasons given by the Department that due to requirement of holding Expenditure Finance Committee Meeting (EFC)/Standing Finance Committee (SFC) in first year of 12th Plan they could not perform as most of the schemes were awaiting EFC approval from Planning Commission and expenditure is always the least in the first year of every plan. It goes without saying that the Department of Consumer Affairs are entrusted with the larger responsibility of providing welfare to the consumers of such a vast country, the Government has to bring changes in their way of functioning. The Committee feel that the Department needs methodological changes to carry out their mandate. The Committee, therefore, strongly recommend that the Department should strictly review their performance in 11th five year Plan and take pre-emptive steps so that 12th Plan period does not suffer with the same infirmities as experienced during the 11th Plan period and total outlay of 12th Plan period could be properly utilized in effective implementation of various schemes/projects run by the Department.

3. 2.30 The Committee are unhappy to note that during the last three years number of Utilization Certificates received from

the States/UTs in respect of funds allocated to implement various schemes/projects of the Department have not been submitted on time. The Committee note that during the year 2010-11 under the ongoing scheme Consumer Protection, States like Punjab, Tripura, Nagaland, Kerala, Sikkim and Gujarat have not furnished Utilisation Certificates. Similarly, in the same year, under the head Consumer Welfare (publicity), States like Tamil Nadu, (special project), Mizoram, Sikkim (special project) were provided Rs. 48 lakh, Rs. 16 lakh and 8 lakh respectively for which Utilization Certificates were not submitted. Likewise, under the scheme Weight & Measures the Utilisation Certificates of some of NE States viz. Assam, Manipur, Mizoram, Sikkim and Tripura were still pending. Under BIS scheme, Arunachal Pradesh, Meghalaya, Sikkim and Mizoram did not report utilization on time inspite of several reminders sent. The Committee, were informed that the State Governments could not utilize the funds due to difficulty in finding the land for the construction work, delay in releasing the funds by the State Governments themselves and long time taken by the construction work. The Committee were also informed that the Department makes constant efforts to obtain Utilization Certificates by written reminders, messages, video conferences telephonic request and personal interactions. The Committee also note that some of States like Arunachal Pradesh, Meghalaya, Odisha and Sikkim have not been provided further financial Assistance due to non-receipt of Utilisation Certificates of the grants released earlier. Appreciating these measures, the Committee feel that, other than stopping financial assistance to States in case Utilisation Certificates are not submitted on time, the Department may consider to impose penalty of paying interest on unutilized fund by the State Governments till the funds are not utilized or Utilization Certificate is not submitted. The Committee feel that Department should also constantly monitor the physical output in terms of construction works and assets created by the States. In case of States, which could not utilize the fund due to difficulty in finding land, the Department should vigorously pursue such State Governments to remove this bottleneck at the earliest.

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3.8

The Committee note that Consumer Protection Unit of the Department is mandated to administer the Consumer Protection Act, 1986. The Government has been striving to ensure that the Act remain vibrant and meets the objectives for which the Act has been amended thrice

during the years 1991, 1993 and 2002. The Act is being amended again through the Consumer Protection (Amendment) Bill, 2011 on which the Committee have already submitted their report to the Parliament on 19.12.2012. The Committee have made several observations/ recommendations with regard to widening the provisions of the Act, facilitating quicker disposal of cases, rationalizing the qualifications and procedure for selection of President/Members of the Consumer Fora at the State level and Members at the National level. The Committee hope that the Government will accept all their observations/recommendations and implement them in letter and spirit and ensure that the objectives of the Act are achieved.

5. 3.9 The Committee note that the Scheme of 'Computerization and Computer Networking of Consumer Fora in the Country, (CONFONET)' which was launched during the 10th Plan period in March, 2005 is proposed to be extended during 12th Plan with a total outlay of Rs. 70.00 crores. An amount of Rs. 6.60 crore has been released to NIC for the activities to be undertaken under the CONFONET Scheme during the year 2012-13. The Committee feel the initiative taken by the Department in implementing the Case Monitoring System under the CONFONET Project for capturing the entire life cycle of consumer complaints cases from registration till its disposal will go a long way in addressing the grievances of the Consumer and also instill faith of the consumers in the System. The Committee are, however, concerned to note that out of 640 locations being covered, only 340 Consumer Fora are operational so far and 288 Consumer Fora are uploading cause lists while 191 Consumer Fora are uploading judgements. The Committee also note that the Department has taken replacement of Hardware, simplified the software to avoid specialized training and continue technical support manpower to ensure smooth functioning of the Scheme till particular location gets fully operational. The Committee, therefore, recommend that the Department should take all necessary steps to replace old hardware with new ones and also ensure that the Case Monitoring System is operational in all Consumer Fora. The Committee further urge the Department to ensure operationalization of Consumer Fora in all the Districts of the country during the 12th Plan period.
6. 3.19 The Committee observe that for the Scheme 'Strengthening of Consumer Fora', the BE were Rs. 19.00 crore and Rs.

25.00 crore during the year 2011-12 and 2012-13 respectively which were drastically reduced to Rs. 9.35 crore and Rs. 5.48 crore at RE stage and the Actual Expenditure incurred were Rs. 6.77 crore and Rs. 3.84 crore only. The Department stated that 2012-13 being the first year of the 12th Plan, the schemes required appraisal and approval by the competent authority like Standing Finance Committee/Expenditure Finance Committee, etc. which is a time consuming procedure and are the reasons for major variation at BE and RE stage. The Committee further note that allocation of funds at RE stage were less due to non-fulfillment of the pre-conditions for release of central assistance namely providing land for construction of building, creation of posts of President/Members in Consumer Fora, furnishing of Utilization Certificates of grants released earlier etc. by various States. The Committee are not fully convinced with the reasons cited by the Department regarding non-utilization of allocated funds in full because such issues could be sorted out by timely action and regular consultation with the States. The Committee, therefore, recommend that the Department should make earnest efforts to utilize the allocated funds in full so as to strengthen the Consumer Fora in the country. The Committee further desire that the Department should take up the matter with the States and ensure that they fulfill the desired pre-conditions for release of Central Assistance under the scheme.

7. 3.20 The Committee note that under the Scheme 'Strengthening of Consumer Fora', financial assistance is provided for construction of Building and Non-Building Assets to State Commissions and District Fora. An amount of Rs. 3.84 crore has been released to 4 eligible States during 2012-13 against total outlay of Rs. 25 crore. Further, an amount of Rs. 1.40 crore is being released to Uttar Pradesh Government shortly and another proposal for sanctioning of a sum of Rs. 57.00 lakh to Tripura Government is under consideration. The Committee also note that the guidelines for the 12th Plan have been thoroughly revamped based upon the experiences and shortcomings observed during the last Plan period. The Committee further note that a total amount of Rs. 190 crores has been released to various States and UTs for improving infrastructure in Consumer Fora. Various steps such as filling up of vacancies, setting up of circuit benches, holding of Lok Adalats etc. have also been taken for strengthening infrastructure of Consumer Fora and for speedy disposal of consumer grievances. The

		<p>Committee desire that the Department should take proactive role and strictly follow up with various States/UTs to ensure that the revised guidelines are followed and the funds released to them are utilized properly so that sufficient infrastructure of Consumer Fora is created in all the States/UTs in the country.</p>
8.	3.32	<p>The Committee note that besides the National Commission in New Delhi, 35 State Commissions and 632 District Fora have been established in the country for providing simple, inexpensive and time bound redressal of grievances against defective goods, deficient services, restrictive/unfair trade practices etc. adopted by any trader or person through summary trials. The Presidents of the National Commission and State Commissions have been empowered to constitute Benches with one or more members for speedy disposal of grievances of consumers. The Committee, however, are concerned to note that a large number of cases are pending in the National Commission, State Commissions and District Fora as these Consumer Fora could dispose of 86.55%, 84.13% and 92.35% cases respectively. The Committee find that non-filling up of vacancies by States/UTs, lack of adequate supporting staff, rising number of complaints etc. are the reasons for pendency of cases. The Ministry has decided to set up mediation centres, similar to Lok Adalat, in each District of India under the direct supervision of the District Forum to expedite disposal of pending cases. The Committee hope that the Government would pursue with the Planning Commission and the Ministry of Finance to expeditiously obtain their approval of the Memorandum for the scheme 'Consumer Counseling and Mediation' so that Mediation Centres are set up in every district of the country for speedy disposal of pending cases.</p>
9.	3.33	<p>The Committee are unhappy to note that as on 06.03.2013, as many as 3 posts of President and 22 Members are lying vacant in the State Commissions. Besides 100 posts of President and 249 posts of Members are also lying vacant in the District Forum across the country. The Committee note that the Department have requested the State Governments from time to time to take advance action for filling up vacancies of Presidents and Members and also maintain a panel of candidates for filling up further vacancies. Hon'ble Minister of the Department have also impressed upon the Hon'ble Chief Minister and Chief Secretaries of States/UTs to take immediate steps to fill up the vacancies in the Consumer Fora. The Committee also note that States are being asked to bring competition in</p>

selection procedure as done by Maharashtra. While appreciating the efforts made by the Department, the Committee are, however, constrained to say that too many posts of Presidents and Members are still lying vacant in various State Commissions and District Forums. The Committee, therefore, urge the Department to make more earnest efforts in persuading the States/UTs to fill up the vacancies in all the Consumer Fora so that cases are not kept pending due to vacancies in the State Commissions/District Fora.

10. 3.39 The Committee note that Consumer Welfare Fund was created to provide financial assistance to promote and protect the welfare of the consumers, create consumer awareness and strengthen consumer movement in the country. The financial assistance by the Central Government for setting up Consumer Welfare Fund has been enhanced to Rs. 10 crore as Corpus Fund and the Central Government share has also been increased to the ratio of 75:25 and in case of special category States, the ratio is 90:10. The Committee also note that 21 States have created CWF in their respective States whereas no response has been received from the remaining States/UTs so far. Delay in creation of a separate independent interest-bearing account by State Government and also delay in depositing their own share of Rs. 2.5 crores is creating difficulties in implementation of the scheme. Also most of the States do not have separate Consumer Affairs Department and it is mostly attached with Food and Civil Supplies Department whose official are pre-occupied with supply chain of food product and Public Distribution System. The Committee feel that all the States/UTs should be impressed upon to create separate independent interest bearing account as well as separate Consumer Department in their respective States/UTs for better implementation of the scheme. The Committee, therefore, recommend the Department to take the matter with the State Government at the highest level and also urge the remaining States/UTs to set up Consumer Welfare Funds in order to promote and protect the welfare of the Consumers.
11. 3.49 The Committee note that the National Consumer Helpline Scheme was set up in collaboration with the Delhi University at a cost of Rs. 3.13 crore. The Delhi University has been granted an amount of Rs. 378 lakh for taking up the second phase of the National Consumer Helpline (i.e. from 1st April, 2010 to 31st March, 2013). The Committee also note that 28 States/UTs have been sanctioned funds for setting up State Consumer Helpline on similar lines as

the National Consumer Helpline. The State Consumer Helpline will extend services in regional language of the State concerned besides Hindi and English. The State Consumer Helpline is presently functional in 16 States/UTs only. While arrangements have been made with the IIPA, New Delhi and ASCI, Hyderabad to train the helpline staff, the Department has advised the State Governments to take the help of NGOs/VCOs to run the State Consumer Helplines, if necessary. Standard software has been developed and supplied free of cost. The Committee are, however, of the view that while it is essential to ensure that the National Consumer Helpline as well as the State Consumer Helplines are functional at all times, there is also need to create awareness of the consumers about the existence of these helplines. Moreover, State Consumer Helplines should be set up in the remaining States/UTs also. The Committee, therefore, recommend that while ensuring that these helplines are functioning efficiently, the remaining States/UTs should be persuaded to set up State Consumer Helplines at the earliest by extending financial assistance to them.

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| 12. | 3.50 | <p>The Committee note that for setting up of Consumer Clubs in Schools/ Colleges a grant of Rs. 10,000/- per consumer club is admissible and this scheme has been decentralized and transferred to the Governments of States/UTs w.e.f. 1.4.2004. Proposals can be submitted now to the Nodal Officer in the Food, Public Distribution and Consumer Affairs Department of the respective States/UTs by eligible organizations/VCOs. The Committee also note that an amount of Rs. 317 lakhs have been released since 2008-09 and 7749 consumer clubs have been sanctioned in 23 States/UTs. The Department have been vigorously pursuing the remaining States/UTs to implement the scheme. The Committee feel that setting up consumer clubs in Schools/Colleges would go a long way in creating awareness about the consumer rights amongst the school/college students. The Committee, therefore, recommend that the Department should persuade and convince the remaining States/UTs to set up Consumer Clubs in as many schools and colleges as possible.</p> |
| 13. | 3.54 | <p>The Committee note that the Consumer Protection Cell Scheme aims to render secretarial assistance to the Department in administering the Consumer Protection Act and other related activities including holding of review meetings, annual conferences of National Consumer Disputes Redressal Commission (NCDRC) and Central Consumer Protection Council (CCPC). Payment of</p> |

		<p>professional fees to Government counsels in court cases arising out of consumer issues etc. are also met out of the provisions under the Consumer Protection Cell Head. Though the State Governments are responsible to constitute State Consumer Protection Council (SCPC) and District Consumer Protection Councils (DCPCs) under the Consumer Protection Act, the Committee feel that the Department should monitor and keep themselves informed of the meetings held and decisions taken by the SCPC/DCPCs. The Committee, therefore, recommend that the Central Consumer Protection Council should monitor the meetings of the SCPCs/DCPCs.</p>
14.	3.61	<p>The Committee note that consumer awareness is essential for good governance though it may not be an easy task to educate the entire population of the country with different background and level of literacy. The Committee are aware that the Department is making various publicity campaigns through the print and electronic media including 'Jago-Grahaak-Jago' campaign to create awareness amongst the consumers. The Department has conducted a study in the year 2012 through IIM, Lucknow to ascertain awareness level of consumers in the country with a sample size of 2000 persons of which 400 were selected from NE region. Such study is proposed to be commissioned during the 12th Plan to ascertain extent of awareness in remote or backward areas among various States. The Committee appreciate that the Department has accorded priority concern to tackling the menace of misleading advertisements and recently issued campaigns covering issues of real estate, education, banking, pharmaceuticals, consumer rights, hallmarking, misleading advertisements, wastage of food etc. The Committee are happy to note that the National Law University, Bangalore has been assigned the task of drafting a legislation on Misleading Advertisement. The Committee are, however, concerned that rampant misleading advertisement on various products and services remained unchecked till today. The Committee, therefore, strongly recommend that the Department should vigorously pursue with the National Law University, Bangalore and the Ministry of Information and Broadcasting to expeditiously complete drafting of the legislation and obtain comments thereon respectively.</p>
15.	4.8	<p>The Committee note that the Price Monitoring Cell (PMC) of Department of Consumer Affairs has been monitoring retail and wholesale prices of essential commodities based on the information furnished by the State Food and Civil Supplies Department. With the addition of 4 essential</p>

commodities in the year 2010-11, the Department is presently monitoring the prices of 22 essential commodities on daily basis from 55 centres of the country. The Price Monitoring Cell generally studies the international and domestic market trends of major commodities from various sources and the information is incorporated in the notes for high level meetings of the Committee of Secretaries (COS) and Cabinet Committee on Prices (CCP) for taking considered policy decisions on prices. The Committee are concerned that retail prices of pulses, edible oils, tea and onion keep rising though the retail prices of urad dal, vanaspati and sunflower declined over the last one year. Retail prices of most of the 22 essential commodities also registered an upward trend over a period of one year and the variation is as high as Rs. 37 in case of loose tea, Rs. 17 in onion and Rs. 18 in Gram dal. Though the Government have taken several steps to contain rise in prices of essential commodities such as reducing import duty to zero, duty free import of while and raw sugar, ban in export of edible oils, imposition of stock limit from time to time, etc., yet the prices of essential commodities still increasing. The Committee, therefore, strongly recommend that the Department in consultation with other concerned departments should step up their efforts to contain rise in prices of essential commodities by strengthening monitoring mechanism, market interventions etc.

16. 4.21 The Committee note that the task of Price Monitoring Cell is to monitor the Prices of 22 essential Commodities collected from 55 centres spread across the country through the Civil Supplies Department of the States/UT Governments and other matters related to price scenario. The Department proposes to add 10 Centres annually to increase the number of collecting centres to 100 by the end of the XII Plan. The Department organized a 'National Workshop on Prices' in July, 2010 to have an interface between the officials of PMC and States to discuss the technicalities of price collection and reporting. In house training was also provided to the PMC officials for better modes of presentation and other possible applications of data through MS Excel. The Committee appreciate the efforts made and steps taken by the Department to improve the functioning of the PMC. The Committee, however, urge the Department to make more earnest efforts to improve the efficient functioning of the PMC by organizing frequent workshops, training of officials and opening of reporting centres etc.

17.	4.22	<p>The Committee observe that no expenditure was incurred against the BE of Rs. 2.70 crore in the year 2012-13 under the scheme strengthening of Price Monitoring Cell. Again BE of Rs. 1.65 crore has been proposed for the year 2013-14. A plan scheme of PMC has been shown for budgetary purposes alongwith Forward Market Commission (FMC) for which approval of Expenditure Finance Committee (EFC) was required. The Department is also facing problems in collection and reporting of prices such as lack of uniform mechanism for transmission of data, methodology of collection, authentication and validation of data by the States/UTs, absence of nodal officers in some States, inadequate studies to explain trends in prices, research to understand the nature of demand for specific commodities etc. To overcome these problems, the Department has taken various measures to strengthen the PMC in States by way of organizing training programmes, subscribing the web services of professional organizations, hiring of professionals and engaging private organizations for conducting research studies and surveys. The Department has also asked all the States/UTs to nominate nodal officers with whom the Department should interact for information or clarification. While appreciating the steps taken by the Department for strengthening the PMC and State PMCs, the Committee recommend that thorough training be given to manpower employed in collection and tabulation of data, organize regular workshop at regional and national levels and upgrade the IT infrastructure including software systems etc, so as to improve the efficiency and reliability of the PMC and State PMCs.</p>
18.	5.11	<p>The Committee note that existing practice for verification of sophisticated Weight & Measures instruments is done through Legal Metrology Department of the States/UTs. However, for sharing the workload for increasing the capacity and available infrastructure of testing, the Union Government has drafted new rules, which provide for setting up Government Approved Test Centres (GATC) all over the country for which legal vetting and notification of the rules are in process. The Committee have been informed that under the scheme Strengthening Legal Metrology Infrastructure of States/UTs, new proposal for the construction of Controller office in 12 States and establishment of Research & Development (R&D) Centres in 5 States is proposed. The Committee observe that in the 12th Plan, Rs. 300 crores have been allocated under the head Weights and Measures and Rs. 53.76 crores was granted for the first year of the 12th Plan i.e. 2012-13. The</p>

Committee are disappointed to note that despite having so many proposals, the Department were able to spend only 39.60 crores out of Rs. 53.76 crores. The Committee hope that the Government will make every sincere effort to complete the project of opening controller office in 12 States and R&D Centres in 5 States on urgent basis by utilizing the fund allocated for the purpose within a definite time period. The Committee are of the view, that the Department should make earnest efforts to open Government Approved Test Centres (GATC) all over the country for advantage of the consumer at large so that the workload for increasing the capacity and available infrastructure of testing in States could be shared. The Committee would also like to be apprised of the action taken in regard to above proposals made by the Department, during the year 2013-14.

19. 6.19 The Committee note that under the Plan Scheme on Gold Hallmarking, central assistance for setting up Assaying & Hallmarking Centres has been extended in locations where no centre exists. The Committee also note that as on 31.01.2013 there were 200 Assaying & Hallmarking Centres established in the country of which 20 Centres were set up in 2012-13 (upto 31.01.2013). The Committee are disappointed to note that in the year 2012-13 the Department has failed to set up any Assaying & Hallmarking Centres by providing central assistance. The Committee observed that under Gold Hallmarking Scheme certain modifications have been made and the financial assistance for setting up of Assaying & Hallmarking Centre under the schemes, was revised from 15% to 30% to private entrepreneur and 50% to PSUs. For North East States/Special Category States/Rural Areas the assistance was revised from existing rate of 30% to 50% to private entrepreneur and 75% to PSUs.

While noting that setting up of Assaying & Hallmarking Centres is a market driven activity where promoters are private entrepreneurs, the Committee feel that the Department should concentrate on popularizing this scheme through consumer awareness campaign by making the consumer aware of the benefits of Hallmarked Gold Jewellery so as to increase the demand of Hallmarked Jewellery in the market. This would encourage the entrepreneurs to setup more Assaying & Hallmarking Centres in the country. The Committee further reiterate their earlier recommendation made in the 18th Report on Demands for Grants (2012-13) that the Department should review the formalities of the Government scheme to

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simplify the procedure & suitably increase the financial assistance given under the Hallmarking scheme so as to attract private entrepreneurs to come forward not only in metropolitan cities but also in remote rural areas and open more centres of assaying and hallmarking throughout the country.

While observing the physical targets and achievements of the BIS for the scheme System Certification, the Committee note that the achievement was 54 against the target of 150 during 2012-13. The Committee are not convinced with the reasons furnished by the Department that there are other certifying bodies for Management System Certification and the certification schemes under Management Systems are voluntary in nature. The Committee feel that, though, certification scheme under management systems are voluntary in nature the Department has failed to achieve even 40% of their target. The Committee also note that there are only 7 licences in operation under the scheme Food Safety Management Systems as per IS/ISO 22000 and 5 licences for Service Quality Management System as per IS/15700. In this context, the Committee were informed that three schemes were yet to be approved and 'Creating Awareness Through Publicity of BIS certified products' scheme was dropped as it had overlapping objectives with other schemes of the Department.

The Committee are shocked to note that during the year 2012-13, i.e. the first year of 12th Plan, the BE of the new schemes proposed under the Plan period was 9.40 crores which was drastically revised to Rs. 0.20 crore and till December 2012 Rs. 0.19 crores was spent. The Committee are disappointed to note the casual approach of the Ministry towards their mandate. The Committee feel that there is lack of proper planning, farsightedness and coordination on the part of the Ministry. The Committee also feel that scheme Creating Awareness Through Publicity of BIS product proposed under 12th plan is very important for creating awareness regarding standards. Therefore, the Committee recommend that creating awareness through publicity of BIS, being the primary responsibility of the Department should continue as a scheme.

The Committee, further, recommend that under Food Safety Management System, number of licence should also be increased on other essential food items other than milk and milk products so that maximum food items should be covered and come under the purview of BIS certification.

		<p>But at the same time, the Committee desire that the Department should ensure and monitor maintenance of standards while granting licence to private entrepreneurs.</p>
21.	6.21	<p>As regard to Human Resource Development and Capacity Building in educational institutions, the Committee observe that balance amount available with the BIS as on 31.03.2012 was Rs. 41.80 lakhs against total amount of Rs. 50 lakhs released for the Scheme. The Committee were informed that the scheme of Human Resource Development/Capacity Building in Educational Institutions was approved on 27th March, 2008 with an outlay of Rs. 7.00 crores and 21 Institutions/Universities were short-listed for introduction of the curriculum. Evolution of curriculum was in progress in consultation with the identified Universities/Institutes. The Committee are disappointed to note that the scheme could not make headway as introduction of standardization in curriculum in the educational institutions is not under the purview of BIS, therefore, it was recommended that this scheme need not be continued under the 12th Plan. Accordingly the balance amount of Rs 49.98551 (including interest) was surrendered.</p> <p>The Committee are shocked to know that it took the Department four years to realize that introduction of the process of Standardization and Standards relating to important socio-economic sectors in curriculum of Professional, Technical and Higher Education Institutions does not come under the purview of Bureau of Indian Standards. The Committee take strong note of the lethargic approach of the Ministry and, therefore, strongly recommend that the Department should strictly follow the mandate before making schemes which are not under the purview of the Ministry so that the crucial funds are not wasted in this manner.</p>
22.	7.12	<p>The Committee note that the Forward Market Commission has an effective strength of 71 officers/staff against the sanctioned strength of 132 officer/staff including all the Group A, B, C & D posts. The Committee were surprised to note that the strength of officers/staff even went down in comparison to last year. The Committee further observe that in the Group 'A' category against the sanctioned strength of 51, only 21 posts are in position and 26 posts are vacant. Similarly, in Group 'B' 4 against the sanctioned of 18, and 50% of the posts under Group 'C' are unfulfilled. The Committee also find that besides there being a large number of vacancies, the SCs/OBCs communities are also not</p>

adequately represented in Group 'A, B & C' categories and STs are not represented at all in three categories of employees other than Group 'D'. The Committee, are of the view, that existence of such a large number of vacancies in a small organisation like FMC would not only hamper its functioning but would rather diminish effectiveness of the organisation. The Committee, therefore, reiterating its recommendation made during Demands for Grants (2012-13), strongly urge the Department/FMC to make further sincere efforts to fill up all the vacancies in all categories of post.

23. 7.13 The Committee, further note that despite employing officers on deputation, there is always scarcity of officers and staff with the FMC. The Committee note that there is no proper procedure for recruitment to employ officers/staff in the FMC, due to which only higher posts which comes under Group 'A' are filled and other category of Group 'B' and 'C' posts of Economic Officer, Stenographers, Junior Research Assistants, Upper Division Clerks, Lower Division Clerks are majorly vacant.

The Committee feel that, though, FMC is a small organisations but it is very necessary to have its working staff strength to run the organisation efficiently as FMC is entrusted with important economic regulatory functions that should not be hamper by these problems. Non-availability of suitable candidates on Group B & C posts, as only higher posts can be filled up by the deputation process, the Committee feel that other than deputation, Department/FMC may consider to establish a proper recruitment Cell to fill up the vacant posts in the category of Group 'B' and 'C' so that FMC can recruit officers/staffs of its own and will not depend upon other organisations to have adequate manpower to perform efficiently.

24. 7.18 The Committee are happy to note that the shift from conventional Price Ticker Board(PTB) to GPRS enabled ticker boards, the Committee also note that the project for dissemination of spot and futures prices in commodities of relevance is implemented in consultation with AGMARKNET. During the year 2012-13 under phase IV, 409 PTBs have been installed till January, 2013 at various locations having heavy farmer footfall. The Committee while examining installation of PTBs under Price Dissemination Project in each phase find that so far 1863 PTBs have been installed since 2009-10, whereas in some of the UTs like Andaman Nicobar, Lakshadweep, Dadra & Nagar Haveli, Daman & Diu and North East Region viz. Sikkim, Meghalaya and Mizoram not a single PTBs has been installed. Besides this, targets under phase NER

		(2010-11) as well as under phase IV, there has been shortfall in achievement of physical targets. The Committee, therefore, recommend that work relating to installation of PTBs in NE Region, phase IV and other projects under phase IV may be expedited.
25.	8.8	The Committee note that for prevention of unethical trade practices like hoarding and black-marketing etc. the "Prevention of Black-Marketing and Maintenance of Supplies Act, 1980" is being implemented by the State Governments/UT Administrations. The Committee further note that based on the provisions under the Sub-Section 4 of the Section 3 of the Act, the State Governments which are passing detention order, are reporting the facts together with the grounds of detention as well as other connected particulars to the Department of Consumer Affairs within the stipulated period of 7 days. The Committee have been informed that during the year 2012, 231 detention orders were reported to Central Government by three States namely Tamil Nadu, Gujarat and Maharashtra. The Committee appreciate the gesture shown by these States and hope that this will be followed by other States as well as it would help in preventing unethical trade practices in the country in times to come. The Committee, therefore recommend the Department to take follow up action with these State Governments in accordance with the grounds of detention furnished by them so as to prevent such practices in future.
26.	8.9	The Committee note that there is low conviction vis-à-vis the number of persons arrested and prosecuted during 2012 as the number of persons arrested, prosecuted and convicted were 4022, 3256 and 413 respectively. The same trend was observed in the previous years. However the number of persons convicted during 2012 has increased from 30 when compared from the previous year. The Committee further note that some of the States namely Bihar, Chhattisgarh, Gujarat and Punjab have furnished the reasons for instance witnesses not turning up or even if they do turn up their turning hostile, not drawing up proper FIRs which is thrown out by the courts, cases investigated by the police go off track and are not investigated properly, transfer of judges and lack of special courts/Fast Track Courts for low conviction. The Committee feel that the provision of the Act to prevent unethical trade practices like hoarding and black-marketing is not taken in true spirit by the various organizations of the Government of the States/UTs. Taking this issue merely through video conferencing will not resolve the matter. The Committee,

therefore, recommend the Department to co-ordinate with all States/UTs and discuss the matter at higher level so as to resolve the various reasons furnished by the States for low convictions.

27.

9.6

The Committee note that in response to Special Leave Petition (SLP) filed by the workers of Super Bazaar, the Hon'ble Supreme Court allowed the Government to try and revise the Super Bazaar through open bidding. As a consequence, M/s Writers and Publishers Ltd. has been accepted as the highest bidder. The Committee are surprised to note that despite Supreme Court's orders dated 14.03.2011 which empower the Central Registrar, Multi-State Cooperative Society to issue directions from time to time and which shall be complied to by the highest bidder, there is an indication of non-implementation of directions as can be inferred from fresh petition filed in Supreme Court by the workers. The Committee have been further informed that the Hon'ble Supreme Court has fixed the next date of hearing on 01.05.2013. The Committee feel that waiting till the date of hearing of Supreme Court will further affect the effective functioning of Super Bazaar. The Committee, therefore, recommend that the Department themselves should take up the matter to check the authenticity of the petition filed by the workers against non-implementation of the orders of Supreme Court and strict action should be taken in case of non-compliance of the said orders.

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15.19 hours**BUREAU OF INDIAN STANDARDS BILL, 2015Contd.**

HON. DEPUTY-SPEAKER: Now, we are taking up Item No. 10, the Bureau of Indian Standards Bill, 2015.

Now, Prof. K.V. Thomas to speak.

PROF. K.V. THOMAS (ERNAKULAM): Hon. Deputy-Speaker Sir, at the outset, I wish to support this important legislation which has been moved by Shri Ramvilas Paswan, the hon. Minister of Consumer Affairs, Food and Public Distribution. This legislation extends the formal recognition to the Bureau of Indian Standards (BIS), as the national standards body so that the BIS can legitimately represent our country in various international bodies.

I recall that as Minister in charge of the Department of Consumer Affairs in 2013 I had the privilege to move almost the same Bill in this House, and then it was sent to the Parliamentary Committee for further examination. Now, the new Government has come, the new Parliament has come. Shri Paswan has gone thoroughly into this Bill and with only a few supplementary, I wish to wholeheartedly support the Bill.

The proposed Bill is a fitting tribute to our former Prime Minister, Shri Rajiv Gandhi because the Consumers Protection Act, 1986 and the Bureau of Indian Standards Act, 1986 are his contribution. Now, bringing this legislation today, Shri Ram Vilas Paswan is actually congratulating Shri Rajiv Gandhi for the imaginative legislations - the Consumers Protection Act, 1986 and the Bureau of Indian Standards Act, 1986.

The salient features of the proposed legislation *inter alia* seeks to provide for establishment of the BIS as national standards body of India to empower the Central Government to authorise any other agency having necessary accreditation for the purpose of conformity assessment against Indian standards; to enable the Government again to bring more products, systems and services under the ambit

of standardisation; to provide for compounding of offences, and also to make certain offences cognizable, to prevent misuse of standard mark, etc.

As in the introduction, the hon. Minister said that this is one of the landmark legislations where not only the Government bodies but also other organizations and even self-certification is being allowed to fix the standards.

No doubt, the Bill has dealt with all vital issues comprehensive. But I would like the hon. Minister to give a fresh look into the following aspects of the Bill.

Sub-section 1 of Section 3 establishes BIS as a national body for the purpose of the provisions of the Act. However, there is no express provision for establishment of Governing Council which shall consist of the Bureau and other Members. Sub-section 3 of Section 3 needs certain clarity in defining the constitution of the Bureau and the Governing Council.

Sub-section 3(e) of Section 3 empowers the Central Government to appoint such number of other persons representing Government, industries, scientific and research institutions, consumers, etc. there should be a cap on the total number of Members so appointed by the Government. It is not desirable to give discretion to the Government to fix the total number of Members since this amounts to excessive delegation.

The Act itself should fix the maximum number of members in the Council. It is also not clear whether the Governing Council is a permanent body or subject to dissolution and if so, the circumstances thereof.

Similarly, Clause 5 of the Bill gives unbridled powers to the Executive to constitute any number of committees for any purpose. This is again excessive and undefined delegation. There should be a cap on the number of committees to be established. The total number of committees that can be constituted should be specified in the Act itself.

Clause 34 of the Bill provides that any person aggrieved by an order made under Sections 13,14,17 and 33 can prefer an appeal to the Director General, BIS.

However, it is seen that all such aforesaid decisions against which appeals have been proposed were authorised to be taken only by the Director General, BIS. In other words, DG, BIS has been authorised to decide the issues in original and also the appeals on such decisions taken by him. This negates the very principle of jurisprudence that no person can sit on judgement on his own decision. It is desirable that the appellate powers are vested with the Executive Committee.

Sub-clause 3 of Clause 34 provides that every appeal made under Clause 34 shall be accompanied by such fees as may be prescribed. Levy of fees for preferring appeal is unfair and is not customer friendly. The provision of levy of fee for appeal should be deleted.

Clause 20 in Chapter 4 of the Bill envisages constitution of a fund called “Bureau of Indian Standards Fund” in which all grants and loans made to the Bureau by the Central Government, all fees, charges and fines received and all sums received from such other sources as decided by the Central Government should be credited. It has also been stipulated that the fund would be used towards the salary, allowances and other remuneration of the members, officers and other employees of the Bureau, expenses of the Bureau in the discharge of its functions and the amount of fine received to be used specifically for consumer awareness, consumer protection and promotion of quality of goods, articles, processes, system and services in the country. In other words, the receipts and payments made out of the BIS Fund are not brought under the budgetary process since these have been kept outside the Consolidated Fund of India. I understand that the extant orders of the Ministry of Finance and the Ministry of Law stipulate that all funds received by any institution – be it autonomous or otherwise – are primarily public money and all such money received by and on behalf of such institutions would be part of the Consolidated Fund of India. The expenditure from such funds can be only through appropriations approved by Lok Sabha. No receipt of money or no expenditure can escape the scrutiny by Parliament.

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These are some of the suggestions I would like to give to the hon. Minister. Now, I would also like to mention some of the salient features of the Consumer Protection Act in our country. We are one among the nations which is above even many of the developed nations on consumer protection.

Our motto is 'consumer is God'. India is one among the few countries which has a slogan for the consumer protection: 'Jago Grahak Jago', that is, wake up the consumers. We have got a number of legislations. For example, yesterday the hon. Minister said hallmarking. It is one of the landmark provisions. We have made the BIS. This is not done by the Government agencies alone; there are other agencies. There is a self-certification which has been found to be accepted by the international bodies.

India is one of the countries where drinking water is being standardised. Weights and measures are being standardised. Even biscuits, soaps etc. are being standardised. The contribution of Rajiv Gandhi in bringing this legislation in 1986 has a far-reaching effect. Even service has been standardised.

I would also like to bring to the attention of the hon. House and the hon. Minister that there are two issues which we have to handle. One is this. When I was handling this Ministry, we constituted two Committees. One is about the misguiding advertisements which are cheating the consumers. The advertisements of health foods are coming in the newspapers. I think the advertisements of health foods have come to a stage that even the mother are switching over from breast feeding to ready-made food. So, this is something where we have to be serious.

Then the advertisements come regarding the cosmetic items that if you use a particular hair oil, your hair will grow well.

HON. DEPUTY SPEAKER: Prof. Thomas, a lot of advertisements are being given of ayurvedic products.

PROF. K.V. THOMAS: People are being cheated. We had constituted another Committee regarding wastage of food. India is such a country that, on the one side, there are very wealth people. They have got enormous food. Food is being

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wasted. Even in marriages, in functions the wastage of food is there more than 70 per cent. In a State like Kerala, we feel pained. We had a story a few weeks back that in Wayanad district, an entire family depends on the food they get from the mid-day meal. If the schools are in holidays, the entire family is in starvation. So, this is the situation. We also find that in States like Kerala, the marriages are conducted like festivals. Huge wastage of food is taking place in the country. A large section of people in the county do not have food for even one time. So, I think, these are some of the issues. We had a Committee; the proceedings are before you.

So, these issues should be followed up. Anyhow, before I conclude, you have a big task ahead and we will support you on all efforts which are for the growth of the country. With these words, once again, I support this Bill.

डॉ. संजय जायसवाल (पश्चिम चम्पारण) : महोदय, आपने मुझे इतने महत्वपूर्ण बिल पर बोलने का अवसर दिया, इसके लिए मैं आपका आभारी हूँ। मैं प्रो. थोमस का भी आभारी हूँ कि उन्होंने अपने तथा अपने दल के द्वारा इस बिल का पूर्ण समर्थन किया है।

15.35 hours

(Shri Konakalla Narayan Rao in the Chair)

जैसा थोमस जी बता रहे थे कि बीआईएस एक्ट 1986 से मौजूद है और विदेशों में भारत का प्रतिनिधित्व करता था लेकिन अब इसकी सरकारी तौर पर मान्यता नेशनल स्टैंडर्ड बॉडी आफ इंडिया के रूप में हो रही है जो कि पहले नहीं थी, हम इसके लिए माननीय मंत्री जी के बहुत आभारी हैं। अभी भारतीय उद्योग जगत विश्व में अपने सामानों को आराम से निर्यात कर सके, उसके लिए बीआईएस की हॉल मार्किंग बहुत जरूरी है क्योंकि हमारा सामान विश्व मानक के अनुरूप होना चाहिए। इससे सबसे बड़ा लाभ हमारे भारतीय उपभोक्ताओं को यह होगा कि वे एश्योर्ड रहेंगे कि हमें जो प्रोडक्ट मिल रहा है, वह क्वालिटी प्रोडक्ट है। इस बिल के लाने से हमारे प्रधानमंत्री श्री नरेन्द्र मोदी ने हिंदुस्तान को उद्योग जगत का मैनुफैक्चरिंग हब बनाने का सपना देखा है, जिसके तहत मेक इन इंडिया पर विभिन्न जगहों पर काम चल रहा है, हिंदुस्तान विश्व में उद्योग का सिर मौर बन सके, उसके लिए भी यह बिल बहुत ही आवश्यक था क्योंकि जब तक भारत के सामान की गुणवत्ता विश्व स्तर पर प्रमाणित नहीं होगी, तब तक हम विश्व में अपने प्रोडक्ट बेच नहीं सकते हैं। हम लोगों ने देखा है कि हमारा पड़ोसी देश, जो विश्व का सबसे बड़ा निर्यातक है, पूरी दुनिया में उसका सामान सप्लाई होता है, लेकिन उस देश के सामान की रैपोटेशन हिंदुस्तान के गांवों तक इतनी खराब है कि उसे मजाक के तौर पर लिया जाता है। हमारे यहां उस देश के सामान के बारे में एक चुटकला प्रचलित है। "एक हिंदुस्तानी व्यक्ति की शादी उस पड़ोसी देश की लड़की से हो गई। कुछ ही दिनों में उस लड़की का स्वर्गवास हो गया। उसके दोस्तों ने कहा कि उस मुल्क की थी, इसलिए कितने दिन चलती।" इस तरह से जब हम किराने की दुकान में भी जाते हैं और पूछते हैं कि अगर यह इस देश का सामान है तो कितने दिन चलेगा। दुकानदार कहता है कि जब तक आप पैसा नहीं दे रहे हैं तब तक मेरी गारंटी है और जब आपने पैसा दे दिया तो यह आपकी गारंटी पर निर्भर करेगा। इस तरह के सामानों का निर्यात वह मुल्क हमारे यहां करता है और हमारे देश को डंपिंग ग्राउंड बना कर रखा है। इस बिल का सबसे बड़ा फायदा यह होगा कि जब डब्ल्यूटीओ में हम जाएंगे तो वहां एक नियम है कि अगर आपके यहां किसी सामान का स्टैंडर्ड निश्चित है तो दूसरे मुल्कों को भी उसी स्टैंडर्ड का माल उनके देश में भेजना है। चीनी खराब सामान का हमारा देश जो डंपिंग ग्राउंड बन गया है, इस बिल के आने के बाद यह

रुक सकेगा। हमारे देश में भी स्टैंडर्ड सामान बनेगा और विदेशों से भी जो सामान आएगा, उसकी क्वालिटी पर नियंत्रण लगेगा। यह इस बिल से बहुत बड़ा फायदा होगा। इसके अलावा इस बिल की जो खासियत है, वह यह है कि यह केंद्र सरकार को अधिकार देती है कि कोई भी एजेंसी जिसके पास प्रोपर एक्रीडिटेशन है वह इंडियन स्टैंडर्ड की जांच करवा सकती है कि वह अंतर्राष्ट्रीय मानकों के अनुरूप है या नहीं। इस तरह की जांच इंडिपेंडेंट बॉडी से करवाने पर हमारे सामान को विदेशों में बेचने के लिए निर्यात करने में बहुत सुविधा होगी। इसके लिए मैं माननीय मंत्री जी का बेहद आभारी हूं।

यह ओपन सीक्रेट है कि अगर दुनिया में सबसे ज्यादा गोल्ड है तो वह भारतीय गृहणियों के पास है लेकिन जब सचमुच में उन्हें जरूरत होती है और उस गोल्ड को बेचने की जरूरत पड़ती है तो बेचते समय पता चलता है कि यह तो 14 कैरेट का गोल्ड है या 18 कैरेट का गोल्ड है। इससे उन्हें बहुत नुकसान होता है। गोल्ड में हॉल मार्किंग एसेंशियल करने का प्रावधान कीमती धातुओं के लिए उठाया गया है, इसके लिए भी मैं माननीय मंत्री जी का आभारी हूं कि कम से कम जो भी सोना वे खरीदेंगी, प्लेटिनम या सिल्वर, वह धातु मानक के अनुसार होगी।

इसके अलावा बीआईएस में साढ़े नौ हजार से अधिक उत्पादों में 19300 स्टैंडर्ड्स निर्धारित किए गए हैं लेकिन अभी तक केवल 92 प्रोडक्ट्स पर ही कानून लागू है। मैं मंत्री जी को धन्यवाद दूंगा कि 400 प्रोडक्ट तक इसे ले जाने की सोच रहे हैं। यह बहुत अच्छा कदम है और जितने ज्यादा प्रोडक्ट्स हम इसके तहत लेकर आएंगे, उतना ही अच्छा रहेगा। इसके बाद इस बिल में मंत्री जी ने इंस्पेक्टर राज का खात्मा किया है। इसके लिए भी मैं उन्हें साधुवाद देता हूं कि इस बिल के द्वारा सिम्प्लीफाइड कंफरमेंट्री असेसमेंट स्कीम है कि वह सैल्फ सर्टीफिकेशन कर सके, इंडस्ट्री खुद मार्केट सर्विलेंस करके अपने प्रोडक्ट्स की जांच कर सके, जरूरत पड़ने पर उन्हें वापिस ले सके, यह एक बहुत ही अच्छा कदम है और इसके लिए भी मैं माननीय मंत्री जी को बहुत-बहुत धन्यवाद देता हूं। इसके अलावा इस बिल में सर्विसेज और प्रोसेस को पहली बार शामिल किया गया है, यह भी बहुत अच्छा कदम है क्योंकि हम लोग विदेशों से जो इक्विपमेंट्स लाते हैं, मैं डाक्टर हूं और मेडिकल इक्विपमेंट्स बाहर से मंगाए जाते हैं, उनमें हम देखते हैं कि हर इक्विपमेंट का अलग सर्टीफिकेशन होता है, उसकी एक क्वालिटी होती है और हम लोग बिलकुल एश्योर्ड होते हैं जबकि इंडियन एक्विपमेंट्स में ऐसा नहीं होता है। उसमें जो केबल या दूसरे प्रोडक्ट्स लगे हैं, वे किस क्वालिटी के हैं, यह पता नहीं चलता था। इसके लिए मैं बधाई देना चाहूंगा कि उन्होंने जो प्रोसेस शामिल किया है, वह बहुत अच्छा है।

इसके अलावा स्मार्ट सिटी के लिए जो प्लानिंग हो रही है, फूड की यहां तक कि पीने के साधारण जल को भी इसमें लाने का प्रयास हो रहा है, उसके लिए भी मैं मंत्री जी को बधाई देता हूं। इसके साथ ही

मैं मंत्री जी को कुछ सुझाव देना चाहता हूँ। पहला सुझाव यह है कि आईएसआई का बहुत ज्यादा दुरुपयोग इस देश में होता है। बहुत सारी ऐसी घटिया कम्पनियाँ हैं जो नकली माल बनाती हैं और आईएसआई मार्क लगाकर बेचती हैं और उपभोक्ता समझ नहीं पाता है कि यह माल सही है या गलत है। बहुत जगह तो रेड करके पकड़ा जाता है लेकिन कुछ ऐसे प्रदेश हैं, मैं अपने ही प्रदेश की बात कहता हूँ। मैं बिहार का डाटा देख रहा था कि तीन साल में एक रेड भी नहीं की गई। केंद्र सरकार की कोई एजेंसी होनी चाहिए जो कि दूसरे प्रदेश में जहाँ उनका कोई रेड का इंटरैस्ट नहीं हो तो वहाँ कम से कम नकली सामान नहीं बिके। कौशलेन्द्र जी भी हमारे सामने हैं। इस चीज का प्रयास होना चाहिए कि हर जगह सामान की गुणवत्ता की जांच हो सके। उन प्रदेशों में भी होना चाहिए जहाँ सरकारें इसमें दिलचस्पी न रखती हों कि नकली माल बिक रहा है या असली माल बिक रहा है। इसके अलावा हम जो सैल्फ एक्रीडिटेशन इंडस्ट्रीज को दे रहे हैं, इसका अगर दुरुपयोग होता है तो पाँच लाख का जुर्माना या सजा, यह बहुत कम है। इसके लिए बहुत कड़ा कानून बनाने की जरूरत है।

हम देखते हैं कि दूध में यूरिया डाल कर मिलावट की जाती है। इस तरह हम पूरी जेनरेशन को खराब करते हैं, इसके लिए तीन-चार महीने की सजा का प्रावधान बहुत कम है। अगर हम सैल्फ एक्रीडिटेशन की पावर इंडस्ट्रीज को दे रहे हैं और वह गलत करती है तो सजा बहुत होनी चाहिए। खास कर फूड प्रोडक्ट्स के लिए भी ऐसा ही होना चाहिए। यदि इसमें गड़बड़ी मिलती है, तो इसके लिए इतना कड़ा प्रावधान होना चाहिए जिससे कोई गड़बड़ी करने की हिम्मत न करे। हम लोग देखते हैं कि यदि पाँच हजार किलो दूध-निर्मित सामान की जरूरत है तो दो दिन में बनकर आ जाता है। दूध का उत्पादन तो फिक्स होता है, लेकिन दीपावली में जितना चाहिए उतना मावा मिल जाता है। ये सब चीजें बंद हो सके, इसके लिए मैं कहूँगा कि कड़ा कानून बनाया जाए। इसके अलावा जो टैस्टिंग लैबोरेट्री का प्लान बन रहा है, इसमें अगले साल चार-पाँच लैब्स जोड़े जाएंगे, यह सफिशिएंट नहीं है। यदि बीआईएस को आगे बढ़ाना है तो माननीय मंत्री जी को वित्त मंत्री से कहकर एक साथ बहुत-सारे एक्रीडिटेशन सेन्टर खोलने चाहिए, जहाँ पर सामान की भी जाँच हो सके और जो व्यापारी अपना एक्सपेंशन करना चाहें, तो तुरंत इसकी जांच हो सके। इसके साथ ही मैं आपको बहुत-बहुत धन्यवाद देता हूँ कि आप इस महत्वपूर्ण बिल को लाये। माननीय प्रधानमंत्री जी के 'मेक इन इंडिया' कैम्पेन का सबसे महत्वपूर्ण स्लोगन है, वह है- 'Zero defect, zero effect' होने का, यह तभी हो सकता है, जब यह बिल पास हो। इसलिए इतना अच्छा बिल लाने के लिए मैं आपको साधुवाद और बधाई देता हूँ तथा इस बिल का पूरा समर्थन करता हूँ।

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SHRI A. ANWHAR RAAJHAA (RAMANATHAPURAM): Hon. Chairperson, Sir, I thank the hon. Chief Minister of Tamil Nadu, Dr. Puratchi Thalaivi Amma for enabling me to part in the discussion on the Bureau of Indian Standards Bill, 2015.

The Bill seeks to provide for a National Standards Body. Moreover, the Bill will enable the Union Government to bring more products, systems and services under the ambit of standardization.

The Bill will enable mandatory hallmarking of precious gold metals besides preventing misuse of standard mark. The Bill further seeks to repeal the Bureau of Indian Standards Act, 1986, that is, Act 63 of 1986.

BIS has already been representing India in various international bodies and has formulated over 19,300 standards for about 9,500 products and services under 16 categories.

Sale of precious spurious and substandard articles is an alarming issue. It concerns the safety and the health of the consumers at large. So, we should ensure standardization to be mandatory for each and every item sold. Non-standard electrical and electronic items, be it Chinese or local products, stresses the need for a comprehensive legislation.

It is learnt that there are mandatory standards for only 122 categories of items as per the Industrial Development Regulation Act. It is not just imported items, but even many of our domestic products are sold without complying with any standard.

International trade agreements give full freedom to any country to make standards for goods. So, we should make certain standards mandatory for manufacturers.

In Europe, there is 100 per cent compliance for standards. I hope that India will gradually move towards that direction. A large number of items and services are to be covered under one go. If standardization is made mandatory, then the Government may also opt for self-certification by the manufacturers. The

manufacturers can get their products tested through Government approved laboratories or test centres before self-certification. There can also be a comprehensive mechanism to get all information relating to standards like energy efficient, child friendly and environment friendly.

Without having a certificate or license from the Bureau of Indian Standards, no person can make a public claim through advertisements of his goods conforming to an Indian standard. Any person who contravenes this provision, shall be punishable with imprisonment.

Three more aspects, which are pertinent in the current Bill are: 1) mandatory hallmarking for all precious metal articles; 2) prevention of misuse of standard mark; and 3) 'mandatory recall' of non-standard items and compensating the consumers.

The Bureau of Indian Standards has made it mandatory to emboss a hallmark on all standardized gold jewellery, which is called BIS hallmarked jewellery. This protects the consumers.

Nowadays, the gold ornaments are made in advanced machines, and nothing really goes waste. However this tradition of calculating wastage continues and this is expressed in terms of percentage, which is charged from the customers. The wastage charges typically vary from 10 per cent to 18 per cent, and in most shops, it is 18 per cent. There should be some uniform procedures for ensuring fair practice in gold trade.

Section 18 makes obligatory provision for the license holder to display the making and labelling requirements of the product. There are 16 broad categories including textiles, packaged water, food items etc. If anyone wants to add a new category to the current list, he can apply for it. It covers so many areas to avoid substandard products.

To ensure quality and safety to the consumers, our policies are well-formulated in painstaking detail and well-intentioned. Therefore, the BIS should

do away with the voluntary scheme and make it mandatory for all the products to conform to basic quality standards.

For now, the consumers must look for the ISI mark while buying products. As you can see, granting of license to use is quite stringent. Generally, the product certification scheme is voluntary in nature. However on consideration of health and safety of the consumers, ISI mark has been made compulsory by the Government for a number of products.

Compulsory use of standard mark has been directed by the Union Government under Section 16 of the current legislation for products covered under the scheduled industry. The Government should come forward to expand the list of products beyond the scheduled industry.

The data available with the Bureau of Indian Standards shows that over 60 per cent of the recently registered products are 'made in China'. This highlights the eagerness of Chinese manufacturers to enhance their processes and meet Indian standards to take into our rapidly growing markets.

But there are a vast majority of goods from electricity bulbs and thermometers to Ganesha and Laxmi idols where the Government is yet to have domestic standards, resulting in unregulated entry of Chinese products. This is reflected in the growing trade deficit.

International trade rules stipulate that standards for imported goods need to be the same as those for local manufacturers. There is a need to have standardisation of service sector such as education, ICT, Tourism, retail and logistics to help India.

The current legislation also has provisions to provide recall, including liability of products bearing the standard mark but not conforming to relevant Indian Standards. Section 31 ensures that the license holder is liable for the injury caused by the non-conforming goods.

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As per the statistics provided by BIS through an RTI application from 2001 to 2008, only 815 cases were filed by BIS in courts against those who used false ISI mark on products.

This data furnished by BIS itself is very disturbing. Moreover, filling and pursuing of single complaint case under BIS Act costs about rupees one lakh and about two to three years litigation. Undoubtedly, the BIS Act lacks teeth.

Enforcement machinery of BIS is not very satisfactory. The judicial process and pendency of cases are something not to cheer about. Hence, BIS should be given complete prosecution powers to act on every item.

In Mumbai, recently within a span of three days, 6438 bikers were fined rupees two hundred each for wearing helmets without ISI logos. Reports of helmets breaking are common, over 85 per cent of them are claimed to be of sub-standard quality in spite of being under mandatory ISI certification.

Hon. Chairperson, Sir, as we are discussing about the standardisation, quality assurance of goods and services in the country, I want to mention here that even the bottled water is still not safe for human consumption. The State Government of Tamil Nadu headed by our hon. Puratchi Thalaivi Amma is the pioneer and forefront in implementing various schemes for the welfare of common people's social, health and economic status and to maintain standardisation of goods.

I want to mention some of the schemes being implemented in Tamil Nadu and getting full support of the people from all walks of life. The first and the best among the scheme is the cheap and best, very hygienic 'Amma Kutineer' (bottled mineral water) is being supplied at rupees ten in bus terminals and even in the long distance express buses.

Hon. Chairperson, Sir, I want to point out that the same water bottle is being sold in Railway Stations as 'Rail Neer' at rupees fifteen and in open market at rupees twenty all over India. But in Tamil Nadu, it is sold only for rupees ten.

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The second scheme is 'Amma Unavakam' (Amma Tiffin Centre) is selling very hygienic food of idli at rupee one with Sambar and Chutney. The same *idli* is selling in the hotel at Rs.10 per piece. I want to mention here that the Central team visited Chennai recently to assess the damage caused by the heavy incessant rain. The team members also tasted the food in Amma Unavagam and appreciated the scheme.

The third one is 'Amma Medical Shop' which is selling medicines at 15 per cent rebate to the patients without any restrictions of income groups. This operation will help to eradicate fake medicines being sold to the customers.

The fourth one is 'Amma Salt'. It is selling iodized salt at a rate less than the open market rate.

The fifth one is 'Amma Vegetable Market' which is selling green vegetables at the cheapest rate because the Government is procuring all the fresh green vegetables from the farmers directly and selling it to the people without any profit.

The sixth one is 'Amma Cement'. Under this scheme, cement is sold at a very cheap rate of Rs.190 per bag containing 50 kilograms to the people to construct house through which the dreams of many poor people have been fulfilled.

Hon. Chairperson, all these schemes are being implemented to maintain standardization and quality of the products at the cheapest rate and also to safeguard the people from buying fake products.

This is the theme of this Bill. So, I quoted all these programmes which are going on in Tamil Nadu and these may be followed all throughout the country.

HON. CHAIRPERSON: Please conclude.

SHRI A. ANWHAR RAAJHAA: Sir, I will conclude. The kind of standards that exist in the country, the huge infrastructure that is employed for testing, inspection and enforcement activities--all come at a cost that has to be borne by the consumer directly or indirectly. So we need to find out if the consumers' money is being used efficiently.

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I hope the Bill, when enacted, will definitely promote harmonious development of the activities of standardization, making and quality certification of goods and services. Let the Bureau of Indian Standards rise up to the occasion with full vigour in setting standards.

Hon. Chairperson, Sir, I wholeheartedly support the Bill moved by our hon. Minister Shri Ram Vilas Paswan and I conclude by thanking the Chair. Thank you.

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DR. MAMTAZ SANGHAMITA (BARDHMAN DURGAPUR): Respected Chairman Sir, thank you very much for allowing me to speak on this Bureau of Indian Standard Bill, 2015.

I think all of us are supporting the Bill and thanking the Government of India for bringing this Bill which is actually rather an extension, with a few amendments, of the Bureau of Indian Standards Act, 1986. It is coming with more authentication, more extension of the products, vision, penalties, etc.

The BIS is a body which determines the Indian standards and also it harmonizes the national standards with authentic international standards. This Bill is trying to include even the services also. I think, by standardizing the product processes, this Bill will be helpful to the consumers. It will be consumer friendly. Not only will it help the consumers but also it will be helpful for the business transactions. Also, it will help, if the standards are more or less on par with the international standards, authenticate export and import of Indian materials and business.

16.00 hours

The main functions of BIS are standardisation, formalisation, certification, granting licence to use trademarks on the products and processes under licence and to take delineate actions against the defaulters. The Bureau of Indian Standards set standards for different products. Most of the standards applicable are voluntary as some of my colleagues have already mentioned.

According to the Government officials, this is in contrast to the global preview where obtaining standards is mandatory for any business or any consumer product. In India there are only 122 products for which there are mandatory standards. This list includes goods ranging from cement, steel products and household electrical goods and is set to be widened.

16.02 hours

(Shri Hukmdeo Narayan Yadav *in the Chair*)

Our standard regime is still in a nascent stage of development. The awareness and adoption of standardisation is very low. Indian exports face many

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difficulties and products have been barred on grounds of meeting mandatory standards. Such situations crop up in discerning markets like US, Europe and Japan. So far BIS has formulated 19300 standards in different areas for standardisation of 9500 products and services. But so far around 400 products have been identified only across different segments for which Government is planning to set up planning and safety standards. This shows that we have to go far more ahead.

The new regulation is to repeal the earlier Act. The BIS Bill, 2015 seeks to provide a path to achieve the following objectives. Its first objective is to set up the BIS as the national standards statutory body. This is being done for the first time. Originally, in 1947 there was an Indian Standards Institution which was the body to deal with standardisation. But it was only an informal body. Then, a Bill in this regard came in 1986 which truly placed the bureau as a statutory body and it extended its range up to goods. Previously, it was for materials and processes only. At present, it is being extended to the services and systems.

My hon. colleague, Mr. Thomas has already spoken about the formation of this body which will include a Governing Council and the Executive Body. It will consist of Director, Executive Members, Government officials and State Ministers. As this is the question of standardisation, I would suggest that we should include in it some experts from different fields. They may not be the part of Governing Council but they can be there in the Executive Body.

Many of us have said that it is very good that we are extending the Bill up to the 'services'. There are different kinds of services. For example, medical service may include hospital service with medical professional service and medical hospital service. It could be education, restaurant and so on. I do not know how this vast task could be done by the Bureau. The term 'services' is not clearly defined. What sort of service will be covered and up to what standardisation is to be done and who is going to standardise it. It is not clearly defined.

It enables the Government of India to bring mandatory certifications regime such as article process or service considered vital from the viewpoint of health, safety, environment, prevention of deceptive practices, and establishment of peace and security for the consumer as well as the businesspersons. This will assist consumer to receive ISI certified products and prevent import of below par products. There will be multiple types of simplified conformity assessment schemes. It is good that the persons, who are selling the products, can themselves come and get it certified from the certifying authority. There will be self-declaration of conformity against any standard to give multiple simplified options to manufacturers for standard adherence. It is kept keeping in view probably that more number of manufacturers will come for certification.

This Bill will enable the Centre to appoint any authority alongside BIS for verifying conformity of products and services. It says 'any authority', but it has not clearly defined what sort of authority will be there and what its formation will be with respect to each item.

This will also enable the Government of India to implement mandatory hallmarking of precious metal articles, namely, gold, platinum etc. Here, I would like to bring to the attention of the hon. Minister that there are other metals like iron, brass and steel which are very important for the consumers in the sense that substandard use of these metals may lead to disasters like damage and collapse of a bridge and many other hazards relating to construction field. In this era where we are facing natural calamities like earthquakes, cyclones and floods, we need more of solid materials to save the human lives.

It has not specified the accreditation process for checking laboratories. It should have been clearly stated in the Bill. Anyway, this Bill is quite good.

The last thing I want to say is that some report has already expressed the apprehension whether BIS at this moment is ready to take the challenge of this

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vast task. The WGC study said that the BIS lacks adequate resources for testing, monitoring and enforcement.

Keeping those things in mind, I would request the Government to pass the Bill.

Anyway, I am supporting the Bill. Thank you.

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श्री रवीन्द्र कुमार जेना (बालासोर) : सभापति जी, मैं आपका धन्यवाद करता हूँ कि आपने मुझे ब्यूरो ऑफ इंडियन स्टैंडर्ड 2015 बिल पर भाग लेने का मौका दिया। Sir, this is a historic Bill. Once this Bill is passed and implemented in letter and spirit, it is going to positively contribute to the interest of the consumers in our country. Hence, I say that this Bill is historic. I stand here to support the Bill.

मैं इसी पॉइंट से चर्चा शुरू करना चाहूँगा। कल मंत्री जी का सदन में वक्तव्य था। उन्होंने एक अच्छी बात बोली थी। उसी पॉइंट से मैं चालू करूँगा। उनका वक्तव्य यह था कि बाहर से घटिया सामान आता था। This was a point that the hon. Minister made yesterday on the floor of the House.

There is a company called the Bharat Heavy Electrical Limited (BHEL). It is a public sector company. It is a Navratna company, and all Indians are proud of such public sector companies like BHEL. BHEL had just reported the first quarterly result for the current financial year. उस रिज़ल्ट में क्या निकला? The profitability of the company has gone down by 82 per cent. 82 प्रतिशत का प्रॉफिट घट गया। What are the reasons? Of course, there are many reasons, but one of the primary reasons is that the Chinese companies who are black listed in China are dumping their products in our country and posing a challenge to those companies who are producing quality products in our country. This is a challenge and this is what the hon. Minister was making a mention of.

I will give another example regarding a sample test by the Department of Agriculture. The Department of Agriculture has collected some 20,600 samples and out of that 3,800 samples contained pesticide residue and 1,180 of those contained such pesticide residue that are not permitted to be used in our country. This is the quality of products, which we are eating day in and day out.

I will give another example. चाय का जो एक्सपोर्ट होता है, we all know that almost 18-20 per cent of our tea that is getting produced in our country used to be exported out of India. Now, the figure has come down to 10-12 per cent. What is

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the issue? The issue is quality has gone down, and we are not able to reach that quality.

I will give the last example of how we are suffering regarding the hallmarking of gold jewellery, which several speakers have already spoken about. एक बात हम सबको पता होनी चाहिए कि हमारे देश में हॉलमार्किंग ऑफ गोल्ड ज्वैलरी 15 साल पहले चालू हुई थी। In July this year, none other than the World Gold Council, has come up with a Report कि इंडिया में लगभग 30 प्रतिशत गोल्ड ज्वैलरी की हॉलमार्किंग होती है। कोई 9 कैरेट का गोल्ड बेच रहे हैं, कोई 22 कैरेट का बेच रहे हैं, कोई 14 कैरेट का बेच रहे हैं। But the poor consumer is paying for 22 carat even if he is getting 9 carat. This is the problem. Hence, this particular Bill is going to address that issue.

Today, as per the Industrial Development Regulation Act, only 122 categories of items are coming under the purview of BIS. But with this Bill, the good part is that, all the products, services and processes that are going to be sold in our country are going to be within the purview of this new legislation. Hence, it is a historic Bill because it is going to positively affect all of us.

But this Bill comes with a couple of concerns. I have got five key concerns, which I would like to place for consideration of the Government and the hon. Minister. The first one is this. Who is going to be in the Board that is going to be constituted? How can we ensure that the Board works without fear or favour and does not become another wing of the Government of India? I am saying this because there is a possibility of coming under fear and favour. Why cannot we have an independent Board for such an important subject, which the country is going to legislate?

Secondly, on what basis you are going to fix standard? There are "n" numbers of goods, services and processes which are going to come up. Are we all equipped to do it? Do we have the ability as of now and resources as of now to take up this humongous task? Are we prepared to do it? It is a very key issue,

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which we cannot afford to forget. Once we forget, the interest of the consumers will suffer.

Thirdly, where are our testing laboratories? Who is going to man all those laboratories? Do we have the required manpower to man all the testing laboratories and have specifications for the standardization, which we are talking about today?

The fourth point is regarding self-certification. Our hon. Member from Bihar, Dr. Jaiswal, who was here, had made a mention about what is happening in Bihar. This must be happening in many parts of the country. The self-certification in India has unfortunately not worked. We appreciate the Government's move that in 80 per cent of the cases, across the globe, it is happening on self-certification, but it has not worked in India. So, what are the checks and balances we have got in the system to take this into account because the consumer again should not pay the price? Are we equipped or are we ready to address that?

The last point is, coming back to the issue of exports again, what standards we are going to make with regard to the international standards. When we say that we will have a standard for the imported goods, what are the standards we are going to follow? International standards have got many things – we have got the American standard; we have got the European standard; and we have got many other standards. So, what are those standards which we are going to have because the international trade agreement very explicitly says that a country can have its own standards, but the standards have to be one and the same for the imported product and for the domestic product?

In the light of the above, while I support the Bill, I request the Government and the hon. Minister to take cognizance of all the concerns which are of very, very serious nature before passing the Bill, and take care of the concerns of the consumers of our country. Thank you.

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SHRI JAYADEV GALLA (GUNTUR): I thank you, Sir, for giving me an opportunity to speak on the BIS Bill which is proposed to replace the existing 1986 Act. This is a very important Bill. If India has to become a global economic superpower, standards are an extremely important subject, and we cannot become a global economic superpower without passing such type of bills. It is also very important from the point of ease of doing business and our Make in India initiative. It is good that the Bill proposes to widen the scope and bring in more products under standards regime and end the Inspector Raj, which is a positive sign. It also aims to prescribe, through the proposed legislation, standards for services and processes under its ambit for the very first time. Mandatory certification regime of an article, process or service is necessary from the point of view of health, safety, environment, prevention of deceptive practices, security, etc. So, I welcome this Bill.

I hope that it contributes to improve the ease of doing business in the country. It is a good sign that the Bill is allowing multiple types of simplified conformity assessment schemes, including self-certification and market surveillance, instead of inspectors visiting factories, thereby ending the Inspector Raj on standards. Apart from this, the Bill also proposes to recall products even if these were ISI marked but not conforming to relevant Indian standards. The other positive aspect of this Bill is that it allows foreign and Indian entities other than the Bureau to be recognized as the standardizing authority. This is done to create an investor-friendly regulatory framework which is in tune with global standards along with protecting the consumer.

But the problem with the Bill is that it seeks to place several activities into a single place which is not an international practice and nowhere in the world had National Standards Body been utilized the way we do in India because it is doing regulatory work, market surveillance, registration, etc. So, I suggest for consideration of the hon. Minister to allow BIS to primarily focus only on certification and standardization.

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Coming to definitions clause, I did not find any definition of 'certification' or 'accreditation'. I request that the terms may also be defined as accepted internationally to avoid any disputes in future. Sir, BIS has prepared a standard IS/ISO/IEC 17000:2004 which contains definitions on 'review' and 'attestation'. So, in the same way, 'certification' and 'accreditation' may also be defined.

Now, I will come to clause 7 of the Bill which deals with the appointment of Director General. Sir, BIS is a fully autonomous body not financed by the Central Government. Clause 7 (3) indicates that the Central Government will appoint Director General, which is not advisable. It amounts to interference in the affairs of an autonomous organization. Secondly, BIS is a scientific and technical organization and needs a scientist or a technical person to head it. Under the earlier NDA Government, a Committee under Shri Sharad Pawar Ji recommended that BIS should be headed by an eminent scientist. The Government accepted this recommendation, but has not implemented it. So, I request for better maintenance of standards, BIS should be headed by a scientist.

Now, under clause 9(2)(f), the Bill proposes direct accreditation by BIS which is in direct conflict of interest. I am saying, conflict of interest because BIS itself is a conformity assessment body for testing or certification service or standard setting service. So, how can it accredit other similar bodies? It is a conflict of interest in the activity of accreditation and when this work is being done by National Accreditation Board for Certification Bodies in Quality Council of India and BIS itself has been accredited by an Accreditation Body for its Management System Certification Scheme, how can BIS accredit other bodies? This is clear conflict of interest and needs to be removed.

The Bill is a consumer-friendly and helps in stopping unfair and unscrupulous trade practices, because the existing Bill lacks legal power to prosecute the unfair people. It is a good move. Also, I would suggest that somehow we also need to align this with the Advertising Standard Council of India. Many times, I have seen in the country where various manufacturers are

making certain claims about products and services that do not hold true and how can they hold people accountable and how can it be aligned with the BIS and other bodies, that is something that needs to be studied.

Hon. Minister is aware that for the last so many years, the Government is not financially supporting the BIS and the BIS itself is surviving on its own. Now, the Bill proposes to give more autonomy to the BIS. It is a welcome step. But mentioning ‘prior approval of the Government’ for doing such and such thing by the BIS cripples the BIS to go down to the block level to ensure BIS certified goods are supplied to the customer. It also hampers in expansion of its infrastructure which is a must in the area of standardization with rapidly changing technology. So, I would request the hon. Minister to remove Government control on BIS and let it expand on its own infrastructure all over the country.

Clause 10(3) talks about constituting technical committees. In practice, at present, the highest committee in the BIS dealing with standards formulation is Standards Advisory Committee. Then there is the Division Council which finalises the standards. Division Council also constitutes Sectional Committees, sub-committees and panels. But, there is no mention of Division Council in the Bill. You are only talking about Technical Committee which is non-existent in the present set up of BIS. So, there is confusion. I would request the hon. Minister to clarify this.

The next point is that the BIS issues certificate of conformity under clause 13. But, if any risks arise from its certification, who is going to compensate? It is a common knowledge that BIS have to cover liabilities arising from its operations in the geographical area in which it operates. There is no mention about insurance or corpus to address in any such eventuality. You have only said that BIS is a body corporate under clause 3(2) and it can sue and be sued. So, I would request the hon. Minister, since the Government is not going to fund BIS henceforth, how BIS is going to address this issue.

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One of the major issues beyond certification is enforcement. There are so many enforcement bodies and agencies in the country and concerted coordination among all of them will make it more effective. How will we take up this concerted effort is something, that needs to be looked at.

With the proposed Bill, I am confident that India will catch-up with the world standards and fulfil the hon. Prime Minister's slogan of "Zero Defect, Zero Effect."

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SHRI KONDA VISHWESHWAR REDDY (CHEVELLA): Hon. Chairperson, I thank you for this opportunity. Standards are extremely important. They affect the consumer; they affect the quality of life. Standards affect manufacturers and industries. They affect the economy. But more than that, they affect the implementation of Government policies and schemes. Standards can affect the image of our country on the global stage. And in healthcare, standards can actually save patients lives or kill patients.

I would like to congratulate the Government and the Hon. Minister for introducing this Bill. The previous Government also recognised it, credit goes to them as well, and they referred it to the Standing Committee. The Standing Committee has given about 12 recommendations. Once again I would congratulate the present Government and the Minister for accepting about 10 of the 12 recommendations given by the then Standing Committee and including them in the Bill. It is heartening to note that despite our political differences, in rare situations like this we all come together in the interest of the country. I hope other Bills also get passed in a similar manner.

The Bill seeks to repeal the 1986 Act of the Bureau of Indian Standards. It is timely and much needed. It seeks to establish a Governing Council assisted by the Executive and the Advisory Committees within the Bureau. The BIS has significant roles to play through its functions – consumer protection and promotion of trade of standardised goods and services. A strong Executive is definitely a welcome move.

It certifies precious metals, especially gold. Without this, the other schemes of the Government like the Prime Minister's Gold Monetisation Scheme could not be implemented. But I think with this the gold monetisation scheme can easily be implemented now. The Bill seeks to include standardisation of services especially healthcare, environment practice, safety and security. It is indeed the need of the hour.

I would like to point out here the National Accreditation Board for hospitals and healthcare has so far accredited only 51 hospitals while there are 358 still pending applications and thousands of them have not even applied and have not been accredited by NABL. Standards for public health in India are so low that India loses 66 per cent of the GDP annually because of premature death and preventable illness. We need standardisation and conformity assessment for the service sector too.

There are thousands and thousands of standards, actually lakhs of standards. There are standards for the light, there are standards for the brick, for the mic, electronics and every product you can think of. Every product has a standard. But it is practically impossible for the Government to take the sole responsibility of standardisation, implementation and monitoring and regulation of standards. So, it is the responsibility of the industry and other private bodies.

It is a very welcome thing that yesterday the Minister said he had taken cognisance of that and by recognising, endorsing and accrediting other standard institutions within and outside the country. That is a very progressive move that our Government and our Ministry have taken.

The Bill provides for self certification. Again this is a very welcome move. One cannot possibly monitor thousands and lakhs of standards. So, self certification simplifies things. Also, if somebody self-certifies, when they approach the courts, it gives them proof that they have certified and they are not following. So, I think it is a very good move.

The Bill gives rights to police officers above the rank of DSP to search, seize without warrant. Again, a welcome move. We support the Bill. The Bill is very much required in achieving the goal of standardisation in the country.

I have some suggestions. Many suggestions have already been made by other hon. Members and so I will limit myself to some of the suggestions. BIS must promote private testing laboratories in India not only by accreditation but also providing them financial assistance and subsidise the cost of testing to

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deserving customers. Subsidise the cost of testing for bricks and other things for MSME sector. Even if they go to private laboratories, I think the Government should look at subsidising this.

The Bill should include provisions for giving BIS access to scientific and research institutions because it is not an administrative and enforcement task. A lot of science and research is required in developing the standards. So, all the scientific organisations within the country under CSIR should be involved with the BIS.

One of the things I think the Bill ignored and it was in the Standing Committee was that BIS is a short-staffed and under-researched organisation. Many Indian products still fail to get certified because the laboratories are not certified. So, I think we need to strengthen and provide more staff to the BIS. The regular review and revision of standards is needed to meet changing technologies and advancement and there are many examples.

Secondly, there are several regulatory authorities that publish their own standards, like the Central Pollution Control Board, the Food Safety and Standards Authority of India, the Central Drugs Standard Control Organisation, NABL for hospitals and healthcare providers, the National Highways Authorities of India etc. So, there are many standard organisations. They must be given the same teeth as well. There should be similar penalties when those standards also are deviated and there should be similar powers to monitor.

Lastly, there should be a harmonisation on all this. The Government should focus on the required standards for implementing new policies and make huge investment. In case of this gold monetisation, we are very glad that standards for gold and precious metals are there.

We are trying to get into solar energy. The standards are not there and definitely we need India-specific standards. I will go into a little detail about solar energy. We are planning to invest thousands of crores of rupees and import solar panels from China and Germany. They export one kilowatt panel but that one

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kilowatt panel in India does not generate one kilowatt of power. Even if it is of good standard, it generates half of that much. So, all the industries that went to solar energy in India are all loss-making except two or three. All the people who started manufacturing solar panels either closed down or they are in losses. When they do project assessment, they say solar megawatt costs Rs 6 crore, but when you compare apple to apple, it costs Rs 36 crore for each solar megawatt and that is unviable. So, I think not only exports but imports also have to be monitored and there have to be India-specific standards.

As for fly-ash bricks, once again we don't have sufficient testing laboratories. Fly-ash bricks reduce pollution and give employment and business to small entrepreneurs but they are not accepted well in the construction industry because of inability to test them and maintain certain standards. So, there should be much more laboratories doing this.

There is one more very important thing. While I can attribute or blame many things for standard, I would like to attribute my cough today that I am also having to the quality standard of air. Exactly 9.9 kilometres from here, there is a waste management. They burn the waste and they generate 30 megawatts of energy. I think IL&FS or some company like that does it. Today we are burning 4,000 tonnes of waste of Delhi mixed with plastic and it is going into the air and it is causing pollution. So, our quality standard for air is not in tune with the requirement. They are burning plastic and putting smoke in the air. When you look at the chimney, there is no smoke because it is invisible because of darkness. That is happening as we are speaking. We should bring standard and do it legally, because it is not part of the quality standards for air.

Lastly, I think a lot of people said that GST Bill can add 2 per cent to our GDP. But I think this Bill is very important because this Bill, if implemented properly, can add more than 3 per cent to our GDP. We support the Bill. It affects the image of India and the pride of India in the global arena.

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SHRI P.K. BIJU (ALATHUR): Hon. Chairman Sir, first of all I welcome this move by the Government to introduce this Bill for discussion and passing. On behalf of CPI(M), I support the Bill. This Bureau of Indian Standards Bill 2015 replaces the Bureau of Indian Standards Act 1986. As we know, the Bureau of Indian Standards Act in 1986 established a bureau for the purpose of standardization, marking and certification of articles and processes. After 29 years, we have to replace the existing Act and bring in another Bill. In 29 years, we have formulated over 19,300 standards and about 9,500 products and services. As the earlier Member mentioned here, lakhs of products and services have increased; so we have to seriously look into it.

Sir, the Bill broadens its ambit and allows the Central Government to make it mandatory for certain notified goods, articles and processes.

Sir, the Bill includes goods, services and system and it also defines goods, services, processes and system.

With regard to the establishment of BIS, it is said that the Bureau will constitute a Technical Committee of experts for the purpose of formulating such standards and constitute a general council which look at the general superintendence, direction and management of the Bureau. We also have to constitute an Executive Committee to look into the standards and working of the Bureau.

Sir, so far as certification of goods and services is concerned, the Bureau would be the licensing authority for quality standards. I had a personal experience. While I was travelling to Rajasthan, I bought one Bisleri water bottle at Delhi. When I looked at the name at the bottle letter 's' was missing. So, a lot of duplicate products are being marketed throughout the country. How can you work out self-certification in the country? I would request the Minister to give a serious look to it.

The Bureau can establish and maintain testing laboratory for quality assessment and conformity assessment for the goods, services and articles. I

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would like to know from the Minister the condition of the present laboratories in our country. I came across one news item and with your permission, Sir, I would like to quote that news. Our Union Minister of Food and Consumer Affairs, Shri Ram Vilas Paswan on Sunday visited one of the laboratories in Patna. During his inspection of the office and the laboratory, Shri Paswan found that different equipment used for conducting quality checks were not working. When none of the machine was working the Minister asked them as to how they were carrying on with their work. He also transferred the officer to some other place. We have eight laboratories in our country and we too have officers but they are not in good working condition.

As per the data given by the Ministry, we certify 25,000 goods and services every year. How can that be possible? Without sufficient instruments in working condition how can it be possible to give 25,000 certificates to goods and services every year? At the level of Ministry a serious supervision of the condition of our laboratories as also our officers around the country is required.

Hallmarking is used to certify precious metal articles like silver, gold, platinum and palladium and their alloys. A hallmark indicates the proportionate content of the precious metal in an article as per the Indian standards. In our country the annual consumption of gold, which was estimated at 65 tonnes in 1982, has increased to over 500 tonnes in 2015. So this much increase in the hallmarking work particularly of gold is there. How can the present offices and laboratories can fulfil this requirement of our country? It is also absent from this Bill. Therefore, I would like to request the Minister to have a look at it. There are more than one lakh manufacturing units in our country. We have to seriously look into this matter.

India is a signatory to Vienna Convention of 1972 and 1975 regarding hallmarking of gold. But till today we are lagging behind the international standards.

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As regards mandatory certification of goods, the Bill allows the Central Government to notify certain goods and articles which would compulsorily need to carry a standard mark regarding public interest, safety of environment, prevention of unfair trade and practice as also national security. But food items are not included in this list. I would like to request the Minister to include food items also.

We are aware of recent episode of ban on Nestle Maggie in our country. But they went to the court and got some relief. How is it possible that a food item contains more lead which continued for several years in our country? Even after the ban on Maggie, Patanjali introduced Noodles and it has already started marketing in our country. How is it possible? I think it is very essential to see the condition of food items as it will affect our generation after generation. So a serious look by the Government is necessary as far as standardisation of food items is concerned in our country.

A provision of Rs.5 lakh penalty is there in this Bill. I think it should be increased to a sufficient amount. There is Clause 31 in Chapter V for the consumer protection but that is not clear. How will the consumers get benefit from different agencies? I would like the Minister to clarify this.

A lot of medicines are produced in our country. Recently a report appeared in the media that 20 per cent of the medicines which are produced in our country lag behind prescribed standards. Moreover, some of these medicines are already banned in the United States and some other countries. So, we have to look into this seriously as it would affect the health of our people. It would also affect our international status.

श्री अरविंद सावंत (मुम्बई दक्षिण) : सभापति महोदय, आपने अति महत्वपूर्ण इंडियन स्टैन्डर्ड इंस्टीट्यूट बिल पर अपने विचार प्रकट करने का मौका दिया, धन्यवाद। मैं माननीय मंत्री जी का तहेदिल से स्वागत करता हूं। इस देश की सारी जनता के लिए महत्वपूर्ण और आवश्यक कानून में संशोधन लेकर आए हैं। इस कानून में 29 सालों के बाद सुधार आ रहा है और मेरी सरकार यह सुधार ला रही है। इसे मैं बहुत आनंददायी घटना समझता हूं।

सभापति महोदय, मैं छोटी-छोटी चीजों की तरफ देखता हूं, तो हर चीज में आईएसआई मार्क लगा होता है। मंत्री जी ने इस बिल में ऐसा प्रावधान किया गया है कि वह हॉल मार्क जैसा आना चाहिए। कोई भी आईएसआई मार्क के लिए प्लास्टिक की पर्ची लगा देता है। पता नहीं, वह आईएसआई है या नहीं, उसे कौन जांचेगा? अब कोई भी मैटीरियल ले लो, बर्तन ले लो या कोई भी चीज हम मार्केट से लेते हैं, *whether it is metallic or any other thing*. हर चीज पर कभी-कभी आईएसआई मार्क मिलता है। दूध की थैली पर भी आईएसआई मार्क मिलता है, लेकिन फिर भी उस दूध में प्रदूषण है। उसमें कुछ जहर इत्यादि मिक्स किया हुआ है। ऐसा करने में किसी को डर नहीं लगता था। यह पहली बार हो रहा है, इसलिए मैं इसका स्वागत करता हूं। आपने कौन सी चीजें को लिया है? आपने एक भी छोटी चीज नहीं छोड़ी। *I do not know whether hon. Member Shri Biju mentioned about food products or not. But food products also are certified by BIS because processing is done. Is it not? Standards will be there. The BIS has to certify that.* हम मेक इन इंडिया, मेड इन इंडिया की बात करते हैं, लेकिन हमारे यहां चाइना की चीजें आ रही हैं। उन पर भी आईएसआई मार्क लगाकर मार्केट में बेच देंगे। आपने इतना अच्छा काम कर दिया कि अगर गाड़ी भी ले लें, नया मॉडल भी बाहर आ गया और उसे यहां लाना है तो सर्टीफिकेशन करना पड़ेगा और बिना सर्टीफिकेशन के गाड़ी मार्केट में नहीं आयेगी। यह बहुत ही स्वागत योग्य घटना है।

मैं इसमें दो-तीन चीजों का ही जिक्र करूंगा। जब आप आईएसआई कर ही रहे हैं, तो इन चीजों में हमारी जो यंत्रणा खड़ी होगी, उस पर मुझे संदेह है। अच्छा हुआ कि लाइसेंस राज चला गया, लेकिन जो यंत्रणा हम खड़ी करने वाले हैं, वह बहुत सशक्त होनी चाहिए। अगर वह सशक्त नहीं हुई, तो फिर हमें इसके परिणाम नहीं मिलेंगे।

सभापति महोदय, मैं बहुत डिटेल में बोलने की बजाय दो-तीन चीजों का खास जिक्र करूंगा कि इस बिल में जो प्रावधान किये गये हैं, उसमें यह कम्प्लेसरी कर दिया है कि गवर्नमेंट को बताना ही पड़ेगा, उसे लेकर आना ही पड़ेगा, सर्टीफाइड करना ही पड़ेगा। उसके बाद वह मार्केट में आयेगा। अब जब मार्केट

में आया है, तो उसकी जांच करने के लिए एक टीम होनी चाहिए, ऐसा मुझे लगता है। अब सर्टीफिकेट आ गया, पता नहीं वह आया या नहीं। लाइसेंस राज न हो, लेकिन सरप्राइज विजिट करके मार्केट में देखना चाहिए। मैं फूड प्रोडक्ट्स में देखता हूं खासकर दूध के बारे में प्रताड़ना हो रही है। हम बच्चों की जिंदगी के साथ खिलवाड़ कर रहे हैं। इसके लिए जो शासन होना चाहिए था, वह शासन इससे भी ज्यादा सख्त इस कानून में आना चाहिए था। हम जो जहर बच्चों को दे रहे हैं, उसके लिए सख्त शासन होना चाहिए।

Prohibition or manufacture/sale of certain goods without standard mark. मैं समझता हूं कि यही उसकी बहुत महत्वपूर्ण कलम है। इन्होंने एक चीज और कही है। एक क्लोज और है कि -

Accreditation outside India also. If it has been done outside India, recognise or accredit any institution in India or outside which is engaged in standardisation. ये चीजें पब्लिक को कैसे मालूम होंगी? मैं माननीय मंत्री जी से विनती है कि छोटी-छोटी चीजों की जानकारी मीडिया के माध्यम से, अखबारों के माध्यम से जनता की तरफ जानी चाहिए। हम कानून अच्छे बनाते हैं, लेकिन हाल ही में मैगी का क्या हुआ? हमने देखा कि सरकार की तरफ से कहा गया कि मैगी जहरीली है, इसलिए उसका प्रोडक्शन बंद कर दिया। उसके बाद किसी ने कह दिया कि मैगी अच्छी है, तो फिर वह मार्केट में आ गयी। अब हमारी सरकार कहती है कि हम मैगी के खिलाफ सुप्रीम कोर्ट में जायेंगे, लेकिन तब तक लोग मैगी खा लेंगे। ये जो चीजें हो रही हैं, उसे रोकने की आवश्यकता है। मुझे लगता है कि यह कानून आगे चलकर इसमें रुकावट लायेगा।

आजकल बाजार में आ रहे केले देखिए। पहले केले का छिलका पीला दिखता था, तो अच्छा समझते थे, अगर उस पर दाम रहते थे तो और अच्छा समझते थे। लेकिन आजकल टेबल वेराइटी आ गई है, उसका छिलका पीला होता है, पूछते हैं तो कहा जाता है कि किसी कैमिकल में डुबाकर लाते हैं। इसे कौन देखने वाला है? बाजार में सब्जियां, फ्रूट बेचे जा रहे हैं, क्या इस पर ध्यान है? जैसे केले की बात है, वैसे ही आम की भी बात है। आम का सीजन अप्रैल से शुरू होता है लेकिन हम देखते हैं कि दिसंबर में भी मार्केट में आ जाता है। इसका भी छिलका पीला होता है, इसके लिए कुछ कैमिकल यूज करते हैं। मेरा प्रश्न है कि कैमिकल यूज पर कैसे प्रतिबंध लगेगा?

पहली बात है कि मैन्युफैक्चर और प्रोडक्शन पर कंट्रोल होना चाहिए। प्रोडक्शन कंट्रोल करने के लिए क्या इस्तेमाल किया जाना चाहिए? आर्गेनिक खेती की बात हो रही है। सिक्किम राज्य आर्गेनिक खेती

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करता है, यह बहुत स्वागत योग्य है। मेरा प्रश्न है कि इन प्रोडक्ट्स के लिए क्या करने वाले हैं? सेब देखो तो लगेगा कि बहुत सुंदर प्रदेश से आए हैं। इनके बारे में पूछते हैं तो कहा जाता है कि कश्मीर से आए हैं, अच्छे हैं। इन चीजों पर विचार होना चाहिए। मुझे लगता है एक ही समय पर सब कुछ नहीं होगा लेकिन मेरा विश्वास है कि इन चीजों पर सरकार ध्यान देगी। माननीय मंत्री जी इन छोटी-छोटी चीजों पर ध्यान देंगे।

अंत में, मैं एक बार दोबारा इस बिल का समर्थन करते हुए अपनी बात समाप्त करता हूँ। धन्यवाद।

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SHRI MEKAPATI RAJA MOHAN REDDY (NELLORE): Sir, I thank you for giving me an opportunity to participate in the debate on the Bureau of Indian Standards Bill, 2015.

I compliment the Union Government and the hon. Minister for bringing this important Bill replacing the 1986 Act at a time when India has pledged its commitment to 'Make in India' programme and is hoping to further globalize the economy ensuring easy and free flow of capital, technology and labour. Our Standards regime is still at a nascent stage. We have no choice except implementing globally acceptable standards if we have to make a name in the global markets.

‘ Indian exporters have faced many situations in which products have been barred on the grounds of not meeting mandatory standards. Such situations crop up in discerning markets such as the US, European Union and Japan. Similarly, if we do not have proper standards regime, we are likely to import sub-standard products and that is what is exactly happening now.

The Objects and Reasons which is forming a part of the Bill eminently sum up as follows:

“The World Trade Organisation (WTO) Agreement on Technical Barriers to Trade encourages all member countries to adopt international standards and also move towards mutual recognition of certification systems. WTO guidelines also provide that enforcement of standards should have uniform application for both domestic industry and imported goods. In view of the increasing significance of standards and conformity assessment systems in world trade, it is essential that the BIS re-orient itself to adequately address the future challenges as the National Standards Body of India.”

The three important features of the Bill are:

- (a) At present, only products and systems come under the ambit of standards. The Bill proposes to include services besides articles and processes under the standardization regime.
- (b) It will also enable the Government to bring under the mandatory certification regime such article, process or service which it considers necessary from the point of view of health, safety, environment, prevention of deceptive practices, security, etc.
- (c) The mandatory certification will help consumers receive ISI certified products and will also help in prevention of import of sub-standard products.

It is being widely reported in the news that dangerous chemicals are used in important food products like milk, fruits, ghee, pisciculture, aquaculture, horticulture, etc. not to speak of shampoo, cosmetics, fast foods, etc.

16.55 hours

(Hon. Deputy-Speaker *in the Chair*)

Only three days ago, the Government busted fake adulterated ghee supply racket to none other than the Tirumala Balaji Temple. The Delhi Police's Crime Branch unearthed a fake *desi* ghee manufacturing unit in a Paschim Vihar DDA flat on October 15, 2015. This is happening all over the country.

An expose by Headlines Today reveals the ghee that we consume is not being prepared from milk. Rather, it is animal fat, crushed animal bones, to give it that granular texture, palm oil, essence, for the smell and hazardous chemicals that are being used to prepare ghee. Even more shocking is the fact that the people involved are continuing to operate despite a National Human Rights Commission's notice.

Just a few months ago, a Division Bench of Andhra Pradesh High Court had to direct both the Andhra Pradesh and Telangana Governments to immediately raid all fruit shops, especially mango shops as they have been using dangerous chemicals for ripening. The Bench comprising hon. Chief Justice observed,

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“For earning some extra rupees, you are putting scores of lives at risk. Such traders are worse than terrorists, killing generations of people with slow poison. Calcium carbide is a chemical compound whose two main products, acetylene, a colourless gas, widely used as a fuel and calcium cyanamide, used as fertilizer in agriculture, are extremely harmful to the human body and is carcinogenic. Farmers pluck fruits before they ripen naturally and ship them to the markets where these are treated with calcium carbide, which acts as a hormone stimulator and thereby hastens the ripening process.”

The Telangana Government has busted a racket where urea and detergents are being added to produce milk. No wonder the cancer disease is growing like wild fire.

The hon. Union Health Minister, Shri J.P. Nadda, admitted in the Budget Session of Parliament in March that food adulteration is a very serious issue. One out of five food samples fails quality test in India reports the FSSAI Annual Public Laboratory Testing Report 2014-15. Out of 49,290 food samples tested by the apex food body, 8,469 samples did not clear the laboratory tests for food safety, bringing the rate of food adulteration, contamination or mislabeling to a gasp-worthy 20 per cent. It was just 13 per cent in 2011-12. Yet the number of convictions for economically motivated adulteration of food has come down from 3,845 in 2013-14 to just 1,256 now.

It is time the country acts against all kinds of adulterated foods in the country. One of the reasons why India has not captured export markets is the quality issue. While enacting legislation with good intentions is welcome, what is more important is actually achieving the high standards. Otherwise, all our efforts of emerging as a major global player will not bear fruit.

With these few words, I support the Bill. Thank you very much.

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श्री अक्षय यादव (फ़िरोज़ाबाद) : माननीय उपाध्यक्ष महोदय, मैं आपको बहुत बहुत धन्यवाद देना चाहता हूँ कि आपने मुझे इस बिल पर बोलने का मौका दिया। हम लोगों द्वारा, इस सरकार के द्वारा दावा किया जाता है कि हमारा देश तेजी से तरक्की की ओर चल रहा है। लेकिन मुझे लगता है कि जो इसका सांचा बना हुआ है, वह अंदर से खोखला है क्योंकि चाहे हम इंसान की बात करें या देश की बात करें, जिस तरह के माहौल से हम लोग गुजर रहे हैं, जो खाद्य पदार्थ हैं, उनमें जो मिलावट होती है, उससे हम सभी लोगों का, इंसानों का और इस देश का बड़े पैमाने पर नुकसान हो रहा है।

17.00 hours

सदन में हमारे वरिष्ठ नेता मौजूद हैं। जब ये हमारी उम्र के थे, उस समय घी-दूध और अच्छी मात्रा में खाते थे, लेकिन कोई भी इन चीजों में मिलावट न होने की वजह से बीमार नहीं पड़ता था। आज की तारीख में अगर हम इनकी तरह एक-एक लोटा भरकर घी खा लें तो जिंदा नहीं बचेंगे। यह सोचने की बात है कि ऐसा क्यों हो रहा है? डाक्टर मना कर देता है कि घी मत खाना, दूध मत पीना क्योंकि कोलोस्ट्रॉल बढ़ जाएगा। यह सब मिलावट के कारण ही हो रहा है। जो चीजें प्राकृतिक हैं, आप उनका कितना भी सेवन कीजिए वे कभी नुकसान नहीं पहुंचाएंगी लेकिन अगर वही चीज नकली है तो वह आपको तुरंत नुकसान करेगी।

माननीय मंत्री जी इस बिल को लेकर आए हैं, इसके लिए मैं उन्हें धन्यवाद देना चाहता हूँ। हमारा देश तरक्की की ओर चल रहा है और मैं दावे के साथ कह सकता हूँ कि हमारा देश तरक्की की तरफ चल रहा है। अभी भी कुछ समस्याएं हैं कि हम जिस बिल को लेकर आए हैं, इसमें इंस्पेक्टर राज खत्म करने की बात कही गई है, इसका मैं स्वागत करता हूँ लेकिन जब भी कहीं सख्ती की जाती है, कड़ा कानून आता है तो उसका एक डर भी रहता है कि क्या यह कानून सही रास्ते पर जाएगा या गलत रास्ते पर जाएगा। कहीं इस कानून के द्वारा भ्रष्टाचार तो नहीं होगा। कोई प्रोडक्ट अगर पास करवाना है, क्या उसे पास कराने के लिए कहीं गलत तरीका तो नहीं अपनाया जाएगा, इस चीज को भी माननीय मंत्री जी को देखना पड़ेगा। मंत्री जी से मैं यह भी कहना चाहता हूँ कि जो कंज्यूमर हैं और कंज्यूमर फोरम है, उन्हें भी इसमें जोड़ा जाए कि उनकी भी राय है और प्रोडक्ट को जांचने की उनकी क्षमता को देखा जाए। मैगी का मामला हम सभी ने देखा कि एक लैब उसे पास कर देती थी और दूसरी लैब उसे फेल कर देती थी। उसकी क्या हकीकत रही, किस लैब ने उसके सैम्पल को पास किया और किसने फेल किया, अगर आपस में लैब के रिजल्ट्स में विरोधाभास है तो इसका मतलब है कि हमारी लैब में भी खामियां हैं। हम यह बिल ले कर आ रहे हैं लेकिन इनके प्रोडक्ट्स की जांच जब लैब में की जाएगी, तो उनकी रिपोर्ट्स अलग-अलग आएगी, तो प्रोडक्ट की गुणवत्ता जांचने में समस्या सामने आएगी।

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महोदय, हम लोग हमेशा इंटरनेशनल स्टैंडर्ड्स की बात करते हैं। मैं मंत्री जी से कहना चाहता हूं कि हम इंटरनेशनल स्टैंडर्ड की नहीं बल्कि इंडियन स्टैंडर्ड की बात करें। हम सभी में से बहुत से सदस्य दिल्ली में खान मार्केट जाते होंगे। वहां जॉनसन एंड जॉनसन की एक क्रीम रखी है। उसमें से एक हिंदुस्तान में बनी है और एक विदेश में बनी है। हम लोग बाहर वाली क्रीम को क्यों प्रेफर देते हैं। ऐसा उसमें क्या है? हमारा भरोसा हिंदुस्तानी प्रोडक्ट्स पर से उठा हुआ है। इस भरोसे को हमें बरकरार करना पड़ेगा। मैं सदन में बैठे हुए माननीय सदस्यों से और जो हमें सुन रहे हैं उनसे भी अपील करूंगा कि हमारे यहां की जो प्राकृतिक चीजें हैं, उनकी रक्षा हम लोगों को ही करनी पड़ेगी और इस बिल को हम सर्वसम्मति से पारित करें तथा यह बिल अच्छी तरह से लागू हो। इसी आशा के साथ मैं अपनी बात समाप्त करता हूं।

श्री ओम बिरला (कोटा) : माननीय उपाध्यक्ष महोदय, मैं श्री रामविलास पासवान जी को धन्यवाद देना चाहूंगा कि वे एक महत्वपूर्ण बिल इस सदन में लेकर आये हैं। देश और अंतर्राष्ट्रीय स्तर पर इस बिल की आवश्यकता थी। भारतीय मानक ब्यूरो, 1986 को हटाकर भारतीय मानक ब्यूरो विधेयक, 2015 लाया जा रहा है। भारत देश उपभोक्ताओं का एक बड़ा देश है। यह देश राष्ट्रीय तथा अंतर्राष्ट्रीय सामानों का एक बहुत बड़ा बाजार भी है। जिस तरीके से हिन्दुस्तान में हमारे प्रधानमंत्री जी ने मेक इन इंडिया के माध्यम से हमारे उत्पाद वस्तुओं को अंतर्राष्ट्रीय स्तर पर बेचने के लिए, सेवाएँ देने के लिए एक नया अध्याय शुरू किया है। इस देश के अंदर भारतीय उत्पादों का मापदंड अंतर्राष्ट्रीय स्तर पर हो। भारतीय वस्तुओं के सेवाओं का मापदंड अंतर्राष्ट्रीय स्तर पर हो। इसी तरीके से हमारी कुछ धातु की वस्तुएँ जिसमें सोना, चांदी आदि वस्तुएँ आ जाती हैं। एक बहुत बड़ा व्यापार हिन्दुस्तान से बाहर भी होता है। इसलिए हम देश के अंदर हमारे मानक इतने स्टैंडर्ड के हों कि विश्व के अंदर भारत का माल जाए, तो उस माल की एक खास पहचान बनी रहे।

केवल निर्यात ही नहीं, जिस प्रकार से हिन्दुस्तान की आबादी 125 करोड़ है और उसके कारण हमारे यहाँ उपभोक्ता गांव की अंतिम ढांणी तक हैं, उनको भी माल-वस्तुएं, सेवाएँ बेहतरीन क्वालिटी की मिले, उसके लिए एक नये अध्याय की शुरुआत मंत्री जी ने की है। इस बिल के माध्यम से हम वस्तुएँ और सेवाएँ भी ले रहे हैं। आज दुनिया में एक नया चलन है कि आज सिस्टम के आधार पर सारा विश्व चल रहा है, उस सिस्टम को भी इस मानक ब्यूरो के तहत लिया गया है। इसके लिए मैं माननीय मंत्री जी को धन्यवाद देना चाहता हूँ।

आज ईज ऑफ डूइंग बिज़नेस की आवश्यकता है क्योंकि यदि देश को अंतर्राष्ट्रीय स्तर का बाजार बनाना चाहते हैं और इसके लिए वर्ल्ड ट्रेड सेंटर और डब्ल्यूटीओ के तमाम मानकों को भी स्टैंडर्डाइज्ड करने की आवश्यकता है। इसलिए धारा 18(vi) में प्रावधान किया गया है, जिसके तहत आईएसआई द्वारा प्रमाणित कंपनी बाद में गुणवत्ता की दृष्टि से कमजोर हो जाती है, उसकी क्वालिटी कमजोर हो जाती है, तो बाजार से उस कंपनी के माल को वापस मंगाने का प्रावधान इस बिल में किया गया है। लेकिन मैं माननीय मंत्री महोदय से कुछ कहना चाहता हूँ।

माननीय मंत्री महोदय, भारत एक बहुत बड़ा देश है। कुछ चीजें एफएसएसआई के तहत आती हैं, कुछ भारतीय मानक ब्यूरो स्टैंडर्ड के तहत भी आती हैं, कहीं न कहीं दोनों में कुछ टकराहट की स्थिति बन रही है क्योंकि जो खाद्य वस्तुएँ हैं, वे एफएसएसआई के अंतर्गत भी आती हैं और कुछ खाद्य वस्तुएँ भारतीय मानक ब्यूरो के स्टैंडर्ड के तहत भी आती हैं।

नियमों में प्रावधान है कि जब कभी कंट्रोवर्सी होगी, दोनों एजेंसीज बैठकर इसका फैसला करेंगी। मैं माननीय मंत्री जी से निवेदन करना चाहता हूँ कि हम हॉलमार्किंग की बात कर रहे हैं, लेकिन इस देश में इतना बड़ा बाजार होने के बाद भी हमारे पास केवल 321 ऐसी एजेंसीज हैं जो हॉलमार्किंग को स्टैंडर्डिज करेंगी। केवल 321 एजेंसी और इतना बड़ा हिन्दुस्तान का बाजार, इसलिए आपने इसमें सेल्फ-सर्टिफिकेशन की क्लॉज रखी है। मैं यह जानना चाहता हूँ कि क्या हॉलमार्क के अंदर भी आपने सेल्फ-सर्टिफिकेशन को एलाऊ किया है? यह बात आप अपने वक्तव्य में स्पष्ट करें। यह बात सही है कि आईएसआई के बारे में कई माननीय सदस्यों ने शंका व्यक्त की है कि हमारे यहां खराब उत्पाद, कम क्वालिटी वाले उत्पाद भी देश का इतना बड़ा बाजार होने के कारण आईएसआई मार्क लगाकर बिकता है। इसलिए आज जिस तरह से पूरे विश्व में टेस्ट लेबोरेट्रीज बन रही हैं, आधुनिक यंत्र आ रहे हैं, मैं निवेदन करना चाहता हूँ कि जब आप इनके लिए सेल्फ-सर्टिफिकेशन एलाऊ करें या हमारी लैब तैयार करें तो वह लैबोरेटरी भी अंतर्राष्ट्रीय मानदण्डों के अनुसार होनी चाहिए। इतना ही नहीं, अगर हमने इस विधेयक को ठीक से लागू कर दिया और इसके आधार पर जो शर्तें रखी गयी हैं, इसमें जो दण्ड रखा गया है, वह बहुत कम है। भारत में पांच लाख रुपये और एक साल का दण्ड कम है। देश के इतने बड़े बाजार और उपभोक्ताओं की संख्या को देखते हुए यदि कोई ट्रेडर या मैन्यूफैक्चरर बड़ी गड़बड़ कर दे और पांच लाख रुपये के जुर्माने के बाद छूट जाए तो यह गंभीर बात है। इसलिए उपाध्यक्ष महोदय, जिस तरह से खाद्य कानून के अंतर्गत आजीवन सजा का प्रावधान है, उसी तरह से आजीवन सजा का प्रावधान भले ही न हो, कानून इतना कठोर हो कि उसमें कोई भी आईएसआई मार्क का दुरुपयोग नहीं कर सके, कम स्टैंडर्ड क्वालिटी का सामान नहीं बना सके, ताकि भारत का माल विश्व में जाए और भारत के उत्पाद वहां बिकें तो आईएसआई मार्क की एक अलग पहचान रहे, तभी हम इस विधेयक के माध्यम से देश के उपभोक्ताओं को नई दिशा दे पाएंगे।

महोदय, माननीय मंत्री जी ने जो ऐतिहासिक विधेयक प्रस्तुत किया है, उसके लिए उनको साधुवाद देता हूँ, बधाई देता हूँ। धन्यवाद।

श्री भगवंत मान (संगरूर): उपाध्यक्ष महोदय, बहुत-बहुत धन्यवाद।

महोदय, आज बहुत ही गंभीर विषय पर बहस चल रही है क्योंकि इस बिल का संबंध हमारे करोड़ों देशवासियों की सेहत से है, उनकी जिन्दगी और मौत से है। इसमें कोई शक नहीं है कि माननीय मंत्री जी की मंशा चीजों को अधिक क्वालिटी वाला बनाना, खान-पान की वस्तुओं को मिलावटरहित करना है। लेकिन मुझसे पहले बोलने वाले वक्ताओं ने भी यही कहा था कि हमें इसमें दो-तीन चीजों का ख्याल रखना होगा कि कहीं कड़ा कानून बनाकर हम इंस्पेक्टर राज में रिश्वत को बढ़ावा देने का मौका न दें। बाकी चीजों में भी कानून बहुत सख्त हैं, लेकिन वे लागू कितने प्रतिशत होते हैं, यह देखने की बात है। अभी बात चल रही है सब्जियों की, हमारे पंजाब में ऐसे बहुत से केसेज आए हैं कि बड़ी नामवर मंडियों में भी जो सब्जियां हर रोज आती हैं, कहा जाता है कि उन सब्जियों को मार्केट में पहले आने के लिए केमिकल के टीके लगाकर जल्दी पकाया जाता है। इसी तरह से फल मार्केट में भी केमिकल्स का इस्तेमाल करके लोगों की सेहत के साथ खिलवाड़ किया जाता है। अगर यह विधेयक इस चीज को रोकने की मंशा से लाया जा रहा है तो हम इस विधेयक का समर्थन करेंगे।

मैं मंत्री साहब से जानना चाहता हूं कि जितने भी मिलावट के केस पकड़े जाते हैं, कितने प्रतिशत में सज़ा हुई है। सिर्फ दीवाली के दिनों में या त्योहार के दिनों में छापे पड़ते हैं और अखबार में खबरें आती हैं कि इतने क्विंटल नकली मिठाई पकड़ी गयी। लेकिन उनमें से कितने लोगों को सज़ा हुई? नकली दूध पकड़ा गया, लेकिन कितनों को सज़ा हुई? मैगी का उदाहरण लगभग सभी वक्ताओं ने दिया है। लैब के स्टैंडर्ड की जहां तक बात है तो कोई लैब उसको पास कर देती है और कोई लैब उसको फेल कर देती है। इससे मुझे कमी लैब में नहीं, कमी नीयत में लगती है। नीति में कोई कमी नहीं है, बल्कि नीयत में कमी है। अगर नीयत उसको लागू करने की है तो नीतियां तो हैं। इसलिए लैब्स अगर करप्शन या इंस्पेक्टर राज में चलती हैं तो हमारे देश में यह माना जाता है कि अगर आप रिश्वत लेते हुए पकड़े गए तो रिश्वत देकर छूट भी सकते हैं। इसलिए यह न हो कि मिलावट के केस में कितनी सज़ा है? पांच लाख का जुर्माना है। यह तो कुछ भी नहीं है, जब तक उनको पता चलेगा तब तक हम करोड़ों कमा जाएंगे। ऐसा न हो कि इस कानून का मिसयूज़ हो जाए। बहुत से डॉक्टर्स ने भी कहा है। मैं पंजाब से आता हूं और पंजाब के लोग खाने-पीने के लिए जाने जाते हैं। हेल्दी फूड में सरसों का साग, दही, लस्सी, मक्खन और परांठे इत्यादि हैं। लेकिन आजकल पंजाब की खुराक जहरीली हो चुकी है। फसलों और सब्जियों पर जो कीटनाशकों का इस्तेमाल किया जाता है। उससे काला पीलिया और कैंसर होता है। हम सब्जियों को जो पानी देते हैं, वह भी दूषित हो चुका है। क्योंकि फेक्ट्रिज़ का दूषित पानी वह धरती में डायरेक्ट डम्प कर दिया जाता है। मैं

आपके माध्यम से मंत्री जी से आग्रह करूंगा कि वह यह सुनिश्चित कर लें कि यह कानून इंस्पेक्टर राज से बचे। कहीं ऐसा न हो कि हम करप्शन करने के लिए लोगों को एक मौका दे दें। दूसरा, इसको केवल त्योहारों तक ही सीमित न रखा जाए। मैं यहां विदेशों की मिसाल दूंगा, अमेरिका में दो-तीन साल पहले टमाटर में कुछ कमजोरी कीटनाशक की वजह से नजर आयी थी। उसमें ऐसा कुछ पाया गया था कि लोग बीमार हो रहे थे। उन्होंने यूनाइटेड स्टेट ऑफ अमेरिका से पूरे टमाटर का वापस ले लिया था और किसी बर्गर, पिज्जा और किसी खाने-पीने की चीज में टमाटर अलाऊ नहीं था, जब तक उन्होंने उसको क्लीयर नहीं किया कि टमाटर खाने लायक है। अगर हम इस तरह का स्टैंडर्ड बनाना चाहते हैं तो मैं इसके लिए माननीय मंत्री जी को बधाई देना चाहता हूं। मेरी यह बार-बार विनती है कि कानून बहुत सख्त हैं, लेकिन कानून लागू नहीं होते हैं। यह कानून भी केवल चर्चा और घोषणा तक सीमित न रहे, इसको सख्ती से लागू करें ताकि देश के करोड़ों लोगों की सेहत के साथ जो खिलवाड़ हो रहा है, उससे बचा जा सके और भारत को हम तंदुरुस्त और हेल्दी भारत बना सकें।

आपने मुझे बोलने का अवसर दिया इसके लिए मैं आपका आभारी हूं और मैं इस बिल को लाने के लिए मंत्री जी का धन्यवाद भी करता हूं।

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SHRI ABHIJIT MUKHERJEE (JANGIPUR): Thank you very much, Sir, for giving me this opportunity. I am also grateful and thankful to my leadership for allowing me to speak.

Sir, in support of this Bill, I will raise a few points. I hope the hon. Minister will consider them. The Bureau of Indian Standards Bill, 2015 will replace the existing Bureau of Indian Standards Act, 1986. Basically it is a classic case of old wine in a new bottle. The new measures are basically repackaging of old measures.

This Bill proposes to establish Bureau of Indian Standards as a national standardization body called 'National Standards Bureau'. The Bill includes goods, services, systems besides articles and processes under the standardization regime. It is a very good initiative.

As certain new steps have been suggested in the proposed Bill, the success of implementation of this Bill will depend on the training in the processes, procedures mentioned in this new Bill for standardization. It is said that the devil is in detail; so the same is true in this case also. The rules of the Bill and its actual implementation will decide the efficacy of this Act.

In the e-governance practices, nowadays a lot of things are being made online thereby removing personal contact with the organization or any human being which is ultimately going to reduce corruption.

The new Bill does not give confidence in this respect and does not express its intent that it will push for online system. Amendments do not happen every day, therefore, whenever it is done it should be done in a comprehensive manner keeping everything in view. Therefore, this Bill should have indicated its intent to promote processes of e-governance.

The provision of 'Self Declaration of Conformity' (SDOC) has been introduced to promote 'ease of doing business'. It is a very new initiative and I welcome it but it does not provide any assurance as to how self declaration should

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be made, how users of this Act will acquire knowledge, how malpractices will be curbed, etc. The Government should take care of this.

The services have not been given its due importance in this Bill. In this regard, much needs to be done as services have to be rendered and its quality has to be verifiable and quantifiable.

This Bill is silent on accountability of the Bureau of Indian Standards officials or officials of standards implementing agencies in case of flouting of any rules or regulations related to Bureau of Indian Standards. It should be applicable to the officials as well as to the manufacturers or suppliers of services. The accountability should be fixed with respect to fixation of responsibility or accountability of the officials and the manufacturers or service providers in case of failing in their respective responsibilities. The quantum of punishment to the violator of the regulations and the persons or officials responsible for overseeing the implementation of rules of Bureau of Indian Standards should also be clarified.

This Bill is also silent on any redressal mechanism in case a manufacturer or he or she or any particular entity has been victimized or being harassed by the implementing agencies or any executive official. For example, in the Income Tax Department, the grievance redressal mechanism has two tiers: one is the Appellate Authority and second is the Tribunal. Similar mechanism should be here so that if there is any problem then one should know that for such and such limit one can go to such agency and in case he is not satisfied with this agency's judgment then he can go to other higher authority.

I would also like to add one more thing which other hon. Members have also spoken about that it should be an independent agency absolutely separate from the Government's influence, the bureaucratic influence. Experts like engineers, doctors, CAs and other professionals from different fields should be made its Council members to standardise all standards. I would like to give one personal example. Mr. Paswan was an Ex-Steel Minister and my boss also. We use to export steel materials like hot rolled coils and CR (Cold Rolled) coils. We

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use to make it as per the chemistry and physical properties as per the American standards. But at the same time, for physical standards like rolling tolerances, etc., we use to follow Indian standards which are having a lot of variations in dimensions. It is not generally accepted by the United States or European countries and because of that we use to lose lot of export orders and foreign currency. So, my appeal will also be that standardise all standards so that it is also equivalent to international standards then only our products will be much more acceptable to international market. It should be applicable to imports as well as exports.

With this, I conclude my speech and support this Bill. Thank you very much.

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*SHRI CHARANJIT SINGH RORI (SIRSA): I thank you, Hon. Deputy Speaker Sir, for giving me the opportunity to speak on this very important Bill : ‘The Bureau of Indian Standards Bill, 2015’.

Sir, at the outset, let me thank the Hon. Minister Shri Ram Vilas Paswan who is piloting this historic bill in this august House. It will go a long way in helping the common man. On behalf of my party ‘Indian National Lok Dal’ and on my own behalf, I welcome this landmark bill.

Sir, this bill will definitely check the menace of spurious products. The market is full of adulterated stuff. Whenever a company launches a product, spurious and counterfeit copies of that product become readily available in the market. It has been the bane of India. People do not know which product is genuine and which is fake.

Sir, the common man has to suffer due to adulterated or fake stuff. There is no guarantee that the gold or silver being sold in the market is pure or genuine. There are no hallmarks or certification. So, I thank the Hon. Minister for bringing this important bill. It will certainly rein in the menace of fake or adulterated stuff..

Sir, I hail from the Sirsa constituency of Haryana. Last year, an insecticide was used by the farmers of Punjab and Haryana. It was sold at an exorbitant rate of Rs.8000/-. However, even after spraying the insecticide in the field full of crop, we could not get rid of the insect that was damaging the crop. The farmers had to suffer due to the useless insecticide. They had to pay a high price but the insecticide was ineffective.

Sir, the Hon. Minister needs to be complimented for his initiative in bringing this bill. However, let me say that the Haryana Government did not take any action against the firm that had sold the ineffective insecticide. Its owners had cheated the farmers but they were not punished. Even the hapless farmers were not compensated for their financial loss. It is a sad state of affairs.

* English translation of the speech originally delivered in Punjabi.

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However, I congratulate the Hon. Minister for bringing this bill. It will mitigate the suffering of common man. The farmers of Haryana and India will thank the Hon. Minister for this initiative. The proper implementation of this law will definitely help the common man. The ISI mark of standardisation will certainly check the spurious and fake products. Genuine fruits, vegetables and urea etc. will be sold in the market. I hope, the law will be implemented properly.

Sir, the Hon. Minister is a man of action. During the discussion on Constitution and Dr.Bhim Rao Ambedkar, the Hon. Minister had recited a powerful couplet. I congratulate him for this. It was a stirring couplet.

Thank you, Hon. Deputy Speaker Sir, for permitting me to speak on this historic and landmark bill.

श्री गोपाल शेट्टी (मुम्बई उत्तर) : उपाध्यक्ष महोदय, आपने मुझे एक बहुत ही क्रांतिकारी बिल पर अपने विचार रखने का अवसर प्रदान किया है, जिसके लिए मैं आपको धन्यवाद देता हूँ।

मैं माननीय मंत्री राम विलास पासवान जी को बहुत-बहुत बधाई देना चाहता हूँ, अभिनन्दन करना चाहता हूँ कि पहली बार किसी मंत्री ने किसी बिल के बारे में विस्तृत चर्चा के पहले यहां पर जानकारी दी है, जिससे बहुत सारे सदस्यों को एक दिशा प्राप्त हुई है। ऐसा मैं मानता हूँ। जब देश ने डॉ. बाबा साहब अंबेडकर की 125वीं जयंती के माध्यम से संविधान दिवस के ऊपर बहुत सारी अच्छी बातें चर्चा के माध्यम से करते हुए, देश में एक अच्छा वातावरण जब निर्माण हुआ, ऐसे समय पर एक क्रांतिकारी बिल लाने का अवसर आपको प्राप्त हुआ है। मैं मानता हूँ कि राम विलास पासवान जी ने अपने जीवन का ज्यादा से ज्यादा समय इस विचारधारा को आगे बढ़ाने में दिया है, यह एक बहुत ही महत्वपूर्ण घटना है। मैं ऐसा मानता हूँ।

महोदय, मुझे प्रधानमंत्री जी का लालकिले का वह भाषण भी याद आता है, जो बच्चे 10वीं या 12वीं पास होते हैं, तो उनको अटेस्टेशन के लिए बहुत सारी जगहों पर जाना पड़ता था। बच्चों को एक तोहफा उन्होंने दिया कि आप सेल्फ अटेस्टमेंट करिए, किसी के पास जाने की आवश्यकता नहीं है। साथ ही साथ जो पेंशनकर्ता हैं, जो हमारे बुजुर्ग लोग होते हैं, वे जीवित हैं, इसका प्रमाण देने के लिए उन्हें किसी अन्य व्यक्ति के पास जाकर सर्टिफाई करवाना पड़ता है। प्रधानमंत्री ने उनको भी एक बहुत बड़ी दिलासा दी कि आप सेल्फ अटेस्टमेंट करिए, इस प्रकार की घोषणा करके उनको भी उन्होंने बहुत अच्छा तोहफा दिया। मैं मानता हूँ कि व्यापार जगत के लिए तीसरा यह उनका काम है कि सेल्फ सर्टिफिकेशन के माध्यम से आने वाले दिनों में अपने देश में मेक इन इंडिया और मेड इन इंडिया के माध्यम से रोजगार, व्यवसाय करें, प्रोडक्ट का निर्माण करें और देश को बहुत आगे बढ़ाने में एक बहुत बड़ा योगदान इसके माध्यम से होगा, ऐसा मेरा विश्वास है। इस बिल में एक बहुत बड़ी क्रांतिकारी पहल यह है कि बहुत सालों से जो हम बाबूराज समाप्त करने की बात करते थे, ब्यूरोक्रेसी के अंदर में यह सारा देश का माहौल जो चल रहा है, इस पर लगाम लगाने के लिए भी इस बिल का बहुत बड़ा योगदान होगा, ऐसा मैं मानता हूँ। कोई भी एक व्यवसाय करोड़ों रूपए पूँजी इनवेस्टमेंट करने के बाद में अगर कोई प्रोडक्ट तैयार करता है और उस प्रोडक्ट को आईएसआई का मार्क लेने के लिए किसी ऑफिसर के पास जाकर महीने भर तक उसके दफ्तर में चक्कर लगाना पड़ता है। अच्छा होने के बाद भी, लोक सभा में बिल पास होने के बाद भी, हमारे देश में एक सिस्टम है, चाहे वह राज्यों में हो या देश में हो, जो अधिकारी कहेगा, वही कायदा है, जो लोक सभा में और विधान सभा में पास हुआ है, वह कायदा नहीं है। इस बिल में एक बहुत बड़ी नई बात यह भी है कि राम विलास पासवान जी ने कल कहा कि बिल में बहुत सारे अमेंडमेंट के साथ बहुत बड़ा बिल हुआ और

उसमें एक नया अमेंडमेंट करने के बाद में, कभी-कभी तो ऐसा होता है कि बिल पास करने वाले भी पूरा बिल नहीं पढ़ते हैं, बिल इंप्लीमेंट करने वाले भी पूरा बिल नहीं पढ़ते हैं और बिल जिसके ऊपर लागू होता है, वह तो बेचारा पढ़ता ही नहीं है, क्योंकि उसे पढ़ने के बाद में उसे कौन सुनेगा? जो अधिकारी कहेगा, वही सही होता है। इस चक्कर में सारे देश के लोग हैरान-परेशान थे। देश का दुर्भाग्य और कैसा हो सकता है, जब हम इन्टॉलरेंस की बात करते हैं, चाइना का प्रोडक्ट, अपने देश का व्यापारी, बिजनेसमेन चाइना में जाकर मैन्युफैक्चरिंग करके यहाँ लाकर माल बेचेगा, वह चलता है। लेकिन यदि वह अपने देश में किसी प्रोडक्ट का निर्माण करता है, उत्पादन करता है, जिससे हमारे देश के लोगों को बड़े पैमाने पर रोजगार उपलब्ध हो सकता है, लेकिन ऐसे में लोगों को हैरानी परेशानी बहुत ज्यादा होती है। अगर वे विदेशों में जाकर प्रोडक्ट तैयार करके लाते हैं तो विदेश में तैयार हुआ प्रोडक्ट अपने देश में बेचने के लिए एक ओपन मार्केट हमारे देश में उपलब्ध है। इस प्रकार की स्थिति से यह देश गुजर रहा है। पानी के बारे में भी बहुत सारे लोगों ने बताया।

महोदय, मैं लम्बा भाषण नहीं करना चाहूँगा, लेकिन संक्षेप में यह बात कहना चाहूँगा कि इन दिनों जो बिसलेरी की बोटल बिकती है, बड़े-बड़े पूँजीपति लोग इस प्रकार का काम करके हाई कॉस्ट में बेचने का काम करते हैं। इस बिल के माध्यम से मैं मानता हूँ कि सामान्य लोगों को भी वाटर सप्लाई के काम में लाकर एक बहुत बड़ा क्रान्तिकारी काम करते हुए देश के लोगों को सुविधा देने का एक अच्छा अवसर प्राप्त हुआ है। इससे छोटे लोगों को आगे बढ़ने का एक बहुत बड़ा अवसर प्राप्त होगा। इसमें जो दण्ड का प्रोविजन है, मैं मानता हूँ कि अलग-अलग लोगों का इस पर अलग-अलग विचार हो सकता है, लेकिन जितना दण्ड आप कैश में ज्यादा रखोगे, उतना फिर वापस वह ऑफिसर के पास चला जाता है। उदाहरण के तौर पर यदि दस लाख रूपया आप दण्ड का प्रावधान रखते हो तो कोई भी अगर छोटी-मोटी गलती भी करता है तो वह ऑफिसर को दो-पाँच लाख रूपया देकर सेटलमेंट करने का प्रयास करता है। ऑफिसर के हाथ में किसी भी प्रकार के ज्यादा अधिकार न हों, ऐसा हमें आने वाले दिनों में देखने की आवश्यकता है।

महोदय, मैं बहुत लम्बा भाषण नहीं करना चाहूँगा, लेकिन मैगी के बारे में जो इन दिनों अपने देश में हुआ है, उसको बन्द किया गया, फिर वापस वह अभी शुरू हो रही है, उसके कम्प्टीशन में रामदेव जी भी हैं, उनके दस मित्र इस देश में हैं तो दो उनके शत्रु भी हैं। जो इटेबल प्रोडक्ट्स होते हैं, उसके बारे में कल मंत्री महोदय ने एक बात यह भी कही कि जो उपभोक्ता है, अगर वह शिकायत करेगा तो सरकार उसके ऊपर ध्यान देगी, हम उसकी इक्वायरी करेंगे। शिकायतकर्ताओं के बारे में भी हमें आने वाले दिनों में बहुत चौकन्ना रहना पड़ेगा, क्योंकि आरटीआई एक्ट के माध्यम से बहुत सारे लोगों ने अपना धंधा, अपना व्यवसाय बना लिया है, बहुत सारा हैरान, परेशान करने का लोग काम करते हैं। ऐसे जो शिकायतकर्ता हैं,

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उनके बारे में भी कहीं न कहीं एक स्टाक चेकिंग की व्यवस्था अपने देश में होनी चाहिए ताकि इनके ऊपर भी एक लगाम लग सके। जो धंधा, व्यवसाय करने वाले बिजनेस मैन हैं, जो इस देश को रेवेन्यू भी देते हैं, देश को काम भी देते हैं, ऐसे लोगों को एक खुली व्यवस्था में काम करने का, व्यवसाय करने का अवसर आने वाले दिनों में मिले, इस प्रकार से हमें आगे बढ़ने की आवश्यकता है। मैं फिर एक बार रामविलास जी को बहुत-बहुत धन्यवाद देना चाहता हूँ और साथ ही उनसे यह निवेदन भी करूँगा कि यह बिल जल्दी से जल्दी इंप्लीमेंट हो, इसके बारे में भी ध्यान दे। अपनी बात समाप्त करते हुए मैं इस प्रकार अपनी भावनाओं को व्यक्त करना चाहता हूँ। धन्यवाद।

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SHRI E.T. MOHAMMAD BASHEER (PONNANI): Thank you very much Sir. This is a much awaited legislation and I welcome this. This legislation is a comprehensive improved version of our old BIS Act. We are now enriched with the experience. We know what exactly is happening in the standardization of our products and we are fully aware of the hardships faced by the stakeholders in this field. This law really reflects all these concerns. That is why, I told that I welcome this.

Sir, relevancy of standardization in Indian situation is very much required. Our dream is to make India an international destination of quality products. We must ensure that the consumers are not cheated by false claims and selling techniques and things like that. This is an era of competition and in this era of competition, we must ensure that our products are having international standards. Similarly, everything is important here – from pin to plane. We have to be very careful. In fact nobody will say no to that but India should not be treated as a dumping market of the big nations to import their unwanted/below standard materials. We must ensure that the imported materials are also kept useful standard according to our norms and conditions.

Sir, the most important thing which I am noticing in this legislation is to make all the stakeholders such as manufacturers, service providers, standard deciding authorities, consumers and even consumer organization accountable. Accountability is the most important subject dealt in this legislation.

Similarly, Section 17(1) of this Bill says that there is a prohibition on manufacturing, importing, selling, storing, exhibiting of certain items without standardization mark. That is also a very good suggestion.

There is a paradoxical situation prevailing here. What is that? Consumers are misled with false claims and advertisement and even with manufacturing defects. We know that there are a lot of controversies like Volkswagen carbon emission controversy, Maggi controversy, Cadbury, coke and pepsi and all kind of things.

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Sir, milk is treated as the symbol of purity. In 2012, Food Safety and Standardization Authority of India found two-third of Indian milk is adulterated. Such news are really shocking. We have to ensure the purity, standard and quality of all our Indian products. Even medical devices, including medical electronic devices are also sub-standard materials are sold out in Indian market. We have to be very careful in this. It is pertaining to the health of Indians. Similarly, with regard to false claims and advertisements, it is misleading the consumers. They are showing magic remedy advertisements and magic remedy for diseases, these kind of false advertisements are very much in the market. We have to curb that also. Manufacturers and sellers are all adopting some kind of easy money making process. We have to make an end to that also. Perhaps a close coordination between the various departments is very much required in this regard.

I have one more important point that is in regard to the Committees. As per Clause 5(1) of this Act, Finance Committee, Conformity Assessment Advisory Committee, Standard Advisory Committee, Testing and Calibration Committee are suggested. While selecting persons to these Committees, we have to be very careful. We have to give due consideration to the merit. Sir, towards the end, I have one point about self-certification. Yesterday, while presenting this Bill, the hon. Minister was saying about the self-certification. I am not against it. It has got its own convenience. But at the same time we have to be very careful. There is every possibility in misusing that. We have to ensure transparency in that matter also.

I hope that the hon. Minister and the Government will be very careful about this.

With these few words, I conclude. Thank you very much.

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PROF. RICHARD HAY (NOMINATED): Hon. Deputy Speaker, Sir, certification, standardization and accreditation are essential steps to ensure quality, safety, purity and acceptability of the products consumed or used by the people.

There are numerous instances in which due to lack of effective standardization policies, millions of customers are cheated, day in and day out. It has been proved that the dreadful disease, cancer, has been spreading in the country as people are forced to consume products which contain toxic materials in a grave situation where there is no proper quality checking of the contents of a food stuff.

The newly built bridges fall, buildings collapse, roads develop potholes, sometimes soon after construction and plastic used is of questionable quality. All this is because of faulty or lack of certification policies.

I have seen foreign tourists carrying water from their respective countries as they lack faith in the water supplied within our country. It is a ridiculous situation. Our products also should maintain international standards so as to make 'Make in India' concept work.

The food processing industry is a big villain, using deadly materials. In most cases they do not mention on the container the actual materials used for the production of the materials.

Alphonsa mangoes, other fruits and vegetables were rejected by the Western countries. Prawns and fish were rejected as they contained Salmonella bacteria. All these instances prove that the standardization and quality control mechanisms followed are not up to the mark.

Hence, I compliment the hon. Union Minister to have taken the timely and bold steps to introduce this Bill to ensure safe, quality, pure and credible products, which would result in high exports too. Thank you.

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SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I thank you for giving me this time to participate in this legislative process.

Sir, I fully support this Bill subject to five reservations. It is well known as the hon. Minister has cited that the Bill is intended to replace the original existing Act, that is, the Bureau of Indian Standards Act, 1986 to provide for the establishment of a Bureau of Indian Standards and also for the harmonious development of the standardization activities as well as the quality certification of the products and processes.

It is well known that the World Trade Organization (WTO) Agreement encourages that all member countries have to adopt the International Standards and move towards mutual recognition of certification systems and a uniform pattern has to be followed.

Sir, let us examine the performance of the Bureau of Indian Standards since 1987. Sir, 28 years have lapsed after the commencement of this Act. During these 28 years of performance of the Bureau of Indian Standards, we could only attend to standardization for 9500 products so far. What is the cost of the delay? It will take 2-3 years even for getting the certification for a product. The two reasons for the delay are, first, there is a rigid procedural formality in getting the certification and the second reason for the delay in getting the certification is lack of infrastructure facilities which most of the Members have cited. Here, proper lab is there. Analyst is there. Expertise is not there. So, these are the two reasons because of which inordinate delay is taking place for certification and standardization. So, we have to rectify it. So, in order to rectify this, whether this Bill is sufficient or not is the point which we have to look into.

Before this Bureau of Indian Standards became a statutory organization, we were having the Indian Standard Institution which was a society. It was in the form of a society that was working. It was very flexible and it was easy to get the certification and standardization. After getting the statutory recognition, the Bureau of Indian Standards has become more rigid and it has become very

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difficult to get the certification. Definitely, the Bill of 2015, which is being introduced by the hon. Minister, Shri Ramvilas Paswan is highly essential and required. Hence, I support the Bill.

In the WTO regime, the quality of a product is the most important ingredient in the new market, especially in the neo-liberal market. We have to meet and compete with the international standards. We have to review the standards which we are following in India for standardisation as well as certification so as to protect the interests of consumers because the interests of consumers and the quality of products are mutually related things. So, we have to review it.

This Bill widens the scope of standardisation. Besides articles and processes, goods, services and systems will be brought under the regime of standardisation, which is a very welcome step on the part of the Government. We have experienced the standardisation of administration in Gujarat where so many departments have been standardised. It can be included in the Government administration and Government service also.

The second salient feature which I would like to highlight is that it intends to establish the Bureau of Indian Standards as the national body of standardisation. Though the Indian Government is representing in most of the international fora, the Bureau of Indian Standards has not been declared the national body by a statute. It is only after passing of this Bill that we can say that the Bureau of Indian Standards is the national body of our country. That is also a welcome step.

The third most important salient feature of this Bill, which Shri E.T. Md. Basheer has cited, is that it has widened the network of compulsory or mandatory standardisation of products and services. That is the most important thing which we have discussed in this House. The mandatory certification will help the consumer to get good quality products as well as it prevents the import of sub-standard products from outside countries, especially from China. What is happening in our country at present? Hon. Member from the other side has just

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cited that the low quality products are being imported in our country without any restriction. That we can check by this Act.

I would also like to say that so far the Government has standardised only 92 products during these 28 years. That means, in a developing country like ours, that is the performance of the Bureau of Indian Standards. Let us see the Chinese experience in this regard. After the WTO regime, the things have changed because the tariff regime is over. You cannot put restrictions on the basis of tariff. The only thing which we can do is the maximum standardisation of maximum possible products and services in our country. This is the experience which has been done by China. India should also follow the path of China in case of standardisation. We are having absolute freedom to fix the Indian standards for goods and services, whether imported or indigenously manufactured in our country. So, the compulsory certification or the mandatory standardisation as enunciated in the provisions of this Bill will definitely improve the quality of the products and also restrict the import of low quality products. It is my submission that scope of compulsory certification and mandatory standardisation of products and processes should be enlarged.

I would also like to mention about a recent survey conducted in 2006 by BIS itself. It shows very interesting figures. It shows that 90 per cent of the samples of non-Hallmarked jewellery have failed showing 13.5 per cent of declined (minus) purity. But, in case of Hallmark jewellery, it is negligible. So, it is clear that certification and standardisation is very important.

Now, I come to the contradiction. We are having the Food Safety and Standards Authority of India (FSSAI). The quality of food is being determined and assessed by it. The Bureau of Indian Standards is also having the authority to assess the quality of food and standardise it. So, the multiple organisations are doing the same thing, which has to be avoided. In this respect FSSAI standardisation is mandatory whereas BIS standardisation is not mandatory.

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Now, I come to the provisions of the Bill. I will complete my speech within two or three minutes.

HON. DEPUTY SPEAKER: No, you are going to speak at the time of moving your amendments also.

SHRI N.K. PREMACHANDRAN: No, I am not going to speak at the time of moving amendments.

HON. DEPUTY SPEAKER: If you will not speak at that time, then you may complete your speech.

THE MINISTER OF STATE OF THE MINISTRY OF SKILL DEVELOPMENT AND ENTREPRENEURSHIP AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI RAJIV PRATAP RUDY): Sir, he is not moving his amendments. So, let him speak.

SHRI N.K. PREMACHANDRAN: I shall move the amendments, but not be speaking for seeking any division. I will finish within two or three minutes.

I would like to seek certain clarifications from the hon. Minister with regard to clause 2(2) of the definitions. Nowhere in the provisions of the Bill is a mention about the metal. Metal articles are there, but the purity of the metal is not mentioned in any of the provisions. Clause 2(1) says:

“ “article” means any substance, artificial or natural,”

If it is natural, metal would also come within the purview of the definition of article. This is my first reservation which I would like to express.

My second reservation is about the definition of precious metals. Clause 2(26) says: “ ‘precious metal’ means gold, silver, platinum and palladium.” Why is diamond not included here? Though he can logically argue that diamond is not a metal, but even then, I would like to know whether it can also be included. While metals like gold, silver, platinum and palladium are there, unfortunately, diamond is not coming within the purview of precious metal.

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My third clarification which I am seeking from the Minister is about clause 10(2)(c) of Chapter III which says that the Bureau of Indian Standards may recognize or accredit any institution in India or outside which is engaged in standardization. I fully oppose this provision. How can an outside agency determine and assess the standard of a product which is being manufactured in our country. How will the Indian interest be protected? I would request the hon. Minister to have a re-look at accrediting an outside agency for standardization and certification.

My fourth clarification is regarding clauses 25(1) and 25(2) of Chapter V. The authority of the BIS is being diluted. That is a major point which I would like to make. This is the legislative supremacy of Parliament. Why are we giving statutory recognition to BIS? Clause 25(1) reads:

“Without prejudice to the foregoing provisions of this Act, the Bureau shall, in the exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time:”

I fully agree if it is the policy. It further reads:

“Provided that the Bureau shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.”

So, as far as it is practicable, the BIS will be given a chance to be heard. Further, clause 25(2) says:

“The decision of the Central Government whether a question is one of policy or not shall be final.”

Irrespective of whether it is the policy of the Government or not the policy of the Government, whatever be the decision of the Government, that will be applicable to the BIS. On the one hand, you are giving statutory recognition to the BIS and on

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the other, you are saying that the decision of the Government of India shall be final.

My last point is about the judicial process. After filing or instituting prosecution, how can the compounding of offence be possible by an officer of the Government? You cannot assume the powers of the court. An officer of the Government cannot assume the powers of the court after instituting prosecution in a court of law. That provision has to be re-looked into.

With these five reservations, I fully support the Bill and conclude.

Thank you very much.

श्री कौशलेन्द्र कुमार (नालंदा) : उपाध्यक्ष महोदय, आपने मुझे बोलने का अवसर दिया, इसके लिए मैं आपको बहुत-बहुत धन्यवाद देता हूँ। आईएसआई विधेयक, 2015 जो माननीय मंत्री जी के द्वारा लाया गया है, मैं उसका स्वागत करता हूँ। ...(व्यवधान) आईएसआई कानून देश में 29 वर्ष पूर्व लागू किया गया था। यह एक स्वायत्त संस्था है और ठीक ढंग से कार्य कर रही है। संस्था किसी भी वस्तु की गुणवत्ता व उसे बनाने की सही विधि की प्रमाणिकता प्रदान करती है और उस पर निगरानी करती है। इससे किसी भी वस्तु की गुणवत्ता को बनाए रखने में मदद मिलती है और उपभोक्ताओं को एक अच्छा सामान और वस्तुएं खरीदने में सुविधा होती है।

यह सही बात है कि आज के विश्व बाजार में वैश्विक स्पर्धा को ध्यान में रखते हुए संशोधन किया जा रहा है। मेरा एक सुझाव है कि इसमें निगरानी करने की व्यवस्था को मजबूत एवं प्रभावी बनाया जाये ताकि इससे किसी वस्तु और समान की गुणवत्ता सुनिश्चित किया जाये। इसकी आड़ में वस्तु का दाम न बढ़ाया जाये। उपभोक्ता को वह उचित मूल्य पर मिले, इसकी व्यवस्था करायी जाये। किसी भी रूल्स का उल्लंघन करने पर उचित सजा का भी प्रावधान किया जाये। उस पर अमल हो ऐसी व्यवस्था होनी चाहिए। साथ ही, संस्थान को विदेशों से आयातित सामान पर भी निगरानी का अधिकार दिया जाये।

श्री रत्न लाल कटारिया (अम्बाला) : उपाध्यक्ष महोदय, मैं आदरणीय राम विलास पासवान जी को बहुत बधाई देना चाहता हूँ कि वह कंज्यूमर कॉन्फिडेंस की दृष्टि से एक बहुत ही क्रांतिकारी बिल आज इस सदन में लाये हैं। यद्यपि, इससे पहले ब्यूरो ऑफ इंडियन स्टैंडर्ड कई मुद्दों पर स्टैंडर्ड फारम्युलेशन, प्रोडक्ट सर्टिफिकेशन, रजिस्ट्रेशन, हॉल मार्किंग लेबोरेट्री, पेस्टिंग एंड सर्विसेज, वेरियस टाइप्स ऑफ मैनेजमेंट इन द सिस्टम, इनफोर्समेंट, ट्रेनिंग एंड अवेयरनेस के मामलों को लेकर काम कर रहा था, लेकिन जैसे ही डब्ल्यूटीओ की संरचना हुयी, उसके पश्चात् यह महसूस किया गया कि भारत की वस्तुओं को अंतर्राष्ट्रीय स्टैंडर्ड के मुताबिक उनको स्थान दिलाने की दृष्टि से इस कानून के अंदर परिवर्तन लाने की, बहुत आवश्यकता है। इसलिए आज इस बिल को लाया जा रहा है। इससे पहले हमने देखा है कि किस प्रकार से, चाहे वह अमेरिका हो, यूरोप या जापान हो, इन सब देशों ने मानकों को आधार मान कर कई बार भारत की चीजों को ठुकराया है, उनके ऊपर प्रतिबंध लगाये हैं, ठीक इसी प्रकार से चाइना जैसे देश ने, चाहे उसने कितना ही घटिया माल बना लिया हो, भारत की मार्केट में उन्हें झोंकने के लिए हर हथकंडा अपनाया है। इस प्रकार के हथकंडों को रोकने के लिए भी इस प्रकार का बिल लाया जाना अतिआवश्यक था। आज हम देखते हैं कि अगर इस देश के अंदर बेहतरीन किस्म के जहाजों को उड़ाना चाहते हैं तो उनके अंदर जो मैटेरियल्स लगते हैं, उनकी क्वालिटी को हमें श्रेष्ठ बनाना होगा। इसी तरह से हम जो समुद्री जहाज बनाते हैं, उनकी क्वालिटी को भी हमें श्रेष्ठ बनाने के लिए श्रेष्ठ किस्म का लोहा उनमें लगाना पड़ेगा। इसी तरह से हम जो रेल बनाते हैं, उनके पूर्यों के लिए बेहतरीन किस्म का लोहा लगाना पड़ेगा।

हम देख रहे हैं कि किस तरह से सबस्टैंडर्ड ड्रग्स विदेशों से आकर भारत की मार्केट के अंदर छा रहे हैं और हमारे देश के लोगों को ठीक करने की बजाय, उल्टा कई बार बीमार कर देती हैं। इस प्रकार के कार्यों के संबंध में हमें कठोर कदम उठाने पड़ेंगे। इसीलिए माननीय मंत्री जी ने यह कानून बनाया है, इसमें डीजी की व्यवस्था भी की गयी है, जो समय-समय पर स्पॉट वेरिफिकेशन करके, सर्टीफिकेशन करके, जो इज ऑफ ड्रूंग बिजनेस, हिन्दुस्तान चाहता है कि भारत की चीजें 'मेक इन इंडिया' के तहत सारी दुनिया के अंदर बने, उस दृष्टि से भी माननीय मंत्री जी बहुत अच्छा बिल लेकर आये हैं। इससे पहले भी भारत के अंदर 'जागो ग्राहक जागो' जो कम्पेन चली है, उसमें हमारे विचार परिवार के परम आदरणीय बजरंग लाल गुप्त जी ने, जिस तरह से सारे हिन्दुस्तान का दौरा करके, 'जागो ग्राहक जागो' कैम्पेन के अंतर्गत सारे देश की जनता को जागृत किया है, उस दृष्टि से भी आज आवश्यकता पड़ी है कि इस प्रकार का बिल पास किया जाये।

03.12.2015

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HON. DEPUTY-SPEAKER: It is six o'clock now, so please take your seat. If you want any clarifications, after the Minister's reply, you can ask them. Since it is six o'clock now, if the House agrees, we will extend the time of the House till the passing of the Bill after the Minister's reply is over.

SEVERAL HON. MEMBERS: Yes.

HON. DEPUTY-SPEAKER: Now, the hon. Minister.

18.00 hours

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री (श्री राम विलास पासवान) : उपाध्यक्ष जी, मैं सभी सदस्यों को धन्यवाद देता हूँ और आभार व्यक्त करता हूँ कि सबने एकमत से इस नए विधेयक के समर्थन में अपना वक्तव्य दिया है और समर्थन किया है। मैं सभी पार्टी के लोगों को भी धन्यवाद देना चाहता हूँ। करीब 22 सदस्य इस पर बोले हैं। श्री के.वी. थॉमस जो पूर्व मंत्री रहे हैं, श्री संजय जायसवाल, श्री ए. अनवर राजा, श्रीमती ममताज संघमिता, रवीन्द्र कुमार जेना जी, जैदेव गल्ला जी, कुण्डा रेड्डी जी, पी.के. बिजू जी, अरविंद सावंत जी, एम. राजमोहन रेड्डी जी, अक्षय यादव जी, ओम बिरला जी, भगवंत मान जी, अभिजीत मुखर्जी जी, चरणजीत सिंह रोड़ी जी, श्री गोपाल रेड्डी, मोहम्मद बशीर जी, जार्ज बेकर जी, श्री एन.के. प्रेमचंद्रन, कौशलेन्द्र जी और कटारिया जी बोले हैं। हमने सबके विचार बहुत डिटेल् में नोट किए हैं। मैं बहुत ही खुले दिमाग से कहना चाहता हूँ कि इसमें मेरा कोई रिजर्वेशन नहीं है। नेशनल इंटरस्ट देश का सबसे बड़ा हित होता है, उसके बाद पार्टी का हित होता है और उसके बाद व्यक्ति का हित होता है। नेशनल इंटरस्ट में न पार्टी होनी चाहिए, न पॉलिटिक्स होनी चाहिए। इसलिए हमसे जितना बन सका, हमने वैबसाइट पर रखा, स्टैकहोल्डर्स आदि सब लोगों से बातचीत की।

सौगत राय जी नहीं बोले हैं, लेकिन इन्होंने बहुत अच्छा संशोधन दिया। एक-एक संशोधन पर हमने डिपार्टमेंट से दो-दो दिन तक चर्चा की। प्रेमचंद्रन जी के संशोधन पर हमने चर्चा करने का काम किया। सत्पथी जी नहीं बोल पाए। इन्होंने पिछली बार दिया था। हमारे पास जिनका भी सुझाव आया है, उन सारे सुझावों को हमने बहुत ही गंभीरता से लिया है। मैं आपको इतना विश्वास दिलाना चाहता हूँ कि बहुत सारी चीजें हैं जो एक्ट में नहीं आतीं। खड़गे साहब अनुभवी नेता हैं, सब कुछ जानते हैं, आप भी जानते हैं। जो रूल्स आदि बनेंगे, उनमें जहां तक संभव होगा, क्योंकि बहुत सी चीजें हैं जो संभव नहीं हो सकतीं। दो तरह की विचारधारा है। हमारी मिक्स्ड इकोनॉमी अभी तक चलती रही। प्राइवेट सैक्टर है, पब्लिक सैक्टर भी है। एक तरफ होता है कि किसी बॉडी को पूरा स्वतंत्र कर दीजिए, दूसरी तरफ हम पार्लियामेंट में आते हैं तो आप हमसे पूछते हैं कि आप इस विभाग के मंत्री हैं, बताइए। जब तक एक-दूसरे के साथ तालमेल नहीं रहेगा तब तक कैसे होगा। जैसे बीआईएस को स्वतंत्र करने के बारे में है। हमने पूरा स्वतंत्र कर दिया। उसके किसी काम-काज में हम दखल नहीं देते। लेकिन मंत्री होने के नाते, हम इस पक्ष के हों या उस पक्ष के हों, जब आप पार्लियामेंट में आकर बोलते हैं तो सरकार के साथ कुछ न कुछ समन्वय रखने की आवश्यकता होती है। यदि आप कहें, हमने सबकी बात नोट की है और उनका जवाब भी हमारे पास है। अगर आपके पास समय हो तो मैं सबकी बातों का जवाब देने के लिए तैयार हूँ।

मैं कुछ प्वाइंट्स के बारे में बताना चाहता हूं। जैसे थॉमस साहब ने ठीक कहा कि कन्ज्यूमर गॉड होता है। हम कन्ज्यूमर प्रोटेक्शन एक्ट अलग से लाने जा रहे हैं। बीएसआई स्टैंडर्ड से संबंधित है, एक सुई से लेकर अंतरिक्ष यान से लेकर सारी चीजों में स्टैंडर्ड को देखते हैं। हम क्या इस बात को नहीं समझते हैं? यह पार्लियामेंट कब का बना हुआ है, कहीं इसमें कोई खोंच नहीं है, इसके बाद जितने भी भवन बने हैं चाहे वह शास्त्री भवन हो या कृषि भवन सारे का सारे भवनों की क्या दुर्गति हो रही है। पानी की बात आपने कही, मैं एक दिन प्लेन से जा रहा था, उसमें हम लोगों को पानी मिला, उसे हमने पी लिया, उसी प्लेन में एक विदेशी भी यात्रा कर रहा था, उसने पानी लेने के बाद एयरहोटस्टेस से पूछा कि तुमने आउटडेटेड पानी क्यों दिया? हम लोग ज्यादा से ज्यादा आईएसआई मार्क देखते हैं उसमें लिखा हुआ था कि यह छह महीने के बाद पीने योग्य नहीं था। आज लोग हेल्थ कॉन्शस हो रहे हैं लेकिन उतना नहीं है जितना विदेशों में है। हमारे साथी ने कहा कि बहुत सारी दवाइयों पर बैन है और अपने यहां चल रहा है। हमने बार-बार कहा है कि एक एक्ट होता है, एक फैक्ट होता है और एक टैक्ट होता है। हम इतना स्टैंडर्ड कड़ा न कर दें कि सड़क पर कोई सामान ही न बेच पाए। हम लोग कहीं भी जाकर कुछ खा लेते हैं। यदि हम स्टैंडर्ड फिक्स कर देंगे कि आपको इसी स्टैंडर्ड के मुताबिक काम करना है तो इसे डिफिकल्टी पैदा हो जाएगी। हम एक लार्ज कन्ज्यूमर प्रोडक्शन एक्ट लाने जा रहे हैं, यह नहीं होना चाहिए कि अगर पानी में कम्प्लेंट निकला तो बोतल लौटा दो या पैसा दे दो, इसका मतलब यह हुआ कि सब बोतलों का पानी जो भी मैन्यूफ्रैक्चरड हुआ था, वह सब जहरीला था, उस पर सामूहिक कार्रवाई की जाएगी। यदि कार का इंजन खराब है और उसे एक आदमी चला रहा है, इसका मतलब यह नहीं है कि उसी कार का इंजन खराब है, सभी कारों का इंजन खराब है। उस पर कार्रवाई की जाएगी, यदि दुकान बंद करने की जरूरत होगी तो उसे बंद भी किया जा सकता है या वापस लिया जा सकता है। आपने मिसलिडिंग एडवर्टिजमेंट का मामला उठाया, आपको दिल्ली में हर टैम्पू के पीछे लिखा हुआ मिल जाएगा, छह महीने में अपने कद को बढ़ा लीजिए, तीन महीने में बाल उगा लीजिए।

आपने खाना के संबंध में कहा, हमारे यहां कट्टू होता है, उसमें सुई लगा देते हैं, वह बड़ा हो जाता है, आम के संबंध में भी आपने कहा, इसके लिए अलग-अलग डिपार्टमेंट्स हैं। इसलिए हम नेशनल स्टैंडर्ड बना रहे हैं, इससे पहले हेल्थ मिनिस्ट्री का इसे देखने का अलग रवैया था, आईएनबी मिनिस्ट्री मिसलिडिंग एडवर्टिजमेंट को देखने का अलग रवैया था। हमारे पास एक्सपटीज नहीं है, हमने प्राइवेट वालों को भी कहा है कि आप सेल्फ सर्टिफिकेशन दें। हमारे सभी साथियों ने कहा है कि हमारा स्टैंडर्ड इंटरनेशनल होना चाहिए। आज भी यह इंटरनेशनल स्टैंडर्ड है, वह इंटरनेशनल बॉडी में जाकर बैठता है, लेकिन हमारे सामने दिक्कत क्या है, एफएसएसआई को बाहर में कोई नहीं जानता है। इजी बिजनेस का मामला भी है, चीन में

5 हजार प्रोडक्ट्स मैनडेटरी है। लेकिन हमारे यहां नहीं हैं, बहुत कम हैं। हम चाहते हैं कि अधिक से अधिक हो, लेकिन कैसे होगा? हमारे पास उतना इन्फ्रास्ट्रक्चर नहीं है और न ही हम कर सकते हैं। हम उसे अधिक से अधिक बढ़ावा देने के लिए आसान तरीका अपनाना चाहते हैं। हम चाहते हैं कि तरीका सरल हो, लेकिन कानून कठोर हो। आप सब लोगों ने कहा कि कानून कठोर होना चाहिए। हम लोगों ने कहा कि यदि कोई अनिवार्य प्रोडक्ट्स का वायलेशन करता है, आईएसआई का वायलेशन करता है तो वह कॉग्नीजिबल ऑफेन्स माना जायेगा। हमने कहा है कि कॉग्नीजिबल ऑफेन्स ही नहीं माना जायेगा, बल्कि दो साल तक जेल की सजा होगी और एक लाख रुपया फाइन होगा। आपने सबसे बड़ी बात कही कि जो बड़े बिजनेसमैन लोग हैं, उनके लिए क्या होगा? उनके लिए यह प्रावधान है कि उनका साल भर का जो कारोबार है या जब से कम्प्लेंट हुई है, उस कारोबार का दस गुना फाइन देना होगा। एक लाख या दो लाख रुपया फाइन नहीं है, बल्कि दस गुना फाइन देना होगा। ये सारे प्रोविजन्स इस बिल में दिये गये हैं।

सभापति महोदय, चूंकि समय ज्यादा नहीं है इसलिए मैं आप सबसे इतना ही कहना चाहूंगा। अभी थामस साहब ने जागो ग्राहक जागो के बारे में कहा। इसके साथ-साथ हॉल मार्किंग के संबंध में कहा। हॉल मार्किंग के बारे में हमने सजेशन दिया है कि वह मैनडेटरी होना चाहिए। इसे हमने सरकार के ऊपर छोड़ा है। हमने कल अपने भाषण में कहा था जैसे सोना है। मुझे यह नहीं कहना चाहिए, लेकिन जब मैं एमपी था, तब मैंने अपने मां के अंतिम समय में सोचा कि उन्हें कुछ दूं, इसलिए मैंने सोने का नेकलेस लिया। हमारे गांव में मां वगैरह हाथ में बांधती थी, तो कभी चांदी का मिल जाता था तो वह समझती थी कि चांदी की बहुत बड़ी चीज मिल गयी। हमने सोचा कि उन्हें सोने की कोई चीज दे दें, इसलिए हमने एक छोटा सा लॉकेट दे दिया। हमने तीन साल बाद देखा कि वह सोना खराब निकला। अब हम क्या कर सकते हैं? इसलिए हम भी चाहते हैं कि हॉल मार्किंग मस्ट होनी चाहिए। अब 9 कैरेट के सोने से लेकर 22 कैरेट तक सोना रहता है। अब गरीब को क्या मालूम कि वह 9 कैरेट का सोना खरीद रहा है या 22 कैरेट का सोना खरीद रहा है। दुकानदार 22 कैरेट का पैसा लेता है और 9 कैरेट का सोना देता है। हम चाहते हैं कि यह मैनडेटरी हो। हम चाहते हैं कि जितने भी ज्वैलर्स हैं, उनके पास सारे नम्बर्स रहें। ये सारी चीजें हैं। इसलिए मैंने कहा कि आप कोई भी चीज करते हैं, तो वह हन्डर्ड परसेंट परफेक्ट नहीं होता। उसमें कुछ न कुछ खामियां रहती हैं। इसलिए हमने इसमें संशोधन करने के बारे में सोचा। मैंने पहले ही कहा था कि यह मामला वर्ष 2012 से शुरू हुआ था। यह बिल स्टैंडिंग कमेटी में भी गया। हमारे साथी ने राजीव गांधी जी का नाम लिया। हम सब पार्टी को धन्यवाद देना चाहते हैं, राजीव जी को भी धन्यवाद देना चाहते हैं। आपने शुरुआत की। उस शुरुआत के बाद हमें लगा कि स्टैंडिंग कमेटी जो संशोधन लायी है, उससे काम चलने वाला नहीं है। हम चाहते हैं कि इसमें पूरा नया बिल लाया जाये। उसके लिए हम नया बिल आपके सामने

लाये हैं। आपने इसमें बहुमूल्य सुझाव दिये हैं। मैंने जैसा कहा कि एक्ट अलग होता है, फैक्ट अलग होता है, टैक्ट अलग होता है। बढ़िया से बढ़िया एक्ट हो, फैक्ट अलग हो, लेकिन नेता, नीति और नीयत होनी चाहिए। आप कितनी भी अच्छी चीज बना लीजिए, लेकिन जब तक आपकी नीयत साफ नहीं होगी, तब तक कुछ होने वाला नहीं है। प्राइम मिनिस्टर ने कहा है कि मेक इन इंडिया, मेड इन इंडिया। अब मेक इन इंडिया और मेड इन इंडिया का मतलब क्या है? हमारा स्टैंडर्ड यदि इंटरनैशनल स्टैंडर्ड नहीं होगा, तो हम दुनिया में कहां टिक पायेंगे? हम दूसरे देश का नाम नहीं लेना चाहते, लेकिन दीपावली के समय में दीया भी आता है, तो लोग वहां का दीया जलाते हैं। जिस देश में गणेश जी नहीं हैं, वहां से गणेश जी की मूर्ति हमारे पास आती है। हर चीज वहां से आ रही है। हम क्या टुकुर टुकुर देख रहे हैं? इसलिए हम यह कानून बनाने जा रहे हैं। इसमें हमने बहुत संजीदगी के साथ लॉ डिपार्टमेंट, लीगल डिपार्टमेंट आदि सबकी राय लेकर जितना दूर तक संभव हो सकता है, उतना हमने किया है। इससे आगे भी जो संभव होगा, हम उसे करेंगे। आपने जो भी सुझाव दिये हैं, उनमें से जो भी संभव हो सकेगा, उसे रूल्स वगैरह में लाने का काम करेंगे। इसलिए हम सभी साथियों से आग्रह करना चाहते हैं कि आप सब इसे एकमत से पास कीजिए और यहां से सिग्नल दीजिए।

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HON. DEPUTY SPEAKER: The question is:

“That the Bill to provide for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services, and for matters connected therewith or incidental thereto, be taken into consideration.”

The motion was adopted.

HON. DEPUTY SPEAKER: The House shall now take up clause by clause consideration of the Bill.

Clause 2

Definitions

HON. DEPUTY SPEAKER: Shri N.K. Premachandran to move the Amendment No. 11 to 17 to Clause 2.

SHRI N.K. PREMACHANDRAN (KOLLAM): I am moving Amendment Nos. 11 to 17 to Clause 2. I beg to move:

Page 2, line 2, *after* “precious” *insert-*
“metal and”. (11)

Page 2, line 3, *after* “precious” *insert-*
“metal and”. (12)

Page 2, line 12, *after* “precious” *insert-*
“metal and”. (13)

Page 2, line 31, *after* “precious” *insert-*
“metal and”. (14)

Page 2, line 32, *after* “indicates” *insert-*
“the purity of the metal and the”. (15)

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Page 2, line 45, after “business” *insert-*
 “of precious metal or”. (16)

Page 3, line 19, after “platinum” *insert-*
 “diamond”. (17)

HON. DEPUTY SPEAKER: I shall now put amendments No. 11 to 17 to Clause 2 moved by Shri N.K. Premachandran to the vote of the House.

The amendments were put and negatived.

HON. DEPUTY SPEAKER: The question is:

“That Clause 2 stand part of the Bill.”

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 Establishment of the Bureau and Constitution of Governing Council

HON. DEPUTY SPEAKER: Prof. Saugata Roy to move Amendment No. 5 to Clause 3.

PROF. SAUGATA ROY (DUM DUM): I am moving Amendment No. 5 to Clause 3. I beg to move:

Page 4, *omit* lines 28 to 35. (5)

Hon. Deputy Speaker Sir, everybody in the House has supported the Bill. I have nothing against it. The only thing I have mentioned is that in the Bureau of Indian Standards, the Governing Council will have the Minister as the President and the Minister of State as the Vice President. I would like the body to be a non-political professionally competent body. There is no need of political interference

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in the body. That is why I have proposed that these clauses which make the Minister, who is not an expert, the President and the Minister of State as Vice President be eliminated. So, I move my amendment.

HON. DEPUTY SPEAKER: I shall now put Amendment No. 5 to Clause 3 moved by Prof. Saugata Roy to the vote of the House.

The amendment was put and negatived.

HON. DEPUTY SPEAKER: Shri N.K. Premachandran to move Amendment No. 18 to Clause 3.

SHRI N.K. PREMACHANDRAN (KOLLAM): I am not moving Amendment No. 18 to Clause 3.

HON. DEPUTY SPEAKER: The question is:

“That Clause 3 stand part of the Bill.”

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4

Executive Committee of Bureau

HON. DEPUTY SPEAKER: Shri N.K. Premachandran to move Amendment No. 19 to Clause 4.

SHRI N.K. PREMACHANDRAN (KOLLAM): I am not moving Amendment No. 19 to Clause 4.

HON. DEPUTY SPEAKER: The question is:

“That Clause 4 stand part of the Bill.”

The motion was adopted.

Clause 4 was added to the Bill.

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Clause 5 Advisory Committees of Bureau

HON. DEPUTY SPEAKER: Prof. Saugata Roy to move Amendment No. 6 to Clause 5.

PROF. SAUGATA ROY (DUM DUM): I am not moving Amendment No. 6 to Clause 5.

HON. DEPUTY SPEAKER: The question is:

“That Clause 5 stand part of the Bill.”

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill

Clause 7 Director General

HON. DEPUTY SPEAKER: Prof. Saugata Roy to move Amendment No. 7 to Clause 7.

PROF. SAUGATA ROY (DUM DUM): I am moving Amendment No. 7 to Clause 7. I beg to move:

Page 5, line 36, *after* “Bureau” *insert-*
 “who shall be an eminent Scientist or an Engineer or a
 Technologist.” (7)

HON. DEPUTY SPEAKER: Prof. Saugata Roy, do you want to say something?

PROF. SAUGATA ROY: In Clause 7, I am moving Amendment No. 7 and I request the Minister to accept this because as I said, the Bureau of Indian Standards should be a professional body and the main job of the Bureau of Indian Standards is to certify quality of products. For that, proper testing is necessary especially with regard to precious metals like gold, silver, palladium etc. You

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know ordinary testing would not do. You need testing like x-ray, spectroscopic analysis and all that. So, I would not like the Director General to be a bureaucrat. I would like him to be a technocrat. Sir, I may mention that when Pandit Nehru formed the Indian Standards Institution in 1947, he had an eminent scientist Lal Chand Verman as the first Director General of ISI. That is why I proposed that the Director General should be an eminent scientist or an engineer or a technocrat. This is in the interest of professional competence of the body.

श्री राम विलास पासवान : इसमें कहीं बाइडिंग तो नहीं है कि कोई नहीं हो सकता है। इंजीनियर भी हो सकता है, टेक्नोक्रेट भी हो सकता है, साइंटिस्ट भी हो सकता है। इसमें रोक कहां है? इसमें तो ऑलरेडी है।

प्रो. सौगत राय: रोक तो नहीं है लेकिन अल्टीमेटली हो जाता है कि ब्यूरोक्रेट आईएस आफिसर हो जाए।

HON. DEPUTY-SPEAKER: I shall now put Amendment No.7 to clause 7 moved by Prof. Saugata Roy to the vote of the House.

The Amendment was put and negatived.

HON. DEPUTY-SPEAKER: The question is:

“That Clause 7 stand part of the Bill.”

The motion was adopted.

Clause 7 was added to the Bill.

Clause 8 was added to the Bill.

Clause 9 Powers and functions of Bureau

HON. DEPUTY-SPEAKER: Prof. Saugata Roy ji, are you moving your Amendment No.8 to clause 9?

PROF. SAUGATA ROY (DUM DUM): Sir, I am not moving my Amendment No.8.

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HON. DEPUTY-SPEAKER: The question is:

“That Clause 9 stand part of the Bill.”

*The motion was adopted.
Clause 9 was added to the Bill.*

Clause 10 Indian Standards

HON. DEPUTY-SPEAKER: Shri N.K. Premachandran, are you moving your Amendment No.20 to clause 10?

SHRI N.K. PREMACHANDRAN (KOLLAM): Yes, Sir, I beg to move:

Page 7, line 27,-

omit “or outside” (20)

Sir, I am moving my amendment because it is accrediting an outside agency for standardization and certification.

HON. DEPUTY-SPEAKER: I shall now put Amendment No.20 to clause 10 moved by Shri N.K. Premachandran to the vote of the House.

The Amendment was put and negatived.

HON. DEPUTY-SPEAKER: The question is:

“That Clause 10 stand part of the Bill.”

*The motion was adopted.
Clause 10 was added to the Bill.
Clauses 11 to 13 were added to the Bill.*

Clause 14 Certification of Standard Mark of jewellers and sellers of certain specified goods or articles.

HON. DEPUTY-SPEAKER: Shri N.K. Premachandran, are you moving your Amendment No.21 to clause 14?

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I am not moving Amendment No.21.

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HON. DEPUTY-SPEAKER: I shall now put Amendment No.1 to clause 17 moved by Shri Adhir Ranjan Chowdhury to the vote of the House.

The Amendment was put and negatived.

HON. DEPUTY-SPEAKER: The question is:

“That Clause 17 stand part of the Bill.”

*The motion was adopted.
Clause 17 was added to the Bill.*

Clause 18 Obligations of licence holder, seller, etc.

HON. DEPUTY-SPEAKER: Shri Adhir Ranjan Chowdhury, are you moving your Amendment No. 2 to clause 18?

SHRI ADHIR RANJAN CHOWDHURY (BAHARAMPUR): Yes, Sir, I beg to move:

Page 10, line 10,-

after “license holder”

insert “and shall maintain proper invoice of such purchases”. (2)

Sir, the Minister has already admitted that there may be some kind of deficiencies which could be corrected later. I would like to point out one deficiency in Clause 18, after page 10. In Page 10, after line 10, I would like to insert that “shall maintain proper invoice of such purchases”. Sir, it is a severe lacuna that has been pointed out by me. I think the Minister certainly will consider it because already the imposters, the middlemen and other deceivers are deceiving the customers of our country by taking advantage of various kinds of loopholes. One of such loopholes I want to correct and suggest that ‘invoice of such purchases’ needs to be inserted in the Clause.

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HON. DEPUTY-SPEAKER: I shall now put Amendment No.2 to clause 18 moved by Shri Adhir Ranjan Chowdhury to the vote of the House.

The Amendment was put and negatived.

HON. DEPUTY-SPEAKER: The question is:

“That Clause 18 stand part of the Bill.”

The motion was adopted.

Clause 18 was added to the Bill.

Clauses 19 to 24 were added to the Bill.

Clause 25 Power of Central Government to issue directions

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I beg to move:

Page 12, line 15,-

omit “, as far as practicable.” (22)

Page 12, line 17, -

omit “or not”. (23)

Sir, I am moving my amendment Nos. 22 and 23 to Clause 25. It is a very pertinent point. It is because the Bureau of Indian Standards is a statutory organization and we are giving recognition to that. If it is for the policy matter, BIS need not be consulted but if it is not a policy matter, BIS will not be consulted. Whatever decision is taken by the Government, it will be final. Then why are we giving authority to BIS? It is because this is a statutory organization and absolute right is being conferred on it. Even after that, if it is a policy matter, I fully agree. If it is not a policy matter, at least, they should be given an opportunity of being heard. The words here mentioned are ‘as far as practicable’ we will hear them for the policy matter. But in non-policy matters, why the BIS to whom Parliament is giving authority is not being heard? That is my question. Kindly consider this issue.

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HON. DEPUTY SPEAKER: I shall now put amendment Nos. 22 and 23 to Clause 25 moved by Shri N.K. Premachandran to the vote of the House.

The amendments were put and negatived.

HON. DEPUTY SPEAKER: The question is:

“That clause 25 stand part of the Bill”.

The motion was adopted.

Clause 25 was added to the Bill.

Clauses 26 to 28 were added to the Bill.

Clause 29 Penalty for Contravention

SHRI ADHIR RANJAN CHOWDHURY (BAHARAMPUR): I beg to move:

Page 13, lines 41 and 42, -

for “one year or with fine which shall not be less than one lakh rupees, but may extend up to five”

substitute “five years or with fine which shall not be less than two crore rupees, but may extend up to ten”. (3)

Page 14, *for* lines 2 to 4, -

substitute “imprisonment for a term which may extend up to five years or with fine which shall not be less than two crore rupees for the first contravention and not be less than five crore rupees for the second and subsequent contraventions, but may extend up to twenty times the value of”. (4)

Sir, I would like to move my amendment. The Minister has stated that जो लोग हमसे और हमारे उपभोक्ताओं से चीटिंग करेंगे, उन्हें कड़ी से कड़ी सजा देने की व्यवस्था की जाएगी।

Sir, unscrupulous elements are very much available in our country in spite of all the progress that we have made. We have not been able to get rid of unscrupulous elements of our country. That is why, as a deterrent measure, I

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would like to move the amendment. I think the Treasury Benches are also in agreement with me.

HON. DEPUTY SPEAKER: I shall now put amendment Nos. 3 and 4 to Clause 29 moved by Shri Adhir Ranjan Chowdhury to the vote of the House.

The amendments were put and negatived.

PROF. SAUGATA ROY (DUM DUM): I beg to move:

Page 13, line 39.-

for “five lakh”.

substitute “ten lakh” (9)

Page 13, lines 41 and 42,-

for “one year”.

substitute “two years”. (10)

Sir, I have brought these amendments to raise the fine from Rs. 5 lakh to Rs.10 lakh. This is only symbolic because I think the punishment should be made harsher as has been said by Mr. Chowdhury. The sale of fake products in India have gone up to Rs.22000 crore and the amount that the Government loses in revenue would be roughly to the extent of Rs.2500 crore. If I may mention, there are certain places in India which are excelling in the fake products market. These are Sonapat, Ghaziabad, Panipet, Meerut, Ballabgarh and NCR Region. They have become illegal manufacturing hubs. Also, Bhagirath Place in Delhi, Indore in Madhya Pradesh, Lucknow and Ahmedabad have become important centres for the production of counterfeit medicine. Today, this is threatening the lives of people. Therefore, the harshest possible punishment needs to be given. The profits are windfall because you sell a product manufactured at half the price. You can make the same amount of money as original products.

I may mention that in India, all the important FMCG companies are affected with fake products. These companies are Procter & Gamble, Hindustan

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Lever, Colgate, Marico, GlaxoSmithKline, Coca Cola, Pepsico, Gillette and Britania. The fake products imitating them have come out all over the country.

करोड़ों रुपयों का कारोबार हो रहा है, इसके लिए कड़ी से कड़ी सजा होनी चाहिए। मैं चाहता हूं कि कानून तो हम बनाते हैं लेकिन वह इम्प्लीमेंट नहीं होता है। सारे देश में खुल्लमखुल्ला फेक प्रोडक्ट्स बनते हैं। इस पर मंत्री जी काबू करें और कड़ी से कड़ी सजा रखी जाए।

HON. DEPUTY-SPEAKER: I shall now put Amendment Nos. 9 and 10 to Clause 29 moved by Prof. Saugata Roy to the vote of the House.

The amendments were put and negatived.

HON. DEPUTY SPEAKER: The question is:

“That clause 29 stand part of the Bill.”

The motion was adopted.

Clause 29 was added to the Bill.

Clauses 30 to 32 were added to the Bill.

Clause 33 Compounding of offence

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I beg to move:

“Page 15, lines 7 and 8,--

for “either before or after”

substitute “before” (24)

The hon. Law Minister is here. How can a case be compounded and an officer can be authorized after institution, prosecution petition before the court. Here, as per this provision, after the institution of any prosecution be compounded by an officer so authorized by the Director General in such a manner as may be prescribed. How can it be? We are giving ample chance and opportunity to compound the offence before instituting the prosecution petition. After instituting the prosecution petition only the court can compound. How can an officer be authorized to compound the case when the matter is pending before the court? How could it be compounded? So, kindly look into this matter.

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HON. DEPUTY-SPEAKER: I shall now put Amendment No. 24 to Clause 33 moved by Shri N.K.Premachandran to the vote of the House.

The amendment was put and negatived.

HON. DEPUTY-SPEAKER: The question is:

“That clause 33 stand part of the Bill.”

The motion was adopted.

Clause 33 was added to the Bill.

Clauses 34 to 43 were added to the Bill.

Clause 1, Enacting Formula and the Long Title were added to the Bill.

HON. DEPUTY-SPEAKER: The hon. Minister may now move that the Bill be passed.

श्री रामविलास पासवान : उपाध्यक्ष महोदय, मैं प्रस्ताव करता हूँ:

“कि विधेयक को पारित किया जाए।”

HON. DEPUTY SPEAKER: Motion moved:

“That the Bill be passed.”

PROF. SAUGATA ROY : Sir, I just want to speak for a minute on the Bill. This Bureau of Indian Standards Bill covers only a part of the total gamut of products that are sold. The main place where standardization is most necessary is in food products. This affects the biggest companies. You would know that 10 to 12 years ago there was a controversy about pesticides being found in Bisleri manufactured by Coca Cola company. Parliament had to set up a Committee. You are also aware of the crisis caused by finding lead in Maggie Noodles over which a lot of controversy had taken place. There are a number of laws under the Ministry which need to be addressed properly. I would like the food products also to be brought

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within it since he is bringing in goods, services etc. under this Bill, I would like them to be controlled.

Lastly, he himself mentioned that gold is one item where hall marking is absent.

Sir, 90 per cent of gold is sold without any Hallmark or Agmark. Common people are being taken for a ride. As he mentioned, nine carat gold is being shown as 22 carat gold. Even with this law, I would like the hon. Minister to spell out now or later as to what he will actually do to implement the new law or the new powers that the House is giving him unanimously. Without that, Indian people will buy adulterated food. They will eat adulterated food, buy fake products, look-alike products, wear fake helmets or false helmets and suffer in every way. The Government must give protection to the consumers so that they will get fair value for the money.

श्री निशिकान्त दुबे (गोड्डा) : धन्यवाद उपाध्यक्ष महोदय। इस बिल का जो ऑब्जेक्ट्स एंड रीजन है कि डब्ल्यूटीओ की गाइडलाइंस के हिसाब से जो डोमेस्टिक और इंटरनेशनल स्टैंडर्ड्स होंगे, उनको बराबर मीट किया जाएगा। जिस तरह से पिछली सरकार में सिंगल ब्रांड रिटेल और मल्टी-ब्रांड रिटेल को इन लोगों ने पास किया और जिस तरह से वालमार्ट, किंगफिशर, टेस्को जैसी कंपनियां आएंगी और उनके जो प्रोडक्ट्स यहां बिकेंगे, उनका जो स्टैंडर्ड है, उसमें बीआईएस कैसे प्रभावी होगा?

दूसरे, जो हमारे प्रोडक्ट्स हैं, जैसा अभी फूड प्रोडक्ट्स के बारे में सौगत रॉय जी कह रहे थे, आपको ध्यान होगा कि पिछले साल यूरोपियन यूनियन ने हमारे अलफांसो आम को खाने के काबिल नहीं मानकर बैन कर दिया था। उसी तरह से हमारी पूरी स्टील इंडस्ट्री अभी क्राइसिस में जी रही है, वह चाइना से कम्पीट कर रही है। जिस तरह से आप कह रहे थे कि इलेक्ट्रानिक गुड्स हों या दीपावली के सामान हों, लक्ष्मी-गणेश की प्रतिमाएं हों, सब चीजें चाइना से बनकर आती हैं। डब्ल्यूटीओ की आब्लीगेशन के कारण पूरी दुनिया में हमारी जो स्थितियां हैं, उसके लिए डब्ल्यूटीओ में भारत सरकार का क्या ऐसा सिस्टम या मैकेनिज्म है कि हम अपने बीआईएस को प्रभावी तरीके से लागू कर पाएंगे और अपनी स्थितियों को दुनिया के सामने ला पाएंगे?

SHRI P.P. CHAUDHARY (PALI): Sir, I thank you very much for permitting me to ask a clarificatory question. I want to know whether the Bill creates a

possibility of duplicacy of work in case of formulation of standards by BIS and other mandated authorities such as the Food Safety and Standards Authority of India. Will this lead to divergence of standards and over standardization, especially in respect of processed foods? In the scenario of conflicting standards or double standardization by different bodies, whose standards will prevail and be implemented and what about the provision to resolve any conflicting standards or double standardization by the BIS and other bodies?

श्री शरद त्रिपाठी (संत कबीर नगर): उपाध्यक्ष महोदय, माननीय मंत्री जी वर्ष 1986 के मानक कानून को बदलकर नया कानून लाए हैं, उसका मैं स्वागत करता हूं। मैं आपके माध्यम से माननीय मंत्री जी से दो बिन्दुओं पर स्पष्टीकरण चाहूंगा। जो हमारे फूड प्रोडक्ट्स हैं, उनकी गुणवत्ता को मापने का हमारा जो तरीका है, उन पदार्थों की क्वालिटी एफएसएसआई द्वारा प्रमाणित की जाती है। इसमें कैसे समन्वय होगा, जैसे तेल है, तेल खाद्य पदार्थ में भी शामिल है, इसको हम कैसे बीआईएस के अंतर्गत कैसे लाएंगे? मैं इसमें स्पष्टीकरण चाहूंगा कि इसके लिए कैसे नए कानून कठोरता से लागू करेंगे? क्या समन्वय बनाकर लागू करेंगे या अपने विभाग द्वारा ही किसी विशेष तरीके से इसे कड़ाई से लागू करेंगे?

दूसरा विषय यह है कि धारा 18(6) के अंतर्गत माल वापस मंगाने का आपने प्रावधान रखा है। मैं यह जानना चाहूंगा कि कौन-कौन सी वस्तुओं को आप वापस मंगाने की श्रेणी में रखेंगे? जो सेवा हम दे रहे हैं, उसके बारे में क्या व्यवस्था होगी?

HON. DEPUTY-SPEAKER: Shri Ratan Lal Kataria, you have already spoken on this Bill. So, if you want to ask any question, please go ahead.

श्री रत्न लाल कटारिया (अम्बाला) : मैं माननीय मंत्री जी से यह जानना चाहूंगा कि 13 फरवरी को गुवाहटी में कंस्टीट्यूटिव कमेटी की मीटिंग हुई थी, उसमें आदरणीय मंत्री जी ने यह कहा था कि हम बीआईएस के अंतर्गत स्वच्छ भारत स्कीम को भी लाएंगे। इसके लिए किस तरह का मैकेनिज्म डेवलप किया जाएगा? दूसरा, स्मार्ट सिटी के लिए बीआईएस का इस प्रकार का सेटअप हम खड़ा करेंगे जिसके अंतर्गत हम सभी स्मार्ट सिटीज़ को डेवलप करेंगे। इसके अलावा बीआईएस के अंतर्गत वर्ष 2016 तक फाइव इंटरनेशनल स्टैंडर्ड की लैब्स हिन्दुस्तान में स्थापित करने की बात कही थी। इन सब बातों को लागू करने के लिए आप क्या करने जा रहे हैं?

श्री अधीर रंजन चौधरी (बहरामपुर) : महोदय, पासवान जी ने जो बिल प्रस्तुत किया है, उसमें टैक्ट है, फ़ैक्ट है, लेकिन एक्ट में कुछ कमजोरियाँ हैं। इसमें थोड़ी ताकत लाने के लिए मैं आपको एक सलाह देना चाहता हूँ कि

“Imprisonment for a term which may extend upto five years or with fine which shall not be less than two crore rupees for the first contravention and not be less than five crore rupees for the second and subsequent contraventions, but may extend upto twenty times the value of”.

ऐसा होने से एक्ट में तुरन्त ताकत आएगी, नहीं तो टैक्ट रहेगा, फ़ैक्ट रहेगा, लेकिन एक्ट कमजोर हो जाएगा।

SHRI P.K. BIJU (ALATHUR): Sir, I would like to ask a clarification. Under Powers and Functions of Bureau, under Clause 9, Chapter II, it is said, “establish branches, offices or agencies in India or outside”.

As far as the foreign manufacturers are concerned, they have signed MoU with the BIS. That is our system. But what is the purpose of opening a branch outside India? Kindly clarify this.

श्री रामविलास पासवान : महोदय, मैंने पहले ही कहा कि मैं माननीय सदस्य की भावना से सहमत हूँ कि जितने भी खाद्य पदार्थ हैं, उन सभी का एक स्टैंडर्ड होना चाहिए। स्टैंडर्ड केवल कागज पर ही नहीं होना चाहिए बल्कि असल में भी स्टैंडर्ड होना चाहिए। लेकिन जैसा मैंने कहा कि बीआईएस ने अभी कुछ ही मानक बनाए हैं और हमने कुछ के लिए लाइसेंस भी जारी किया है। खाद्य का मानक हम नहीं बनाते हैं, बल्कि हेल्थ मिनिस्टरी बनाती है, चूँकि उनके पास एक्सपर्टाइज़ है। उनके पास फूड सेफ्टी एंड स्टैंडर्ड अथॉरिटी है, जिसके अंतर्गत यह आता है। इसी तरह से टेलीकॉम टेलीकॉम अथॉरिटी के अंदर है। हम यह करने जा रहे हैं कि सभी के स्टैंडर्ड को, जिसमें वॉलियंटरी ऑर्गेनाइजेशंस भी हैं, उन सभी को लेकर हम इंडियन स्टैंडर्ड, नेशनल स्टैंडर्ड बना रहे हैं। लेकिन मार्किट में कोई भी सामान जाएगा और उसकी शिकायत मिलेगी, तभी हमारा इंस्पेक्टर जाएगा, हम पहले से ही जाकर जांच करना शुरू कर दें कि तुम्हारा यह सामान सही नहीं है, गलत है, उसमें इंस्पेक्टर राज हो जाता है। जब एक बार शिकायत आएगी तो निश्चित है कि वहां हमारा इंस्पेक्टर जाकर देखेगा। पुलिस को जो कार्रवाई करनी होगी, वह करेगी।

दूसरा, आपने अनिवार्यता की बात कही है। सरकार ने अनिवार्यता के लिए एक क्लॉज दिया है कि नेशनल इंटरैस्ट में, नेशनल सिक्योरिटी के प्वाइंट ऑफ व्यू से, जन सुरक्षा के दृष्टिकोण से, पर्यावरण के

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दृष्टिकोण से सरकार की नजर में जो-जो सामान आएगा, सरकार उसको मेंडेटरी करने का काम करेगी। हॉल मार्किंग के संबंध में मैंने कहा था कि हॉल मार्किंग मेंडेटरी के अंतर्गत आए। लेकिन हमारा देश बहुत बड़ा है, जिसमें अमीर, गरीब और मिडिल क्लास के लोग हैं।

हमारा लॉ डिपार्टमेंट है, हमें सबको देखकर कानून बनाना पड़ता है और जैसा कि हमने कहा कि यदि उसमें कहीं खामी रही तो जब हमारे रूल्स वगैरह बनेंगे, उसमें हम देख लेंगे कि उसमें कितना समाहित कर सकते हैं। इसलिए मैं सभी माननीय सदस्यों को धन्यवाद देना चाहता हूं। चूंकि यह मामला काफी दिनों से रुका हुआ था, इसे तीस साल हो गये हैं, तीस सालों के बाद एक बिल सदन में मानक को लेकर आया है, इसलिए यह एक हिस्टोरिक बिल है, जिसे आप एक्ट बनाने जा रहे हैं और जब यह एक्ट बनेगा तो निश्चित रूप से उसमें कार्यवाही होगी। धन्यवाद।

HON. DEPUTY-SPEAKER: The question is:

“That the Bill be passed.”

The motion was adopted.

Message from

[4 December, 2015]

Lok Sabha

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Association (NITRA), Ghaziabad, for the year 2014-15, together with the Auditor's Report on the Accounts.

- (b) Review by Government on the working of the above Association.

[Placed in Library. *See* No. L.T. 3334/16/15]

- III. Memorandum of Understanding between the Government of India (Ministry of Textiles) and the Handicrafts and Handlooms Exports Corporation of India Limited (HHEC), for the year 2015-16. [Placed in Library. *See* No. L.T. 3351/16/15]

Report and Accounts (2014-15) of the National Cooperative Agriculture and Rural Development Banks' Federation Limited, (NCARDBF), Navi Mumbai and related papers

कृषि मंत्रालय में राज्य मंत्री (श्री मोहनभाई कल्याणजीभाई कुंदरिया) : महोदय, मैं निम्नलिखित पत्रों की एक-एक प्रति (अंग्रेजी तथा हिन्दी में) सभा पटल पर रखता हूँ :-

- (a) Fifty-fifth Annual Report of the National Cooperative Agriculture and Rural Development Banks' Federation Limited, (NCARDBF), Navi Mumbai, Maharashtra, for the year 2014-15.
- (b) Annual Accounts of the National Cooperative Agriculture and Rural Development Banks' Federation Limited, (NCARDBF), Navi Mumbai, Maharashtra, for the year 2014-15, and the Audit Report thereon.
- (c) Review by Government on the working of the above Federation.

[Placed in Library. *See* No. L.T. 3267/16/15]

MESSAGE FROM LOK SABHA

The Bureau of Indian Standards Bill, 2015

SECRETARY-GENERAL: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:-

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose the Bureau of Indian Standards Bill, 2015, as passed by Lok Sabha at its sitting held on the 3rd December, 2015."

Sir, I lay a copy of the Bill on the Table.

RE. Demand for taking [14 March, 2016] *up Whistle Blower Bill* 543

Clauses 2-3 and the Schedule were added to the Bill. Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI SURESH PRABHU: Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.

CORRIGENDUM/ADDENDUM TO DOCUMENTS RELATING TO RAILWAY BUDGET 2016-17

THE MINISTER OF RAILWAYS (SHRI SURESH PRABHU): Sir, I beg to lay a statement regarding corrigendum/addendum to the Railway Budget documents relating to Railway Budget 2016-17 viz. 'Demands for Grants (Railways) - Part-I' and 'Works, Machinery and Rolling Stock Programme of Railways Part-II - A and B' on the Table of the House.

MESSAGE FROM LOK SABHA

The Bureau of Indian Standards Bill, 2016

SECRETARY-GENERAL: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary-General of the Lok Sabha:

"In accordance with the provisions of rule 101 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to inform you that the following amendments made by Rajya Sabha in the Bureau of Indian Standards Bill, 2016 at its sitting held on the 8th March, 2016, were taken into consideration and agreed to by Lok Sabha at its sitting held on the 14th March, 2016:-

ENACTING FORMULA

1. That at page 1, line 1, *for* the word "Sixty-sixth", the word "Sixty-seventh" be *substituted*.

CLAUSE 1

2. That at page 1, line 4, *for* the figure "2015", the figure "2016" be *substituted*"

RE. DEMAND FOR TAKING UP WHISTLE BLOWER BILL

MR. DEPUTY CHAIRMAN: Now I think we shall take up Special Mentions. ...*(Interruptions)*... What does the Minister have to say? ...*(Interruptions)*... Mr. Minister, what is your suggestion? ...*(Interruptions)*... Tell me. ...*(Interruptions)*...

में शामिल करते हुए, उसका सम्पूर्ण व्यय वहन करे। यह फसल अनिवार्य रूप से क्षेत्रीय एवं भौगोलिक दृष्टि से किसान की अपनी पसंद की होनी चाहिए। ऐसा करने से संकट की इस घड़ी में जहां एक तरफ किसानों को अपनी फसल लगाने में बहुत बड़ी मदद होगी, वहीं दूसरी तरफ कृषि उत्पादन में भी वृद्धि होगी।

**Concern over increasing number of Chinese products being certified by
the Bureau of Indian Standards**

SHRI SHANTARAM NAIK (Goa): Sir, it appears that China has started to upgrade their goods to meet Indian standards.

Chinese manufacturers have now started approaching the Bureau of Indian Standards to get their goods certified. As per reports, the data available with the Bureau of Indian Standards (BIS) shows that over 60 per cent of the recently registered products are "Made in China", highlighting the eagerness of the Chinese manufacturers to enhance their processes and meet the Indian standards to tap into the rapidly growing market.

The Chinese manufacturers have been flooding the Indian markets for many years from mobile phones to printers, power adapters, set top boxes, notebooks, tablets and servers.

Of the 1,574 items registered with BIS, around 960 are Chinese goods, while manufacturers from Germany, the US, South Korea, Thailand, Malaysia and Singapore have not tapped the fast-track or Tatkal registration scheme as much, reports suggest.

International names such as Dell, which sells tablets and servers, Sony, which sells LCD monitors and Cisco, which sells servers, have registered with BIS and are using China, often called the factory to the world, to ship goods into India.

As per these reports, there are also several Chinese players such as Huawei, Haier and Xiaomi that have emerged as well-established international brands and are now using the opportunity to conform to Indian standards. This is in addition to names such as Lenovo which established a global presence a few years ago.

Is China exempted from 'Make in India'? A clarification is required.

MR. DEPUTY CHAIRMAN: Shrimati Renuka Chowdhury; not present.

**Demand to give the status of Scheduled Tribes to Van Gujjars migrated
from Jammu and Kashmir in Uttarakhand and Uttar Pradesh**

श्री अली अनवर अंसारी (बिहार) : महोदय, उत्तराखंड, उत्तर प्रदेश के वन-गुज्जर जम्मू कश्मीर से स्थानांतरित हुए हैं। महाराजा सिरमौर के कहने पर इन्हें जबरदस्ती उच्चकोटि के दूध की आपूर्ति करने के लिए भेजा गया था। इनमें से कुछ वन-गुज्जर 1947 में देशभक्त होने के

introduce the Bill. Discussion may be held afterwards and not today.

MR. DEPUTY CHAIRMAN: So, I think I will take the sense of the House and then decide. Okay. Now, Mr. Minister. ...*(Interruptions)*... At 8 o'clock, I will put that question. ...*(Interruptions)*...

GOVERNMENT BILLS — *Contd.*

The Bureau of Indian Standards Bill, 2015

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री (श्री रामविलास पासवान): उपसभापति जी, मैं प्रस्ताव करता हूँ:—

“कि माल, वस्तु प्रसंस्करण, पद्धति और सेवाओं के मानकीकरण, अनुरूपता निर्धारता और क्वालिटी आश्वासन के क्रियाकलापों के सामंजस्यपूर्ण विकास के लिए राष्ट्रीय मानक निकाय की स्थापना के लिए और उससे संबद्ध या उसके आनुषंगिक विषयों का उपबंध करने वाले विधेयक पर, लोक सभा द्वारा पारित रूप में, विचार किया जाए”।

उपसभापति जी, यह जो विधेयक लाया गया है, हमारी साथी ने ठीक कहा कि यह बहुत ही इम्पोर्टेंट विधेयक है। यह भी बात है कि जो पुराना एक्ट था, 1986 का BIS Act था, उसकी जगह पर यह एक नया बिल लाया गया है। नया बिल लाने का सबसे बड़ा कारण यह है कि जब लोक सभा में यह बिल पेश हुआ था तो उसको स्टैंडिंग कमेटी में भेज दिया गया था और स्टैंडिंग कमेटी से जब उसकी रिपोर्ट आई, जब तक वह बिल पास होता, उसके पहले ही लोक सभा भंग हो गयी। उस स्टैंडिंग कमेटी की रिपोर्ट को जब देखा गया, तो उसमें यह पाया गया कि यह 1986 का एक्ट है और आज 2016 है, तो कितने दिन हो गये, देश का पूरा का पूरा जो सेनेरियो है, जो स्टैंडर्ड के मापदंड थे, सारे के सारे चेंज हो गये। तो अंत में यह निर्णय लिया गया कि इस बिल को नये रूप में लाया जाए। इसलिए, यह जो the Bureau of Indian Standards Bill है, यह 2015 का है। इसकी शुरुआत 1947 में Indian Standards Institute के द्वारा हुई।

श्री जयराम रमेश (आंध्र प्रदेश): यह स्टैंडिंग कमेटी को नहीं गया?

श्री रामविलास पासवान: हां, गया। स्टैंडिंग कमेटी की पूरी की पूरी रिपोर्ट मेंरे पास है। स्टैंडिंग कमेटी की पूरी रिपोर्ट, जितनी भी रिपोर्ट्स हैं, सबको उसमें समाहित किया गया है। मैं तो कहता हूँ कि यह तो सब कुछ आपका किया हुआ है। उस समय अगर लोक सभा भंग नहीं हुई होती, तो आप पास कर देते। लोक सभा भंग हो गयी, इसलिए इसे हमें लाना पड़ रहा है।

डा. के केशव राव (आंध्र प्रदेश): सर, स्टैंडिंग कमेटी ...*(व्यवधान)*...

श्री रामविलास पासवान: एक मिनट। ...*(व्यवधान)*... सर, मैं आपसे कहना चाहता हूँ कि इसमें आप देखेंगे, तो पायेंगे कि 1947 में Indian Standards Institute बनाया गया, जो industrial products के लिए मानक तय करता था। 1952 में IS Act बना। उस IS Act को 1986 में BI Act के रूप में पास किया गया। उसके बाद 1987 में यह लागू हुआ। उसके बाद यह BI Act लोक

सभा में पेश किया गया, उसकी स्टैंडिंग कमेटी में भेजा गया। स्टैंडिंग कमेटी की रिपोर्ट आई, लेकिन 15वीं लोक सभा भंग हो गई और बाद में महसूस किया गया कि पुराने बिल की जगह नयाप बिल लाया जाए। तो यह बिल लाया गया है।

सर, इस बिल में जो मुख्य बातें हैं, जो प्रावधान हैं ...(व्यवधान)...

डा. के. केशव राव: सर, ...(व्यवधान)...

श्री रामविलास पासवान: एक मिनट। ...(व्यवधान)...

डा. के. केशव राव: सर, आप हमारी कमेटी की बात कर रहे हैं। ...(व्यवधान).... मैं कमेटी का मेम्बर हूँ ...(व्यवधान).... आप उसकी बात कर रहे हैं। ...(व्यवधान).... We said that we will take it up later. ...(Interruptions).... It is already considered by the Committee. ...(Interruptions).... We asked that when a new Bill is coming up, what are the new aspects of it? ...(Interruptions).... We want to know that. ...(Interruptions)....

श्री रामविलास पासवान: सर, मेरे पास स्टैंडिंग कमेटी का सारांश है। ...(व्यवधान)...

MR. DEPUTY CHAIRMAN: Let him complete.

DR. K. KESHAVA RAO: We said that we will take it up later. It has already been cleared by the Standing Committee. We want to see is the new aspects in the Bill. ...(Interruptions)....

MR. DEPUTY CHAIRMAN: Let him complete.

श्री रामविलास पासवान: सर, मेरे पास स्टैंडिंग कमेटी की रिपोर्ट का सारांश है।

MR. DEPUTY CHAIRMAN: Let him complete.

श्री रामविलास पासवान: और जब जवाब दूंगा तो मैं बतला दूंगा। देखिए, इसमें किसी का कोई मोटिव नहीं है। किसी के मोटिव पर आप क्यों कहते हो। ब्यूरो ऑफ इंडियन स्टैंडर्ड ...(व्यवधान)....

श्री जयराम नरेश: मेरा सवाल सिम्पल है। पुराने बिल और नए बिल का जिक्र हो रहा है। स्टैंडिंग कमेटी की रिपोर्ट और सिफारिश पुराने बिल के तहत की गई थी। मेरा सवाल यह है कि जिस बिल पर हम चर्चा कर रहे हैं, क्या वह बिल स्टैंडिंग कमेटी को गया है या नहीं?

अल्पसंख्यक कार्य मंत्रालय में राज्य मंत्री तथा संसदीय कार्य मंत्रालय में राज मंत्री (श्री मुख्तार अब्बास नकवी): जो 2012 की रिपोर्ट है, इसको इसमें इंकलूड करके यह नया बिल है। ...(व्यवधान)....

श्री जयराम रमेश: नकवी साहब, नया बिल स्टैंडिंग कमेटी को नहीं गया है।

MR. DEPUTY CHAIRMAN: Let the Minister complete. Let the Minister finish. Let him finish.

SHRI JAIRAM RAMESH: He is misleading the House.

श्री रामविलास पासवान: मैं आपको ईयर-वाइज बताना चाहता हूँ। मई 2012 में लोक सभा में यह बिल इंटरोड्यूस हुआ, तत्पश्चात यह स्थाई समिति को भेज दिया गया। फिर 30 सितम्बर, 2013 को स्थाई समिति की रिपोर्ट प्राप्त हुई। 10 जून, 2014 को विभाग की वेबसाइट पर बिल को डाला गया। 2 सितम्बर, 2014 को मंत्री तथा सचिव के स्तर पर बैठक हुई। 1 सितम्बर, 2014 को अन्य विभागों के अधिकारी तथा उपभोक्ता संस्थाओं के लोगों के साथ बैठक हमने की। 27 अक्टूबर, 2014 को अंतर-विभागीय परामर्श के लिए ड्राफ्ट बिल तथा ड्राफ्ट कैबिनेट को नोट भेजा गया। 30 दिसम्बर, 2014 को विधि मंत्रालय से अनुमोदन लिया गया। 16 फरवरी, 2015 को विधायी विभाग से वीआईएस बिल, 2015 की जांच कराई गई। 19 फरवरी, 2015 को कैबिनेट नोट पीएमओ में भेजा गया, 2 मार्च, 2015 को कैबिनेट को नोट भेजा गया। 16 मार्च, 2015 को पीएमओ में हम लोगों ने प्रजेंटेशन किया। 25 मार्च, 2015 को जीओएम में विचार-विमर्श हुआ। 2 जून, 2015 को विधि और न्याय मंत्रालय से अनुमोदन लिया गया और उसके पश्चात यह बिल नए बिल के रूप में लाया गया। जब यह बिल ...(व्यवधान)...

डा. के. केशव राव: आपने बताया कि 2010 से 2012 तक स्टैंडिंग कमेटी का काम पूरा हो गया है। फिर वह कैबिनेट को जाती है, एक्सपर्ट कमेटी को गई है, उसके बाद एक सब-कमेटी बनी थी, उसमें गई है और फिर कैबिनेट को नोट भी भिजवाया गया। इस प्रकार सब कुछ 2014 तक कार्य पूर्ण हुआ है। 2014 के बाद 2015 में यह स्टैंडिंग कमेटी में आया। अगर वह आपका नया बिल है तो, why don't we discuss? We didn't really take it up. They said that we can discuss it later when we get the Bill. The point is the Standing Committee को कब बिल गया? That was an old Bill. Now, they have come with a new Bill. The new Bill must go to the Standing Committee.

श्री रामविलास पासवान: मेरा कहना है कि why are you wasting the time? यह नया बिल है या संशोधित बिल है। हमने कहा यह स्टैंडिंग कमेटी का... आप कहें सभी मेम्बर्स के पास में है। स्टैंडिंग कमेटी की जो अनुशंसा है, पहली अनुशंसा है कि बीआईएस अन्य संस्थाओं को जांच करे और सर्टिफिकेशन देने की मान्यता दे। धारा 16(2) में राज्य सरकार को अधिकार दिया गया किसी संस्था को ...(व्यवधान)...

श्री उपसभापति: आप 8 बजे से पहले मूव करो।

श्री रामविलास पासवान: सर, सबसे बड़ी बात है कि बिल आपके पास में आया है। 2016 का बिल आपके पास में आया है। आप पास कराना चाहते हैं तो पास कराइए। नहीं पास कराना चाहते हैं तो कह दीजिए। ...(व्यवधान)...

श्री उपसभापति: आप बिल मूव करें, 8 बजने वाले हैं।

श्री रामविलास पासवान: सर, मैंने मूव कर दिया ...(व्यवधान)... सर, हम लोग 1977 से पार्लियामेंट में हैं। पार्लियामेंट बहुत ही अच्छी जगह है, सर्वोच्च संस्था है। लेकिन दुर्भाग्य है कि पार्लियामेंट में अगर कोई कह दे कि रात के 8 बजे हैं तो चर्चा शुरू हो जाती है। कोई कहेगा कि अमेरिका में दिन के 12 बजे हैं, कोई कहेगा कि सवेरे के 8 बजे हैं। और चर्चा शुरू होते-होते सवेरे के 8 बज जाते हैं। इसलिए मैंने कहा कि ...(व्यवधान)...

Special

[3 March, 2016]

*Mentions 467***8.00 P.M.***The question was proposed*

MR. DEPUTY CHAIRMAN: It is 8 o'clock. Let me take the sense of the House. The Bill is already moved. Sit down. Now is it the sense of the House to sit beyond 8 o'clock?

SOME HON. MEMBERS: No, Sir.

SPECIAL MENTIONS — *Contd.*

MR. DEPUTY CHAIRMAN: Okay. Then, let us take up Special Mentions. Shri Anubhav Mohanty. Lay it on the Table.

SHRI ANUBHAV MOHANTY: Sir, can I read it, please?

MR. DEPUTY CHAIRMAN: No. There is no time.

**Demand to confer Bharat Ratna on Late Shri Biju Patnaik,
Former Chief Minister of Odisha**

SHRI ANUBHAV MOHANTY (Odisha): Sir, the 5th of March, 2016, will be the 100th birthday of the daredevil and dynamic leader of masses, late hon. Biju Patnaik, whose contribution during the pre-independence era and post-independence is as fresh as ever in the memories of the patriots who admired and adored him.

Inspired by a boyhood meeting with Mahatma Gandhi during a visit to Odisha in 1927, Mr. Patnaik was trained as a pilot at the Delhi Flying Club in the 1930s and then found novel ways to put his skills to work for the freedom struggle. Enlisting in the Royal Air Force, he combined derring-do on behalf of the British forces fighting the Japanese in Burma with secret missions on behalf of the independence movement.

For dropping political leaflets to Indian soldiers fighting under British command in Burma and flying clandestine missions that carried political leaders from hideouts across India to secret meetings that charted the independence struggle, he was jailed by the British in 1942 and imprisoned until 1946, a year before Britain transferred power to the Indians. Post-independence, Mr. Patnaik concentrated on business, in the interest of the State of Odisha and its people. All the while, he kept up his flying exploits, winning renown for daredevil flights that carried Indian soldiers to battle in Kashmir in 1947, and with a mission in 1948 at the direction of Prime Minister, Jawaharlal Nehru, in which Mr. Patnaik rescued two key Indonesian independence leaders from a remote hideout in Indonesia and flew them to India, outraging the Dutch colonialists then ruling Indonesia.

GOVERNMENT BILL

The Bureau of Indian Standards Bill, 2015 - Contd*

MR. DEPUTY CHAIRMAN: Hon. Members, we had already taken up the Bureau of Indian Standards Bill. The hon. Minister had moved the motion for consideration. Now, those who want to speak may speak. Shri E.M. Sudarsana Natchiappan; not there. Shri Tarun Vijay.

श्री तरुण विजय (उत्तराखंड): उपसभाध्यक्ष महोदय, मैं आज भारतीय मानक ब्यूरो विधेयक, 2015 के समर्थन में बोलने के लिए खड़ा हुआ हूँ। हम लोग अक्सर चर्चा करते हैं वस्तुओं की और विचारों की। वस्तुओं के साथ, उत्पादन के साथ केवल यही बात नहीं जुड़ी होती कि वह किस फैक्टरी या कम्पनी का बना है, उसके साथ उस देश की प्रतिष्ठा भी जुड़ी होती है। वह कम्पनी और फैक्टरी जिस देश की होती है, उस देश की प्रतिष्ठा भी उस उत्पादन के साथ जुड़ी होती है। वे स्तरीय हैं, अपनी गुणवत्ता के मानक पर खरा उतर रहे हैं, इसके साथ उस उत्पादक देश और वहां के लोगों की प्रतिष्ठा जुड़ती है। मैं बताना चाहता हूँ कि एक समय था जब भारत में यह कहा जाता था कि अगर एक सुई भी लेनी हो, तो वो "मेड इन जापान" की है, "मेड इन ब्रिटेन" की है और इन देशों के उत्पादन देश में बड़े प्रसिद्ध होते थे, उनके साथ गुणवत्ता की एक पहचान होती थी। हम लोग भूल जाते थे कि इस देश ने गुणवत्ता के सर्वश्रेष्ठ मानक स्थापित किए हैं। जो दुनिया भर में कहीं नहीं हुआ। वैसे गुणवत्ता के मानक भारत में स्थापित हुए। आखिरकार इस देश के कारीगरों ने, इंजीनियरों ने, अभियंताओं ने, वास्तुकारों ने ताजमहल बनाया, जैसलमेर का किला बनाया, 1,200 स्तम्भों वाला रामेश्वरम का मंदिर बनाया, हम्पी का एक महानगर बसाया। ये सब प्रतीक विश्व में भारत की गुणवत्ता और भारतीय मानक की सर्वश्रेष्ठता के प्रतीक माने जाते हैं। आक्रमणकारियों के कारण यहां के कारीगरों पर, मिस्त्रियों पर, अभियंताओं पर, वास्तुकारों पर और यहां के नियोजकों पर जब हमले हुए तो वे एक ऐसा अंधकारमय युग परिणाम में छोड़ गए जिसके कारण भारतीय उत्पादनों की गुणवत्ता पर विदेशी, ब्रिटेन या अन्य देशों का ग्रहण लग गया। इस कारण से "मेड इन इंडिया" शब्द की जो साख और गुणवत्ता थी, वह कम होती गई और "मेड इन जापान", "मेड इन ब्रिटेन" की साख बढ़ती गई।

वर्ष 1986 में श्री राजीव गांधी के समय में ब्यूरो ऑफ इंडियन स्टैंडर्ड्स का अधिनियम पारित किया गया और अप्रैल, 1987 में बीआईएस की स्थापना हुई। इसके पीछे क्या कारण थे? इसके पीछे कारण ये थे कि हम चाहते थे कि सारी दुनिया में जो भारतीय उत्पादन हैं, उनके मानक, उनकी गुणवत्ता, उनकी श्रेष्ठता की एक प्रतिष्ठा बने। "मेड इन इंडिया" में लोगों का विश्वास हो, एक साख बने, उसकी credibility बने, इसीलिए जब यह ब्यूरो ऑफ इंडियन स्टैंडर्ड्स पहले इंडियन स्टैंडर्ड्स इंस्टीट्यूट नाम से एक संस्था थी, जो केवल रजिस्टर्ड संस्था थी, जिसका प्रस्ताव संसद में पारित नहीं किया गया था। उसने 1947 से 1986 तक विभिन्न उत्पादनों के केवल 10 हजार लाइसेंस दिए। उस समय हम देखते थे कि एक आईएसआई का ठप्पा लगता था। यह आईएसआई देश की खुशहाली, देश

*Further discussion continued from 3rd March, 2016.

की आबादी की श्रेष्ठता का प्रतीक बनकर चली थी, यह वह आईएसआई नहीं थी, जो सीमापार से देश की बरबादी का संदेश लेकर आती है।

[उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर) पीठासीन हुए]

इस आईएसआई को और ताकत मिले, इसीलिए बीआईएस की स्थापना 1986 में की गई। इस बीआईएस के कारण अभी तक 38 हजार से ज्यादा उत्पादनों के मानक की श्रेष्ठता और उसकी गुणवत्ता को स्थापित किया गया है। वक्त ने करवट बदली है कि भारत के "मेक इन इंडिया" की साख दुनिया में बनने लगी और देश ने एक ऐसे प्रधान मंत्री को देखा, जिसने विश्व में "मेक इन इंडिया" को एक शेर के समान, एक सिंह नाद के समान, एक अभियान के रूप में स्थापित किया। अगर हमको "मेक इन इंडिया" और "मेड इन इंडिया" की गुणवत्ता और श्रेष्ठता में विश्वास पैदा करना है, साख पैदा करनी है, तो जरूरी होगा कि वे संस्थाएं मजबूत की जाएं, जो यह तय करें कि जिस माइक से मैं बोल रही हूं, जो घड़ी मैं पहन रहा हूं, जो कपड़े हम पहन रहे हैं और इससे बढ़कर घर की बाहर की जो वस्तुएं हम इस्तेमाल कर रहे हैं, जिनमें सीमेंट है, जिनमें ईंटें हैं, जिनमें साइबर सिक्योरिटी है, जिनमें राष्ट्रीय सुरक्षा से संबंधित वस्तुएं हैं, उनकी गुणवत्ता श्रेष्ठ है या नहीं है, इसका परीक्षण करने वाली संस्था को मजबूत बनाया जाना चाहिए। अक्सर यह बहस होती है कि Are Indians less quality conscious? क्या हम गुणवत्ता में विश्वास नहीं करते? 'जुगाड़' से काम चलता है, 'चलता है' से काम चलता है और जो भी चल जाए, लेकिन सस्ता हो, इसलिए वह भारत में ज्यादा प्रचलित हो जाता है। सर, 'जुगाड़' और 'चलता है' - यह भारतीय प्रतिष्ठा की बात नहीं हो सकती। दुनिया के अंतर्राष्ट्रीय मानकों में, उनसे मुकाबला करके जो Made in India के उत्पादन को सर्वश्रेष्ठ घोषित करता है, वह भारत की प्रतिष्ठा का एक प्रतीक बन सकता है। यह 'चलता है', 'जुगाड़' है, अब यह सब भारत के लिए संभव नहीं है। अगर भारत महान है, भारत में अच्छे इंजीनियर, अच्छे अभियंता, अच्छे वास्तुकार, अच्छे टेक्नोक्रेट, अच्छे सॉफ्टवेयर इंजीनियर, अच्छे डॉक्टर्स हैं, तो भारत में पैदा होने वाली वस्तुएं भी सर्वश्रेष्ठ होनी चाहिए। यह नहीं हो सकता कि भारत तो महान है, लेकिन Made in India का सामान थर्ड क्लास हो।

उपसभाध्यक्ष महोदय, मैं चीन गया था, Sichuan विश्वविद्यालय में मेरे तीन भाषण हुए। उन भाषणों के बाद चीन के प्रोफेसर मेरे पास आए, वे बड़ी मुलामियत से तीखी बात करने में मशहूर होते हैं। उन्होंने कहा, "Mr. Vijay, I know you are from RSS. You have spoken what was expected of you that India will be great. India's progress is unstoppable. But is it not true that there is a Made in China today in every home in India whether it is furniture or cosmetics or mikes or bulbs or packing material or consumable items? You have a Made in China in every home today. So, where are you heading?" I paused for a second and said, "Yes Sir. It is true that today most of the Indian homes must be having something Made in China, लेकिन हमें मालूम नहीं कि वह कितने दिन चलेगा, लेकिन चीन के हर घर में पिछले एक हजार साल से हिन्दुस्तान विद्यमान है, भारत विद्यमान है, जिसकी अनश्वरता के बारे

[श्री तरुण विजय]

में, जिसकी चिरंतनता के बारे में चीन भी आश्वस्त है और यह हजारों सालों तक चलेगा। वे मेरा मुंह देखते रह गए। उन्होंने कहा कि क्या बात कर रहे हैं। मैंने कहा, जिस घर में बुद्ध है, उस घर में भारत वर्ष है और उसके बारे में कोई यह नहीं कह सकता कि कितने दिन चलेगा। चीन के सामान के बारे में हम कह सकते हैं कि कितने दिन चलेगा?

सर, मैं यह कहना चाहता हूँ कि चाहे वस्तु हो या विचार हो, उसकी महानता और उसकी अमरता के साथ उस देश की प्रतिष्ठा भी जुड़ी होती है। जापान सिर्फ इसलिए बड़ा और महान नहीं माना जाता क्योंकि उसकी economy बड़ी है। उसकी economy इसलिए बड़ी है क्योंकि Made in Japan सामान के बारे में गुणवत्ता है, उसकी मेहनत, उसकी श्रेष्ठता के बारे में दुनिया में एक विश्वसनीयता है। यह बात हम भारत में उत्पादित सामान के बारे में करना चाहते हैं। यह 'जय हिन्द' का मामला है। अगर 'जय हिन्द' हमारे दिल में है, मानस में है, रक्त में है, हमारे सपनों में है, 'जय हिन्द' के देश वाले सामान की गुणवत्ता सारी दुनिया में अगर मजबूत होती है, तो जहां-जहां Made in India सामान की विश्वसनीयता बढ़ती है, वहां-वहां 'जय हिन्द' जाता है। यह बात करने के लिए यह BIS का कानून आया है। इसके पीछे यह बात है। कुछ सामान, इलेक्ट्रिकल का सामान, सीमेंट का सामान या माइक और सैल आदि का मामला नहीं है, यह मामला है कि जो सामान हिन्दुस्तान में आ रहा है और बिक रहा है, उसकी विश्वसनीयता खरी है या नहीं है। यदि उसकी विश्वसनीयता खरी है, तो वह युग वापस ला सकते हैं, जब भारत के कारीगरों ने, अभियंताओं ने, वास्तुकारों ने, इंजीनियरों ने ताजमहल, जैसलमेर के किले और रामेश्वरम और हम्पी को बनाया था।

महोदय, इस BIS के साथ 14 हजार से ज्यादा सोने के व्यापारियों को हॉलमार्किंग के लाइसेंस दिए हैं, जो बहुत कम हैं। कुछ लोगों को लगेगा कि यह ज्यादा है, लेकिन जहां पर लगभग दस लाख से अधिक सोने के व्यापारी व उनकी दुकानें हों, वहां पर केवल 14 हजार लाइसेंस दिया जाना, मैं समझता हूँ कि कम है। इनकी संख्या और अधिक कैसे बढ़े? आप इलेक्ट्रिकल का सामान खरीदते हैं, स्विच लेते हैं, डर लगता है कि वह खराब न हो जाए, उसमें करंट न आ जाए। आप वायर खरीदते हैं, तो डर लगता है कि उस केबल में कुछ गड़बड़ न हो। आप इस्तेमाल करते हैं। हमारे भाजपा के माननीय नेता के बेटे की शादी थी। उनका केबल पर पांव पड़ गया, उनको करंट लगा और उसी समय उनकी दुखद मृत्यु हो गई। इसलिए केबल से डर लगता है, स्विच से डर लगता है, प्लग से डर लगता है। आप मोबाइल खरीदते हैं, पन्द्रह दिन बाद वह खराब हो जाए, तो डर लगता है कि उसमें जो हमारा पैसा गया है, उसको कैसे वापस लेंगे? आप सीमेंट से घर बनाते हैं और अगर सीमेंट खराब है, तो एक साल के बाद छत चूने लग जाती है। वह मानक कैसे स्थापित हो? भारतीयों की भारतीय उत्पादन में विश्वसनीयता कैसे बने, हम लोग खुद यह तय करने लगे कि Made in India सामान खरीदेंगे, तो वह उतना ही अच्छा होगा, जितना कदाचित हम पहले विदेश उत्पादन अच्छा मानते थे। उसके लिए Bureau of Indian Standards का विस्तार करना, इसे शक्ति देना और इसको दंडात्मक अधिकार देना आवश्यक था, ताकि अगर किसी ने BIS से लाइसेंस लिया है और वह उसकी conformity के

अनुसार उत्पादन नहीं कर रहा है तो BIS को अधिकार देना चाहिए कि वह उसके विरुद्ध दण्डात्मक कार्यवाही कर सके। वह कार्यवाही कर सके, इसके लिए यह अधिनियम लाया जा रहा है।

महोदय, आज हमारी करीब 15 प्रकार की प्रोडक्ट categories हैं, जिनमें BIS ने 38,000 से ज्यादा licences दिए हैं। मैं सरकार और माननीय मंत्री जी को बधाई देने के साथ यह अनुरोध करना चाहूंगा कि हमें BIS जैसे अधिनियम को लाने में 68 साल लग गए। आप जो लाए हैं, इसके लिए हम सब आपके शुक्रगुजार हैं। प्रत्येक भारतीय उपभोक्ता आपका शुक्रगुजार है, क्योंकि आप उसके लिए एक विश्वसनीय और मानक पर खरा उतरने वाला उत्पादन देने वाला एक मैकेनिज्म तैयार कर रहे हैं। सर, यह बहुत आवश्यक है कि उत्पादनों की जो कैटेगरी है, उसको बढ़ाया जाए। मैं उदाहरण देता हूं कि चीन का जो Bureau of Standards है, उसमें 300 से अधिक केवल प्रोडक्ट्स की कैटेगरी है। प्रोडक्ट्स नहीं हैं, केवल कैटेगरी है। इसके कारण उसमें लाखों उत्पादन आते हैं जो उनके स्टैंडर्ड के अंतर्गत, परीक्षण के अंतर्गत लाये जाते हैं। यह विस्तार यहां भारत में भी होना चाहिए। अभी तो क्या उत्पादन हैं, जैसे डीजल इंजन है, आयल प्रेशर स्टोव है, ऑटोमोबाइल में काम आने वाले टायर और ट्यूब हैं, घरों में काम आने वाले एलपीजी गैस के सिलिंडर हैं, रेग्युलेटरों के अनेक प्रकार हैं, मेडिकल X-ray के उपकरण हैं, 19 प्रकार के स्टील आदि हैं। अभी सरकार ने पिछले वर्ष ही यह निर्णय लिया है कि वे उस स्टील का यहां पर न उत्पादन करने और न ही आयात करने का लाइसेंस देंगे, जो BIS के मानक के स्टैंडर्ड पर खरा नहीं उतरेगा। यह बहुत बड़ी बात है। यह जिम्मेदारी BIS को दी गई है। इसी प्रकार से इलेक्ट्रॉनिक्स और सॉफ्टवेयर के उत्पादन हैं, लैपटॉप हैं। सर, मैंने पूछा कि जैसे एप्पल है, लिनोवो है, इस प्रकार की जो विश्व प्रसिद्ध कंपनियों के लैपटॉप हैं, They have to pass through the BIS tests. हमारे पास लगभग 560 से अधिक वैज्ञानिक हैं, 8 से अधिक लैबोरेट्रीज़ हैं। वे वैज्ञानिक उनका टेस्ट करते हैं कि हमारा जो भारतीय स्टैंडर्ड है उसके अनुरूप ये लैपटॉप हैं या नहीं हैं। अगर नहीं होंगे तो उनको लाइसेंस नहीं दिया जायेगा। ये जो परीक्षण हैं, ये नोटबुक हैं, टेबलेट हैं, टेलीविज़न हैं, माइक्रोवेव हैं, प्रिंटर हैं, स्कैनर हैं, सेट टॉप बॉक्सेस हैं, इलेक्ट्रॉनिक घड़ियां हैं, मोबाइल फ़ोन, LED लैंप, यहां तक कि जो स्मार्ट कार्ड रीडर हैं, वे भी Bureau of Indian Standards के मानकों पर खरे उतारे जाते हैं, उनका प्रशिक्षण दिया जाता है। इसके लिए मैं BIS के सभी वैज्ञानिकों को यहां सदन से बधाई देता हूं कि उन्होंने भारत की आन, बान और शान को रखने में बहुत मेहनत की है। उन्होंने जो उपलब्धियां हासिल की हैं, वे वास्तव में अभूतपूर्व हैं। लेकिन जैसे-जैसे भारत आत्मनिर्भरता की दिशा में आगे बढ़ रहा है भारतीय वस्तुओं को अंतर्राष्ट्रीय मानकों के अनुसार गुणवत्ता पर श्रेष्ठ रखना इसकी बहुत बड़ी जिम्मेदारी भी हो गई है।

महोदय, मैं आपके माध्यम से मंत्री जी से भी कहना चाहूंगा कि जो 560 के करीब वैज्ञानिक BIS में रखे गए हैं, भारत में जो उत्पादन हो रहे हैं और हम "मेक इन इंडिया" को जो अभियान लेकर चल रहे हैं, यह संख्या हमारी जनसंख्या के अनुसार, उसको देखते हुए बहुत कम है। यह 560 की संख्या, उनके अपने अधिकारियों के अनुसार कम से कम 2,000 होनी चाहिए। पूरे देश में इनकी लैबोरेट्रीज़ की संख्या और बढ़नी चाहिए। इस कारण भारत में जो राष्ट्रीयता का अभिमान है कि मैं जो भारत में उत्पादन कर रहा हूं, वह दुनिया में सर्वश्रेष्ठ है, वह अभिमान BIS बनाये रखने में कामयाब हो, इसके

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लिए जरूरी है कि उसको मज़बूत बनाया जाय। अभी तक इस कानून के पारित न होने के कारण अंतर्राष्ट्रीय मानकों के संगठनों में BIS को प्रतिनिधित्व करने में दिक्कत होती थी, क्योंकि यह मान्य नहीं है। वह भारत की स्टैण्डर्ड संस्था के रूप में मान्य नहीं थी, क्योंकि संसद में उसका कानून पारित नहीं हुआ था। इसके साथ ही अगर कोई उत्पादक उसके स्टैण्डर्ड का पालन नहीं करता था तो BIS को उसके विरुद्ध कार्यवाही करने का अधिकार नहीं था। आप लाइसेंस दे रहे हैं, आप अपना परीक्षण कर रहे हैं, आपने कहा कि मानक के अनुसार आपको अपना उत्पादन करना है। उसने लाइसेंस ले लिया, लेकिन अगर उसके अनुसार वह पालन नहीं करता है, तो BIS को यह अधिकार नहीं था कि वह उसके विरुद्ध कार्रवाई कर सके। अब इस कानून के द्वारा उसको यह अधिकार मिल जाएगा और दंडात्मक कार्रवाई का भी अधिकार मिल जाएगा।

इससे बड़ी एक और बात हो रही है। अगर केन्द्र सरकार आदेश दे, वह एक निर्णय ले, तो cyber security, मानवीय सुरक्षा, पौधों और पशुओं के स्वास्थ्य और पर्यावरण सुरक्षा से जुड़े सभी उत्पादनों के लिए यह अनिवार्य हो जाए कि उन्हें BIS के परीक्षण से गुजरना पड़ेगा। उपसभाध्यक्ष महोदय, जो cyber security का मामला है, वह देश की सुरक्षा के लिए बहुत महत्वपूर्ण है और strategically sensitive मामला है। जो विद्वान लोग हैं, जो इसके जानकार हैं, वे जानते हैं कि जैसे थल सेना है, वायु सेना है, नौसेना है, उतना ही महत्वपूर्ण भारत की cyber security का क्षेत्र हो गया है। यह माना जाता है कि अगर कभी न कभी अगला विश्व युद्ध होगा, तो वह विश्व युद्ध साइबर युद्ध के रूप में भी हो सकता है। भारत का जितना data है, उसकी तो विदेशों में पार्किंग हो रही है। एजेंसीज यहां से data collect कर रही हैं, वे सारा का सारा data अमेरिका या अन्य देशों में collect कर रही हैं। वहां उनकी पार्किंग हो रही है। इस बिल में यह प्रावधान किया गया है कि National Security से जुड़े मुद्दे भी और National Security से जुड़े जितने उत्पादन हैं, उनको भी BIS के परीक्षण और उनके मानक के स्तर के अन्तर्गत लाया जा सकता है। इस कारण से cyber security का जो मामला है, वह भी BIS के अन्तर्गत आ जाएगा, जो कि एक बहुत बड़ी उपलब्धि होगी। लेकिन BIS के पास अनेक अन्य मानक भी हैं, जिनका उतना उपयोग नहीं हो रहा है, जितना होना चाहिए, जैसे स्कूलों के मानक हैं, अस्पतालों के मानक हैं। आप उस मानक के अनुसार अपना विद्यालय बनाएंगे, अस्पताल बनाएंगे, तो वहां जनता को और अधिक विश्वसनीयता होगी कि BIS, जो श्रेष्ठता और गुणवत्ता का मानक है, उसके अनुसार यह विद्यालय बना है, उसके अनुसार यह अस्पताल बना है और इस कारण से भारत के छात्रों को अच्छी शिक्षा मिलेगी, अस्पतालों में अच्छी चिकित्सा व्यवस्था होगी। उपसभाध्यक्ष महोदय, मैं आपके माध्यम से कहना चाहूंगा कि यह अनिवार्य बनाया जाना चाहिए कि जो विद्यालय और अस्पताल हैं, वे भी BIS मानक के बने हुए हों और जो already स्थापित हैं, उनको भी इसके अन्तर्गत लाया जाए। अगर 68 वर्ष के बाद भारत के इतने उत्पादन BIS के अन्तर्गत आ रहे हैं, तो उसका विस्तारीकरण करना भारत की प्रतिष्ठा और उसके भविष्य के लिए आवश्यक है।

सर, इसमें एक सवाल यह उठाया गया कि क्या इससे जो छोटे दुकानदार हैं, जो छोटे उत्पादक हैं, उन पर नकारात्मक असर पड़ेगा? नहीं, सर, इससे तो उनका और भला होगा! इसमें छोटे-बड़े का

सवाल नहीं है। आपने देखा होगा कि शहरों में या हमारे छोटे तालुकाओं में मॉल्स होते हैं, लेकिन कई फुटपाथ पर या रेहड़ी पर एक छोटा दुकानदार होता है। चाहे वह खाद्य पदार्थ बना रहा है, मसाला डोसा बना रहा है, कचौड़ी बना रहा है, पूरी-भाजी बना रहा है या वस्त्र बेच रहा है, वह एक ऐसा दुकानदार होता है, जिसके प्रति उस शहर की पूरी विश्वसनीयता होती है। लोग कहते हैं कि कचौड़ी खानी है, तो हजरतगंज में उस वाजपेयी की कचौड़ी खाएँगे। वह कौन है? एक छोटा सा दस बाई दस का उसका खोखा लगा होता है। यहां दिल्ली में जंतर-मंतर के पास एक तमिल भाई है, जो मसाला डोसा बेचता है। उसके पास लाइन लगी रहती है। वहां लाइन क्यों लगी रहती है? वह एक छोटा दुकानदार होगा, छोटी पूंजी से उसने काम किया होगा, लेकिन उसने श्रेष्ठता का मानक इतना बढ़िया बनाया कि कनॉट प्लेस के बड़े से बड़े दुकानदारों के यहां इतना डोसा नहीं बिकेगा, जितना जंतर-मंतर के पास एक छोटे डोसे वाले के यहां बिकेगा। इसलिए यह विश्वसनीयता का सवाल होता है। अगर आप BIS की विश्वसनीयता के आधार पर अपनी दुकानों पर उत्पादन बेच रहे हैं, ...**(समय की घंटी)**... तो उसके कारण जनता आपके पास अधिक आएगी, आपकी लोकप्रियता अधिक होगी और दुनिया में 'Make in India' और 'Made in India' का एक नाम होगा।

उपसभाध्यक्ष महोदय, यहां उत्पादन बढ़ना भारत की सांख्य है। 'जय हिन्द' का एक जलवा है, 'वंदे मातरम्' का एक जलवा है। मैंने एक कंपनी का विज्ञापन देखा है। दुनिया भर में उसने Indian MNC बना रखा है, जिसने यूरोप और अमेरिका में बड़ी-बड़ी कंपनियों का अधिग्रहण किया है। उसका विज्ञापन 'वंदे मातरम्' से शुरू होता है, जिससे मन प्रसन्न हो जाता है। 'BIS' का यह कानून दुनिया में भारत की प्रतिष्ठा को आगे बढ़ाने वाला होगा। अक्रबर इलाहाबादी ने भी कहा है कि हम दुनियाभर की बातें छोड़ दें, अगर आप 'Make in India' को मजबूत बनाएँगे, तो इससे दुनिया भर में भारत के प्रति आदर और सम्मान का भाव पैदा होगा। अक्रबर इलाहाबादी की दो पंक्तियां कह कर मैं अपनी वाणी को विराम देता हूँ।

तेरे लब पे है इराक़ो-शमो-मिस्रो-रोमों-चीं,

Made in Germany, Made in Japan, Made in Britain. भूल जाओ

लेकिन अपने ही वतन के नाम से वाकिफ़ नहीं।।

सबसे पहले मर्द बन हिन्दोस्तां के वास्ते।

हिन्द जाग उठे तो फिर सारे जहां के वास्ते।।

श्री शान्तराम नायक (गोवा) : फिर वह 'Make in India' का टाइगर वाला लोगो आपने विदेश से क्यों बनवाकर मंगवाया है?

श्री तरुण विजय : 'स्वदेशो भुवनत्रयम्'। जहां मेरे हिन्दुस्तान का काम होता है, वहीं मेरा देश भी चला जाता है।

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): Very good. Thank you.
Dr. Natchiappan.

6.00 P.M.

DR. E.M. SUDARSANA NATCHIAPPAN (Tamil Nadu): Sir, I support this Bill. It is very important for a globalised economy. We were, in fact, the founders of the International Standards Organisation. ISO was founded in 1946 in London. Immediately afterwards, India became one of the parties in that organization. In January, 1947, we started this organization here. In June, 1947, this organization started working. This was initially made, through a Cabinet resolution, a part of the Indian system of standards for industrial and other products which were being manufactured in India. Therefore, we have every right to claim that we had our own Indian system of standards. We passed this legislation in 1952. It was then followed in 1987, when a uniform legislation was required throughout the world as per the requirements of the World Trade Organization. The ISO covers standards pertaining to many aspects all over the world. They claim that 19000 standards had been created in various fields.

Sir, 162 countries are members of this organization. The fields in which they issue certifications are many. For example, ISO-14000 is in the field of environmental management, ISO-9000 is in the field of quality management, and so on. Now, the Indian law is being repealed, in a way, with the Bureau of Indian Standards Bill, 2015. It is a welcome step. But, as often, we have a few ambiguities here. In the Definitions, as per Clause 2(1) "article" means "any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured or handmade within India or imported into India". This is a very important part because the same systems that we are following in the case of goods manufactured or produced in India are also being applied to imported materials.

Now, 'Make in India' is one of the programmes that the Government of India has taken up. Many people want to have their manufacturing done here in this country. And we have got a legislation by which we are going to regulate them. The Indian Standards Institution, which is defined under the present Bill, means the Indian Standards Institution registered under the Societies Registration Act, 1860. The question is whether we are going to re-register the existing Bureau of Indian Standards, which is already created by the Bureau of Indian Standards Act, 1986 or we are going to comply with the same registered institution. That is the ambiguity in this Bill. I hope the hon. Minister will take note of it and clarify the issues.

Similarly, the Indian Standards have now been widened in many aspects. Section 10

provides for a certain level of Indian standards. Here, the overall institutional mechanism, which has now been created as a three-fold system. One is, it is regularly certifying many of the manufactured goods or the standards which are made according to the Indian Standards. Many of the food materials and other things are also included by expanding through the executive orders. When these are all made, we are allowing this institution to continue the effort which they were doing it from 1947 onwards to have a Standard Certificate, an ISI certificate being issued.

Another aspect is that we are giving is a Regulatory Authority. We are making this institution a regulatory authority which is given in the definition Clause 33 "regulations" means regulations made by the Bureau under this Act. That is also giving a wide power to this institution.

And, thirdly, very important one is, it is giving accreditation to the other institutions also which is defined in Chapter III, Section 10 (1) (c), "Recognise or accredit any institution in India or outside which is engaged in standardization." This is a wide power. We are giving it multiplicity and standardization institutes are going to come up. Also, we are giving them the power to give licence also. How are we going to regulate it? Are we having the infrastructure developed to that level? It is a modern system where you want to sit before a desktop even now. There is no time for sitting before the desktop but by using the i-pad or using the i-phone or the smartphones we want to have the communication with various organizations, especially, this type of regulating authorities and also licensing authorities. In such a case, how are we going to make it? Another classification which is given in Clause 9(1) (i) is, "Obtain membership in regional, international and foreign bodies having objects similar to that of the Bureau and participate in international standards setting process." That means we want to be a member of the allied group where India can stand itself and say that Indian standards are accepted throughout the world because we are following the international norms which were fixed by various membership in various organizations. And, also, we are telling that how reciprocally we are going to accept other standards which is mentioned in Clause 9 (1) (b), "Recognise, on reciprocal basis or otherwise, with the prior approval of the Central Government, the mark of any international body or institution, on such terms and conditions as may be mutually agreed upon by the Bureau in relation to any goods, article, process, system or service at par with the Standard Mark for such goods, article, process, system or service." This is the widest aspect on which the International Organization for Standardization is working to claim that they are having 19000 standards throughout the world. Similarly,

[Dr. E.M. Sudarsana Natchiappan]

we are saying that we are also going to be like that. Our standard has to catch up with that of other countries. We are going to reciprocally accept other standards. Are we going to come up with any conventional way of participation and making ourselves acceptable to the international standards? Are we going to have the bilateral treaties? Are we going to have other conventional resolutions? On that basis, we are going to bind ourselves that this is the standard of Indian way of production and manufacturing which is a newly defined area of operation as clearly given, 'any goods, articles, process, system or service at par with the Standards Mark for such goods and articles, process, system or service', because we are actually having a poor level of infrastructure and we have to note down. Many of the countries are now coming forward with Indian manufacturing system. They are investing huge amount of money and when I quote some companies which are waiting on the queue to get the standardization certificate. For example, if you take the industrial officials noted that several globally launched product of brands such as Lenova, Acer, Hewlett Packard and Samsung are unlikely to hit the Indian market soon due to a delay in procuring the Bureau of Indian Standards' certifications.

What is the number? More than 8,000 different types of certifications are needed for different materials. We are not equipped to that level. That means we are going to apply this enactment by recognizing certain private standard institutions. Are we having a regularized mechanism by which we are going to recognize them? Are we going to have the same Government control by which the Governing Body would be under the Chairmanship of the concerned Minister or the Minister of State as Vice-Chairman of that particular organization, the Bureau of Indian Standards? These are the things which have to be clearly marked. When you want to open up to international standards, then they will be questioning us for each and every activity. For example, Lenovo is one of the companies floated by Chinese. The Chinese products are dumped here like anything. When we applied the anti-dumping law, the Americans took the matter of solar products to the WTO Dispute Settlement Panel, and we have to appeal against that order. Therefore, we have to first make proper standards. The infrastructure has to be developed within our own organization. But we cannot invest so much of money for that. On all the electronic goods which I have quoted, they are going to add five per cent more. That means the manufacturing cost is going to increase by ₹ 1,000 crores. That means India is not a good market for them. They will just bring it through another doorway. We are having the ASEAN Agreement, we are having a free trade agreement with Thailand. Therefore,

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they will bring in through that route, and our manufacturing sector will suffer. It will not come up. Therefore, we have to be very careful. From 1946 onwards, we are having the standards and we have developed in that way. The Bureau of Indian Standards is one of the primary institutions of the Government of India. At the same time, the system is very, very poor. The bureaucratic mannerism of disposing of the files, giving certifications, recognizing the trade marks, has slowed down everything. We can claim that we have already done so much by having so many legislations. But, at the same time, in practical terms, we may not be competitive with other countries. We may not be in a position to stop the inflow of below standard Chinese products and materials flooding the Indian market. For example, I can say that through e-commerce, Alibaba Company is now coming up with business of more than 50 billion dollars within a very short period. They have pumped in a lot of Chinese products and materials into the Indian market, and the Indian market could not compete with that because the cost of Chinese products is very, very low. Therefore, there is a lot of competition. When we are fixing up the standards, we should be very careful to see that the standards are followed properly. Whichever may be the country, whatever materials may be coming by way of import or through free trade agreement or through other routes, the proper standards should be followed. Otherwise, our ambition of 'Make in India' may remain a dream. It may not happen. We have realized in the past two-and-a-half-years how our manufacturing units have been closed and at the same time the materials which could not be sold in other countries, were brought to India through the import route or through other ways. That market is occupying the field. Many of the people in our country are having the purchasing power, but they are not utilizing that money for manufacturing purpose. The middle class is endowed with so much of money that they are ready to purchase any material, but that material is not manufactured in India, it is manufactured in other countries. If we impose the standards strictly as per this legislation, then only we will be competitive and our country will come up to that level. Thank you.

उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): श्री नरेश अग्रवाल। आपके आठ मिनट हैं, लेकिन आप दस मिनट तक तो बोलेंगे ही। यदि आप इससे ज्यादा भी बोलना चाहें, तो बोल सकते हैं।

श्री नरेश अग्रवाल (उत्तर प्रदेश): सर, आप जितनी देर का आदेश कर देंगे, हम उतनी देर बोल लेंगे, हमें कोई दिक्कत नहीं है।

उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): मैं ऐसा इसलिए कह रहा हूँ, क्योंकि काफी समय बच गया है।

श्री नरेश अग्रवाल: उपसभाध्यक्ष जी, आदरणीय तरुण विजय जी ने काफी कुछ कहा, नाच्चीयप्पन जी ने भी इसके बारे में कहा। हम इस बिल का समर्थन करते हैं, लेकिन पासवान जी, मैं इतना जरूर कहूंगा कि हमने इस सदन में बहुत से बिल आते देखे हैं, जिनका उद्देश्य तो तो बहुत अच्छा है, लेकिन उद्देश्य कैसे सही रूप से लागू हों, यह हम नहीं देख पाए। श्रीमान्, अभी थोड़े दिन पहले जब पिछली सरकार थी, भ्रष्टाचार के खिलाफ देश में जागरूकता पैदा हुई, लोकपाल बिल आ गया, राज्यों में लोकायुक्त बिल लागू हो गया, बहुत राज्यों ने लोकायुक्त बना भी दिए। चलिए, लोकपाल नहीं बना, हम तो लोकपाल के कभी भी पक्षधर नहीं रहे हैं। हमारा तो आज भी कहना है कि लोकपाल का मतलब है कि सेन्ट्रल के पैरेलल गवर्नमेंट खड़ी कर देना। हम यह कैसे satisfy करेंगे कि लोकपाल ईमानदार है और प्रधान मंत्री बेईमान है? बिल आया, कुछ लोग उसके माध्यम से मुख्य मंत्री बन गए, लेकिन भ्रष्टाचार तो रुका नहीं।

आज महिला दिवस है, निर्भया कांड के बाद महिलाओं के पक्ष में बहुत सख्त कानून आया, लेकिन क्या अत्याचार रुक गया? नहीं रुका। आप इस बिल को लाएं। यह पुराना बिल है, राजीव गांधी जी के जमाने में भी यह बिल आया था। चलिए, आपने बहुत दिनों के बाद इसमें अमेंडमेंट करने की सोची। आपने कहा कि गवर्निंग बॉडी बना देंगे, इसको पॉवर दे देंगे, पैनल्टी फाइन करने का अधिकार देंगे, होलोग्राम लगाने का अधिकार देंगे, लेकिन हमें इतना बताइए कि इसके पहले आईएसआई मार्क आया, जिसके बारे में तरुण विजय जी भी कह रहे थे कि एक जमाने में आईएसआई लगा जो सामान मिलता था, श्रीमान्, समझा जाता था कि यह स्टैंडर्ड का सामान है। बाद में तो सभी चीजों पर आईएसआई लग गया। ऐसा लगा कि डुप्लिकेट सामानों पर भी आईएसआई लग गया। आप वह मैकेनिज्म कैसे बनाएंगे? आप गवर्निंग बॉडी बना रहे हैं, तो आप गवर्निंग बॉडी पर भ्रष्टाचार कैसे रोक पाएंगे? क्या गारंटी है कि जो लाइसेंस मांगेगा, उसको मानक पूरे होने पर ही लाइसेंस दिया जाएगा? इसकी गारंटी कहां है? आखिर आप ऐसा कौन सा मानक फिक्स कर रहे हैं कि आप ये मानक complete कर लेंगे, तब ही आपको लाइसेंस मिलेगा? आप कुछ चीजों पर ही क्यों है? आज तो हिन्दुस्तान में सबसे बड़ी प्रॉब्लम food adulteration की है। Adulteration इस देश के लिए एक प्रकोप हो गया है। मैं कहूंगा कि adulteration ने इस देश के लोगों की फिजिकल स्थिति और मेडिकल स्थिति खराब कर दी है। तमाम Food Adulteration Act बने हुए हैं। आज देश में जो भी पैकड सामान मिल रहा है, आप उसको क्यों नहीं certify करते हैं? इसमें क्या दिक्कत है? जब आप BIS को अधिकार दे रहे हैं... आप कहते हैं कि जो सुनार हमसे लाइसेंस लेगा, वह होलोग्राम लगाएगा। सारे सुनार होलोग्राम क्यों नहीं लगाएंगे? सब लोग लाइसेंस क्यों नहीं लेंगे? आज कहा जाता है कि अगर सुनार के दुकान पर तीन बार सामान ले जाओ, तो वह सामान सुनार का हो जाता है, आपका नहीं रहता है। तीन बार खरीद-बेच लो, तो सामान सुनार का हो जाएगा, आपका नहीं रहेगा। हम सब जानते हैं, आप भी तो नीचे से यानी जमीन से ऊपर राजनीति में आए हैं। जब यह स्थिति है ... नेस्ले बहुत बड़ी कंपनी है, जब मैगी का प्रॉब्लम शुरू हुआ, तब पता चला कि मैगी में भी मिलावट है। इससे सभी लोग चकित रह गए, क्योंकि नेस्ले का नाम ऐसा था कि आदमी समझता था कि नेस्ले का प्रॉडक्ट है, तो अच्छा होगा। आज इतने पैकड फूड मिल रहे हैं, वेज, नॉन-वेज, सब पैकड मिल रहे हैं, तो उन पर होलोग्राम क्यों नहीं लग

रहा है? आज विश्व के किसी भी देश में मिलावट अलाउड नहीं है, लेकिन हिन्दुस्तान में तो मुझे लगता है कि सबसे ज्यादा मिलावट ही अलाउड है। आप यूरोप में चले जाइए, वहां खाने के सामान में मिलावट नहीं हो सकती है। वहां पर अगर सबसे बड़ा अपराध माना जाता है, तो वह मिलावट माना जाता है। गल्फ कंट्रीज़ में है, लेकिन अपने देश में क्या है? आपके पास टैस्टिंग लैब नहीं है, आपके पास अधिकारी नहीं हैं, नीचे के अधिकारियों की जो स्थिति है... आप किसान का ही ले लीजिए। श्रीमन्, खाद में मिलावट से किसान बहुत परेशान है। आज 40 परसेंट किसान अपने खेतों में मिलावटी खाद डाल रहा है। वह उसमें जो दवाई मिलाता है, उस दवाई में भी मिलावट है, हालांकि उसमें होलोग्राम लगे हुए हैं, बड़ी-बड़ी कंपनियों के नाम लिखे हुए हैं। आप उनको क्यों नहीं ले लेते? अगर आप किसान और एन्वायरमेंट, इन दोनों को बचाना चाहते हैं तो ऐसा क़ानून क्यों नहीं पास किया जाता है कि किसान को जो खाद मिलती है, वह बिना होलोग्राम के मार्केट में नहीं बिकेगी? आप अपने एफसीआई के प्रॉडक्ट्स को ही ले लीजिए, उन्हीं को होलोग्राम लगवाकर बिकवाना शुरू कर दीजिए। आपकी एफसीआई तो बहुत बड़ी है। आप क्यों नहीं एफसीआई को लाइसेंस दिलाकर उसके पास जो सामान है, उनको मार्केट में सैल कराना शुरू कर देते हैं, ताकि लोगों को लगे कि सही सामान मिल रहा है? श्रीमन्, मैं बिल का तो समर्थन कर रहा हूं, लेकिन जो स्थिति है, उसको भी महत्व दे रहा हूं। मैं तो कह रहा हूं कि इसको और सख्त बनाया जाए और इसमें और श्रेणियों को लिया जाए, तो बहुत अच्छी बात है। मैं इसीलिए बोलने के लिए खड़ा हुआ हूं और अपनी बात कह रहा हूं।

श्रीमन्, आजकल रोज सवेरे अखबार उठा लीजिए, पासवान जी, आप पढ़ लें, उनमें तमाम तरह की दवाइयों की ऐड्स छपी होती हैं कि इनका इस्तेमाल कर लें तो आप तुरंत ठीक हो जाएंगे। कोई हड्डी ठीक कर रहा है, कोई जवानी ला रहा है। कभी जापानी कैप्सूल तो कभी अमेरिकन कैप्सूल। श्रीमन्, ऐसा लग रहा है जैसे अखबारों में लेख लिखा जा रहा हो कि आप यह खाएंगे तो आपका स्वास्थ्य ठीक हो जाएगा, यह खाएंगे तो स्वास्थ्य खराब हो जाएगा। उसे पढ़-पढ़कर आदमी यह समझ ही नहीं पा रहा है कि क्या खाएं क्या न खाएं या किस चीज़ से वजन घट जाएगा। आप हमारे यहां इलाज कराइए, आपका वजन गारंटीड घटेगा या बढ़ेगा। इस कंट्री के साथ इस तरीके से जो मजाक हो रहा है, उस पर कोई रोक नहीं है। उस पर कौन रोक लगाएगा? आखिर, उस पर कोई तो रोक लगाएगा, कोई न कोई मानक तो बनेगा या कोई ऐक्ट बनेगा! मेरा तो यह कहना है कि बहुत ज्यादा क़ानून अच्छे नहीं होते हैं। कम क़ानून प्रभावी होते हैं, बहुत से क़ानून प्रभावी नहीं होते हैं। हमारे यहां इतने क़ानून हो गए हैं कि मैं देखता हूं कि रोज कोई न कोई अमेंडमेंट हो रहा है। आप कोई प्रभावी क़ानून बनाकर लाइए, यह पूरा सदन सहमत है। उससे हम भी सहमत हैं, इधर के लोग भी सहमत हैं और मेरा ख्याल है कि सभी लोग सहमत होंगे। जितने लोग बोलेंगे, वे सभी आपके बिल से सहमत होंगे। जब आपको इतना बड़ा सपोर्ट मिल रहा है, तो आप भी हिम्मत कर लीजिए और कोई ऐसा ऐक्ट बना दीजिए, जिसके तहत हिन्दुस्तान में बनने वाली चीज़ों से डुप्लीकेसी खत्म हो जाए। चाइना पूरा कॉलैप्स कर गया। उसने तीन तरीके की क्वालिटी बनाई - नम्बर एक, नम्बर दो और नम्बर तीन। पूरे वर्ल्ड के मार्केट पर चाइना छा गया, लेकिन आज चाइना की स्थिति क्या हो गई है? अब तो चाइना में बने सामान पर कोई विश्वास ही नहीं करता है। लोग जानते हैं कि सामान लेंगे, तो वह कितने दिन

[श्री नरेश अग्रवाल]

चलेगा। वह नहीं चलेगा। वर्ल्ड का कोई भी मार्क हो, वह चाइना में बना हुआ आप ले लीजिए, वह थोड़े दिनों में ही खत्म हो जाएगा। ऐसा नहीं है कि वर्ल्ड की मार्केट चल रही है, लेकिन पूरे वर्ल्ड की मार्केट में कम्पीट करने के लिए आपको कहीं न कहीं अच्छे स्टैंडर्ड बनाने पड़ेंगे और कंपनियों को कम्पेल करना पड़ेगा। आपने यह प्रावधान तो कर दिया कि वे पेनेल्टी के रूप में पांच लाख रुपये भरेंगे और उसकी अपील कौन सुनेगा, इसका प्रावधान भी आपने कर दिया, लेकिन उस पर और चेक कैसे लगाया जाए, उस पर और कैसे रोक लगाई जाए, कैसे भय पैदा किया जाए और जनता का विश्वास कैसे जीता जाए, यह भी आपको देखना पड़ेगा। जब तक हम विश्वास को नहीं जीतेंगे, तब तक आप लाख हॉलमार्क लगाइए, लाख बिल दीजिए, लाख ब्रांडेड चीज़ कहिए, लेकिन सर्टिफिकेशन सही नहीं माना जाएगा। सर्टिफिकेशन तब सही माना जाएगा, जब आप जनता का विश्वास जीतेंगे। जैसा अभी तरुण विजय जी ने कहा, बहुत से लोग ऐसे हैं, जिनका ब्रांड बहुत बिकता है। आप हमारे लखनऊ में चले जाइए, वहां ऐसे तमाम दुकानदार हैं। आप चांदनी चौक चले जाइए, वहां बाहर से लोग आते हैं और कहते हैं कि उसके यहां से फलों चीज़ ले लो, बहुत अच्छी मिलेगी, जबकि उसका कोई सर्टिफिकेशन नहीं है। उन्होंने आपके यहां से सर्टिफाई नहीं कराया है, लेकिन उनकी एक मार्केट वैल्यू है, उनमें जनता का एक विश्वास है कि अगर उनके यहां से ले लो, तो सामान सही मिलेगा। यह विश्वास जीतना ही सबसे बड़ी चीज़ है। चलिए, बिल तो पास हो रहा है, लेकिन मैं चाहूंगा कि इस पर आप और विचार कीजिए। अगर आप जनता का विश्वास जीतने पर आएंगे और जनता का विश्वास जीत लेंगे तो शायद हमने "मेक इन इंडिया" और "मेड इन इंडिया" का जो नारा दिया है, वह सही रूप से लागू हो जाएगा। मान्यवर, इन शब्दों के साथ मैं इस बिल का समर्थन करता हूं।

DR. R. LAKSHMANAN (Tamil Nadu): Mr. Vice-Chairman, Sir, I rise to support this Bill. First of all, I extend my gratitude to my Party Leader Puratchi Thalaivi Amma for permitting me to take part in the discussion on this important Bill. Sir, the Bureau of Indian Standards Bill, 2015 is brought in order to replace the existing Bureau of Indian Standards Act, 1986. Everyone needs standard products for the amount they pay. What is the standard for each product? Who will prescribe this standard? The answer to this question is, Bureau of Indian Standards (BIS). So far, 19,300 standards have been formulated for about 9,500 products and services by BIS. Sir, each and every day market is flooded with new products. So, there is an urgent need to step up the process of formulation of standards for the products and services.

This Bill also seeks to establish Bureau of Indian Standards (BIS) as National Standards Body of India. Sir, nowadays online purchase of goods, articles, materials has increased manifold. What is the Government's stand on these products and services? Will it be mandatory for the online stores to comply with Section 13? Sir, Government has the responsibility to protect the interest of consumers. Ours is a welfare State. We have to

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ensure that standard products at an affordable price reach the consumers. Here, I would like to highlight the steps taken by our hon. Leader Amma to give standard products at an affordable cost to the people of Tamil Nadu. It all started with Amma Kudineer sold at ₹ 10 per litre. 'Amma Cement' is sold at a very affordable rate of ₹ 190 per bag, which contains 50 kilo cement. Sir, the list does not contain only these two items. There is Amma Unavagam, Amma Medical Shop, Amma Salt and Amma Vegetable Market. All these were done with the sole aim of providing standard products to all the people at affordable prices. This is our commitment and determination.

Next, I come to the provision of compulsory Hallmarking of precious metals, *i.e.* gold. When gold ornaments are made, sellers charge around ten per cent to 18 per cent as wastage. This practice has to be rationalised. There is an urgent need to bring uniform procedures in this regard so that fair practice is followed in gold trade. Hence, I request the Government to further strengthen the provisions of Section 14 of the present Bill.

Sir, our market is flooded with Chinese products. To ensure that only standard products enter the Indian market, adequate mobile testing laboratories should be established. So, sub-section (4) of Section 13 should include provisions for mobile-testing laboratories. Because of availability of sub-standard products in the market, there is always danger to the life of consumers. They are exposed to continuous threat. We have to curtail this trend. Imitating is very rampant in our country. Government should devise a stringent mechanism so that BIS Hallmark symbol is not imitated by anti-social elements. To ensure 'ease of doing business', consumer satisfaction is also a necessary condition. So, I urge upon the Government to ensure strict implementation of these provisions so that interests of consumers are protected because we are now living in a consumer-driven economy. I once again extend my support to the Bill. I also welcome the Bill. Thank you, Sir.

श्री मुनकाद अली (उत्तर प्रदेश) : उपसभाध्यक्ष महोदय, मैं आपका बहुत आभार व्यक्त करता हूँ कि आपने मुझे इस महत्वपूर्ण भारतीय मानक ब्यूरो विधेयक, 2015 पर बोलने का मौका दिया। मैं अपनी पार्टी की नेता बहन कुमारी मायावती जी का शुक्रिया अदा करता हूँ, जिन्होंने मुझे इस मुद्दे पर अपनी बात कहने का मौका दिया है। यह विधेयक चूँकि पहले ही लोक सभा द्वारा पारित हो चुका है, फिर भी, ऐसी बहुत सारी जरूरी बातें हैं, जिन पर खुले मन से चर्चा होनी बहुत जरूरी है। मैं इस विधेयक को इसलिए भी बहुत खास मानता हूँ, क्योंकि इसके जरिए देश में बहुत सारी खाद्य सामग्री, वस्तुएं, माल, आभूषण आदि की क्वालिटी को प्रमाणित करने का नजरिया तय होगा। इन तमाम चीजों को प्रमाणित करने के लिए हमारे देश में बहुत सारे मानक चिह्न और हॉलोग्राम आदि का प्रयोग हमारी सरकार की तरफ से किया जाता है। आज हमारे देश में बढ़ती हुई आबादी के साथ-साथ बहुत सारी नकली

[श्री मुनक्काद अली]

कंपनियां, दुकानें और विक्रय केन्द्र खुल गए हैं, जहां पर नकली चीजों को असली चिह्न लगाकर बेचा जाता है और लाखों शरीफ और खासकर के गरीब लोगों को ठगा जाता है।

मैं पिछले तीन वर्षों का हवाला देकर यह समझाना चाहता हूं कि आखिर हमारे देश में बिना वैध लाइसेंस के मानक चिह्नों का गलत इस्तेमाल करते हुए कितने मामले दर्ज हुए हैं। साल 2011 से 2013 के बीच ऐसे मामले दर्ज किए गए हैं, जिनमें यह बात साबित हुई है कि भारतीय मानक ब्यूरो के मुताबिक सही मानक चिह्नों का इस्तेमाल नहीं किया गया। अगर मैं सोने के जेवरात बेचने वाले लाइसेंस धारकों के सिलसिले में बात करूं, तो आपको यह जानकर ताज्जुब होगा कि भारतीय मानक ब्यूरो द्वारा फरवरी से मार्च 2015 में हॉलमार्क युक्त आभूषणों, जो भारत में बेचे जाने वाले कुल आभूषणों का एक छोटा सा भाग है, उनके नमूने लिए गए। 193 नमूनों के परिणाम दर्शाते हैं कि 145 नमूने शुद्धता परीक्षण में सफल पाए गए, जबकि 48 नमूनों में चिह्न अंकित शुद्धता में औसतन 0.2 प्रतिशत की कमी देखी गई।

महोदय, 2016 में 16 शहरों में किए गए सर्वेक्षण से पता चलता है कि गैर-हॉलमार्क आभूषणों के 90 प्रतिशत नमूने घोषित शुद्धता में औसतन 13.5 फीसदी की कमी को दर्शाते हुए फेल हो गए।

इसी तरह देश में और बहुत सारी खाने-पीने, पहनने की वस्तुएं हैं, जो खुल्लमखुल्ला बिना किसी मानक और हॉलोग्राम के बिक रही हैं और देश के करोड़ों लोग उनसे बिना गुणवत्ता की वस्तुएं खरीदकर अपने आप को ठगा हुआ महसूस कर रहे हैं। इसलिए मैं आपके माध्यम से सरकार से यह उम्मीद करूंगा कि भारत जैसे विशाल देश में भारतीय मानक ब्यूरो नामक संस्था को जितना मुमकिन हो सके मजबूत बनाया जाए और जो भी लोग हमारे देश में बिना मानक चिह्नों के वस्तुओं की बिक्री करते हैं, उनके खिलाफ सख्त कानून बनाने पर विचार करें, ताकि देश के बाजारों में लोगों का विश्वास बढ़े और सही चीज देश के लोगों तक पहुंच सके।

मान्यवर, मैं अपने देश की सच्चाई आपके सामने लाना चाहता हूं। भारतीय मानक गुणवत्ता की सच्चाई की तुलना हिन्दुस्तान की मिट्टी से करना चाहता हूं। वह ईंट जो भारत के हस्तशिल्प की प्रतीक है अगर किसी महल के कंगूरे में लगा दी जाती है, तो हजारों सालों तक भारतीय गुणवत्ता की प्रतीक बन जाती है। इसी प्रकार हस्तशिल्प से बनने वाला कपड़ा भारत की गुणवत्ता का इतिहास बनकर दुनिया के कोने-कोने में बिक रहा है। यह हमारे देश की गुणवत्ता है। मैं माननीय मंत्री जी से चाहूंगा कि इसे सख्त से सख्त बनाया जाए, ताकि देश की जनता को इससे फायदा हो। महोदय, हमारी पार्टी तथा हम इसका समर्थन करते हैं, शुक्रिया।

SHRI T.K. RANGARAJAN (Tamil Nadu): Sir, I thank you. I would like to join the other Members in saying that we must have quality products, 'Make in India' should be made successful, the limb of lion symbol should walk and hunt the opponents. But I would like to bring to your notice about my fear. In the last four years, 393 raids have

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been made. I don't know what punishment they have been awarded. I would like to bring before the august House that the BI Standard mark be made on products whether they are manufactured in this country or imported. So, that standard must be there, whether you manufacture here or import. The Confederation of Indian industry has given a circular. Despite the introduction of hallmark standard fifteen years ago, 30 per cent of the jewellery in India is hallmarked with unorganised sector, being the main culprit, according to the latest study of the World Gold Council. The World Gold Council says that the culprit is our unorganised sector. Only 30 per cent jewellery in India is hallmarked. So I would like to request the Minister, 70 per cent people who work in the gold jewellery, if you strictly implement it, will become unemployed. They will be completely finished. You must take this into account.

Now, the *agarbattis*, we are not manufacturing. You can see in TV advertisements that ITC is producing *agarbatti*. Today, the *agarbatti* is imported from Vietnam and Cambodia. Traditionally, we manufactured it, either in Mysore or in Tamil Nadu. We manufactured it. Now, ITC is the brand. Those sections will become completely unemployed. The anklets, which the ladies wear and the silver rings in the foot, are imported today. That is completely out of our manufacturing business. So it is not made in India. We are importing the things and selling here. A lot of thing has been told about China, Vietnam, Cambodia and your free trade agreement. Please see, whether it gives employment to us whether it protects our small-scale manufacturers or it completely vanishes them. The quality is very important; I agree with all those things. But what have, we done for the past 50-60 years to develop these small-scale industries into a quality industry? Even the Bindi that ladies wear also comes from China. During Holi, the powder and guns are imported from China. This gives employment to the Indian people. They must make quality things. That is important. You must help them. You must give them money. You must give them machinery. You must provide them market. Otherwise, the Bill will be appreciated by 30 or 40 per cent of the Indian population whose purchasing capacity has grown. But, still, 40-50 per cent depend on these types of handmade works. I request the Minister, please keep all those things in mind. Try to help them. Don't destroy our small-scale industry and home-made industry. Thank you very much.

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): Shri Bupinder Singh. You have four minutes. You can take five minutes only.

श्री भुपिंदर सिंह (ओडिशा): दो-तीन मिनट ज्यादा हो जाएगा।

उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): यह तो रिकार्ड हो जाएगा।

श्री भुपिंदर सिंह: उपसभाध्यक्ष जी मैं अपनी पार्टी की तरफ से "दि ब्यूरो ऑफ इंडियन स्टैंडर्ड बिल, 2015" के संदर्भ में बोलने के लिए खड़ा हुआ हूँ। यह एक ऐसा बिल है कि हिंदुस्तान की आबादी, जो पहाड़ों पर रहती है, जिसने कभी स्कूल, कॉलेज में जाकर नहीं देखा है, उसे साथ लेकर जो 126 करोड़ की आबादी है, इस बिल का उन सभी के साथ संबंध है। हमें इसकी गहराई तक जाना चाहिए। उपसभाध्यक्ष जी, वैसे तो हॉलमार्क स्टैंडर्ड पंद्रह साल पहले इंद्रोच्चूज हो गया था, उसके बावजूद भी वर्ल्ड गोल्ड काउंसिल में कहा जा रहा है कि इंडिया में जो गोल्ड है, वह 30 परसेंट हॉलमार्क है और जो बाकी 70 परसेंट है, उसके ऊपर क्वेश्चन मार्क लगा हुआ है। सर, यहां पर यह सवाल नहीं है कि डुप्लीकेट चीजें कैसे बनती हैं, सवाल यह है कि जहां भी पैकड सामान आता है, उस पर जो क्वालिटी लिखी होती है, उस क्वालिटी में भी कमी देखी गई है। सर, हम पैकड सामान लेकर आते हैं, उस पर 500 ग्राम लिखा हुआ है - मैं अपने देश और अपने लोगों को सेल्यूट करता हूँ कि उनको जैसा भी मिल जाए, जो भी मिल जाए, ले लेते हैं, सवाल नहीं करते हैं। इसको बनाने के वक्त जब बात हो रही थी, तब हमने मंत्री जी से यह सवाल किया था कि अगर कुछ गरीबी हमारे साथ है, तो वह इस वजह से है कि हमारे लोगों को इसकी जानकारी नहीं है कि हमारा अधिकार क्या है। एक्ट तो बन जाएगा, लेकिन उसको implement कौन करता है और कहाँ पर एक्शन होता है, आज यह सवाल है। आज हम लोग यहां बैठ कर एक और नया बिल ला रहे हैं, जिसमें बहुत ज्यादा अधिकार दिया गया है, वह है 'जागो ग्राहक जागो'। ग्राहक को जगाना है और अच्छी तरह से जगाना है। इसके लिए मैंने कहा था कि केवल टीवी पर नहीं, बल्कि इसके ऊपर बार-बार डिबेट होनी चाहिए। आज जो सबसे बड़ा सवाल उठता है, वह यह है कि ऐसा कोई व्यक्ति नहीं है, जो हर रोज कुछ न कुछ poison न ले रहा हो। राष्ट्रपति भवन, प्रधान मंत्री जी से लेकर नीचे तक ऐसा कोई नहीं कह सकता कि आज हम जो खाद्य ले रहे हैं, उसमें कहीं न कहीं थोड़ा सा poison नहीं ले रहे हैं। हमसे यह अपेक्षा थी कि इस बिल के आने के बाद इसमें सुधार होगा।

सर, इसमें upgradation of laboratories की आवश्यकता है। हमारे पास infrastructure नहीं है। मैं यह भी सुझाव देना चाहता हूँ और मैंने पहले भी कहा है कि जहां से सामान manufacture होकर निकलता है, आप देखिए कि इसकी क्वालिटी की जांच वहीं पर हो जाए कि इसकी क्वालिटी क्या है। जब वह सारे देश में होलसेल से लेकर सब-डीलर तक, डिस्ट्रिब्यूटर से लेकर सब-डीलर तक बंटता है, तब उसमें कितनी नकली चीजें आती हैं, उसमें ISI मार्क के कैसे प्रोडक्ट निकलते हैं, उसमें जो ब्रांड है, उसके भी नकली सामान कैसे बन जाते हैं, उसको चेक करने के लिए हमारे पास infrastructure नहीं है। इसलिए इसको उसी प्वाइंट पर, starting point पर ही चेक करने की कुछ पद्धतियाँ हमारे लिए आवश्यक हैं। आज हमारा जो standard है, इस बिल के द्वारा आप उसको absolute कर देंगे। आपने इसके ऊपर सभी मंत्रियों के साथ चर्चा जरूर की होगी। हम तो चाहते थे कि इस बिल को जल्दी पास कराया जाए, क्योंकि इसमें किसी की दो राय नहीं थी, लेकिन जब यह बिल पास होकर जाएगा, तो इसको implement करने के लिए राज्यों के पास क्या स्थिति है, ...(समय की घंटी)... राज्य इसके

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लिए सम्पूर्ण रूप से सक्षम हैं या नहीं, साथ में इसको भी देखने की आवश्यकता है। ...**(समय की घंटी)**...

सर, मैं दो-तीन मिनट और लूंगा, प्लीज़। प्रधान मंत्री जी ने 'Zero Defect and Zero Effect' का slogan दिया है। क्या यह Indian product के लिए भी applicable है? जो चीज़ हमारे यहां चीन से या बाहर से बन कर आती है, उसके लिए 'defect' की बात को हम कहां तक देखते हैं?

सर, जहां तक किसानों का सवाल है, आप जानते हैं, मैं पूरी तरह से उस धरती, उस मिट्टी और उस किसान के साथ जुड़ा रहा हूं। आप देखेंगे कि खेतों में pest attack होता है, लेकिन खेतों में pest attack की जितनी भी दवाइयां डाली जाती हैं, उनमें कुछ फर्क नहीं पड़ता है। Human life के लिए जो दवाइयां आती हैं, उनमें नकली दवाइयां तो आती ही हैं, लेकिन जितने seeds और जितने फर्टिलाइज़र्स आ रहे हैं, वे भी नकली आ रहे हैं। ...**(समय की घंटी)**... सर, यहां आपने अभी Leader of the House को सुना है। उनकी अपनी स्टेटमेंट थी कि आज SAIL और टाटा का जो स्टील है, उस पर भी कितने question mark लग चुके हैं। यह बात स्वयं आपने, इस हाउस ने और सारे देश ने सुनी है। इन सबके लिए मंत्री जी के ऊपर एक बहुत बड़ी responsibility है। सर, इनका अनुभव बहुत है।

उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): आपका अनुभव भी बहुत है।

श्री भूपिंदर सिंह: इनके पास केवल राजनीतिक अनुभव ही नहीं है, वे जमीन से भी जुड़े हुए हैं, इसलिए मुझे उम्मीद है कि वे इन सब चीज़ों को देखेंगे।

सर, infrastructure के मामले में स्टेट्स को support करने की आवश्यकता है। आपने 2016 में चार-पांच लेबोरेटरीज़ बनाने की बात कही है, upgradation of laboratories के साथ manpower को भी बढ़ाने की आवश्यकता है और इसके लिए स्टेट्स को थोड़ा support करने की आवश्यकता है।

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): Thank you very much.
.... (Interruptions)

श्री भूपिंदर सिंह: सर, मैं एक अंतिम बात कहना चाहता हूं। आज Consumer Forum की बात हो रही है। 6-6 या 10-10 साल तक भी case dispose off नहीं होता है, इसीलिए हमने यह राय दी थी कि आप इसके लिए ऐसा नियम बनाइए कि जहां पर manufacturer है, जहां से चीज़ बनी है, वहां पर उसका केस *sub judice* नहीं होगा। अगर आप मुम्बई से आकर राजस्थान में कोई प्रोडक्ट खरीदते हैं, तो उस कंपनी के ऊपर राजस्थान के कोर्ट में केस होगा और वहीं पर Consumer Forum उस पर decision लेगा।

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): Thank you.

श्री भूपिंदर सिंह: सर, एक बात और है। मैं यह कहना चाहता हूं कि इसका केस High Court और Supreme Court के लिए upgrade न हो। चाहे कोई भी केस हो, District Level पर तीन महीने के अन्दर, State Level पर छः महीने के अन्दर और National Level पर एक साल के अन्दर Consumer को, ग्राहक को इसका फल मिलना चाहिए, result मिलना चाहिए।

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[RAJYA SABHA]

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उपसभाध्यक्ष (श्री वी.पी. सिंह बदनौर): यह एक अच्छा सुझाव है।

श्री भूपिंदर सिंह: यह ग्राहक के हित में होना चाहिए, not for manufacturers. Thank you.

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): Dr. K. Keshava Rao, not present. Shri Anil Desai.

SHRI ANIL DESAI (Maharashtra): Mr. Vice-Chairman, Sir, I rise to support the Bureau of Indian Standards Bill, 2015. I believe that after passing of the Bill, this will amount to a step to support the 'Make in India'. After going through the Statement of Objects and Reasons and other contents of the Bill, I would like to seek two clarifications from the hon. Minister. More teeth are being provided, through this Bill, to the Bureau of Indian Standards. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI V.P. SINGH BADNORE): I request for silence in the House, please.

SHRI ANIL DESAI: With the establishment of the BIS as the National Standards Body of India, it will have a very meaningful, defined standards which will make our products much competitive and saleable, not only domestically, but internationally too. At the same time, empowering the Central Government to authorize any other agency having necessary accreditation, which will have multiple agencies, which will also be doing the certification job for the products, how it would go because there may be scope for corrupt practices, duplication, etc., as many products are available, as of today, in the market which bear BIS and ISI marks, etc. That also gives way to the adulteration of the food products, maybe, milk. Or, even we have seen what has happened in the case of Nestle products. So, there has to be some regulations regarding testing of the products; there should be good laboratories; good personnel and research laboratories. What kind of provision is made for all this? It would be better if the hon. Minister clarifies on this count.

(MR. DEPUTY CHAIRMAN *in the Chair*.)

Now, I come to the pricing factor. Once BIS is done, it should not be that the prices go beyond the capacity or affordability of the consumer. That has to be kept in mind. There are other agencies which would definitely take control. Of course, you would be taking steps to see to it that prices are regulated. But, considering this Bill, how would it go?

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My next point is with regard to imported goods. We are, as a country, a party to the WTO. A lot many goods, as of today, are imported; they are assembled; and they are re-labelled. In case, agencies are doing business like this, will the certificates given by those countries be applicable? Or, will the BIS have to certify them again on those standards? If substandard goods are coming from other countries, how would the BIS deal with them? How would they certify such products?

Then, penalty provisions have been made in this Bill. This is a good thing to prevent the misuse of standard mark.

In the field of jewellery, the hallmarking, etc., is limited to a very small section of the society, whereas, majority of the people are not aware of this. Will that affect the pricing of the products? How would it go? It would be better if the Minister explains this. Since 1986, a lot many changes were to be done, which have been taken up in this Bill.

Now, I come to the household products or fast-moving consumer items. These are the things where a lot of agencies, a lot of manufacturing houses are coming out with different products. They will also be going for BIS standards. How would the consumer take it? Will this affect the production houses where small and medium-scale people are engaged in manufacturing activities? Will the things be so easy for them also? There was an example given by our colleague about the manufacturing of *agarbattis*. That is an item of the cottage industry. Our household people manufacture these kinds of things. But if branded and big industrial houses like ITC also come into the market and sweep the market, then, will it not be injustice? How would you protect that factor in this Bill?

Another point is about the major industries; like steel industry is there; cement industry is there, IT industry is there and electronic industry is there. Apart from this, for cottage industry, textile industry and even for Defence equipment, now, we have made our policies very open. So, with respect to things where security of the country also comes into question, how would you regulate those through this Bill, the Bureau of Indian Standards Bill, 2015? Though, *prima facie*, it looks very good, will it help our country and our economy to grow the way it has been sought by bringing forward this Bill? Thank you.

MR. DEPUTY CHAIRMAN: Thank you. Now, Shri Sukhendu Sekhar Ray.

SHRI SUKHENDU SEKHAR ROY (West Bengal): Sir, on behalf of our Party, Shri Vivek Gupta will speak.

MR. DEPUTY CHAIRMAN: Okay. That is the name you gave me. Sorry, I thought it was yours.

SHRI VIVEK GUPTA (West Bengal): Mr. Deputy Chairman, Sir, through you, I, very quickly, want to make a few points. सर, रामविलास जी हमारे बहुत प्रिय नेता हैं, बहुत लोकप्रिय नेता हैं। इस बिल में कुछ खामियां हैं। डिप्टी चेयरमैन साहब, मैं आपके माध्यम से उनका ध्यान सिर्फ उन खामियों की ओर आकर्षित करना चाहूंगा।

सर, इसमें seller की डेफिनिशन है, लेकिन आजकल ई-कॉमर्स में यह हो रहा है कि यहां माल कोई बना रहा है और कोई अन्य बेच रहा है। उसको थोड़ा ठीक करने की जरूरत है, क्योंकि Amazon और बहुत सारी कम्पनीज़ ऐसी हैं, जो अपने आपको seller बता कर अपने नाम से माल बेच रही हैं, जबकि वे माल नहीं बनाती हैं और जब कोई कम्प्लेंट आती है, तो वे सबसे पहले पीछे हट जाती हैं और बोलती हैं कि माल हमने नहीं बनाया। तो सर, उनके बारे में अगर कुछ किया जा सकता है, तो कीजिए।

सर, इस बिल में एक बड़ी खामी यह है कि जो भक्षक है, उसी को रक्षक का काम दिया गया है। जो डायरेक्टर जनरल है, उसी को लाइसेंस देने की पावर दी गई है। अगर वह लाइसेंस नहीं देता है, तो उस एप्लिकेशन को रिव्यू करने की पावर भी वापस डायरेक्टर जनरल को दे दी गई है। तो जो आदमी लाइसेंस देने से मना कर रहा है, वही आदमी कैसे रिव्यू को ठीक कर सकता है, यह बात समझ में नहीं आई। इसलिए यह conflict है, इसको थोड़ा देखा जाना चाहिए।

सर, 'zero defect-zero effect', 'maximum' ये सब बातें कही गयी हैं। मैं यह कहना चाहता हूँ कि इंडिया में जो भी सामान बिके, वह कम से कम ISI mark के बराबर हो। अगर वह ISI mark से certified नहीं भी हो, तो कुछ ऐसा किया जाना चाहिए कि यह optional नहीं होना चाहिए, compulsory होना चाहिए।

सर, हमारे यहां से बहुत सारा सामान एक्सपोर्ट होता है। इस पर भी आपका कुछ अंकुश आना चाहिए। वह जरूर हो, ताकि इंडिया की साख अंतर्राष्ट्रीय बाजार में खराब न हो।

सर, एक और काम करने से आपका लोगों पर एक बहुत बड़ा उपकार होगा। रेज़र से लेकर टैक्सी, सब चीज़ों पर कोई न कोई स्टैंडर्ड कोई न कोई डिपार्टमेंट या मंत्रालय बनाता रहता है। अगर आप सबको इकट्ठा करके एक वेबसाइट पर जानकारी दे दें कि इस चीज़ का यह स्टैंडर्ड है और उस चीज़ का यह स्टैंडर्ड है, तो लोगों को बहुत आसानी रहेगी। इसके उदाहरण के रूप में मैं यह कहना चाहूंगा कि टेलिकॉम अथॉरिटी है। आजकल हम सब कॉल ड्रॉप की समस्या फेस करते हैं कि मोबाइल पर बात करते-करते कॉल ड्रॉप हो जाती है। इसका स्टैंडर्ड कौन तय कर रहा है, हमें नहीं मालूम है। ट्राई का स्टैंडर्ड कुछ है और TDSAT कुछ और standard बोलता है। अगर आप इसका कुछ निवारण कर सकें, तो हम लोगों पर बहुत बड़ी कृपा होगी।

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सर, हाल ही में जो मैगी प्रकरण हुआ और इससे हम लोगों को जो सीख सीखने को मिली, वह सीख मुझे इस बिल में कहीं भी दिखाई नहीं दी। मैं सिर्फ आपके ध्यान में यह बात लाना चाहता हूं।

सर, एक बड़ी चिन्ताजनक चीज़ आई है, जो मैं जल्दी से जल्दी चेयरमैन साहब के माध्यम से आपके ध्यान में लाना चाहता हूं। जो नये स्टैंडर्ड्स आर्येंगे, तो लोगों ने जो पुराने सामान खरीद कर रखे हैं, उनका क्या होगा? खासकर किसी ने अगर 1960 या 1970 में सोना खरीद लिया था और अगर आप नये स्टैंडर्ड बना देंगे, तो 1970 का सोना क्या पीतल हो जायेगा?

सर, स्मार्ट सिटी का स्टैंडर्ड है, इस चीज़ का स्टैंडर्ड है और उस चीज़ का स्टैंडर्ड है, तो अंत में मैं यही कहूंगा कि जो ISI mark है, वह भारतीयता का स्टैंडर्ड है। इसको आप और सशक्त बनायें और इसको compulsory बनायें। इन्हीं शब्दों के साथ आपका बहुत-बहुत धन्यवाद।

MR. DEPUTY CHAIRMAN: Okay. Thank you. Mr. Navaneethakrishnan, you want to seek a clarification. I will allow you after the Minister's reply. If your point is not covered in the reply, then, you can seek your clarification.

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI RAMVILAS PASWAN): My suggestion is, let him speak. (Interruptions) बाद में मात्र क्लेरिफिकेशन होगा तो फिर एक घंटा चलेगा। इसलिए जो भी बोलना है, एक बार बोल दें। ...**(व्यवधान)**...

MR. DEPUTY CHAIRMAN: No speech. He can only ask a clarification.

SHRI RAMVILAS PASWAN: Let him say.

MR. DEPUTY CHAIRMAN: Okay. You want him to do that. Okay. All right. Mr. Navaneethakrishnan, now you speak. (Interruptions) No speech. Only ask the clarifications.

SHRI A. NAVANEETHAKRISHNAN (Tamil Nadu): Thank you Mr. Deputy Chairman for giving me this opportunity.

I would like to draw the kind attention of the hon. Minister to clause 33 (1). It says, "Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence committed for the first time, punishable under this Act, not being an offence punishable with imprisonment only, or with imprisonment and also with fine, may, either before or after the institution of any prosecution, be compounded by an officer so authorized by the Director General, in such manner as may be prescribed ..."

MR. DEPUTY CHAIRMAN: What is your objection?

SHRI A. NAVANEETHAKRISHNAN: My objection is, subject to correction by the hon. Minister, there is no punishment contemplated as contemplated in clause 33, sub-clause (1), because for violation under Section 11 and Section 26, fine up to ₹ 5 lakhs is provided. Sections 14(6), 14(8), and 15 provide imprisonment up to one year or with fine. For violation of Section 17, imprisonment up to two years or fine with ₹ 2 lakhs and further more has been provided.

MR. DEPUTY CHAIRMAN: What is the harm?

SHRI A. NAVANEETHAKRISHNAN: Sir, there is no punishment as contemplated in Section 33 because it is punishable with imprisonment only. There is no such punishment for any of the offences. For violation of sections 11 and 26, it provides fine. For violation of Sections 14(6), 14 (8) and 15, it provides imprisonment up to one year or with fine. For violation of section 17, it provides imprisonment for two years or with fine. So, my humble submission is, there is no punishment, contemplating imprisonment only.

MR. DEPUTY CHAIRMAN: So, there should be no fine. That is your point.

SHRI A. NAVANEETHAKRISHNAN: All offences are compoundable because of Section 33. That is not good. So, my reading of Section 33 is, all the offences are compoundable.

MR. DEPUTY CHAIRMAN: Shri V.P. Singh Badnore.

SHRI A. NAVANEETHAKRISHNAN: One minute.

MR. DEPUTY CHAIRMAN: Okay. He did not complete. He didn't finish.

SHRI A. NAVANEETHAKRISHNAN: All offences are, now as per Section 33, compoundable. That is not good. Another point is, as per the proviso, "Provided that the sum so specified shall not in any case exceed the maximum amount of fine which may be imposed under section 29 for the offence so compounded; and any second or subsequent offence committed after the expiry of three years from the date on which the offence was previously compounded shall be deemed to be an offence committed for the first time." Definitely it is against the public interest. (*Interruptions*)

MR. DEPUTY CHAIRMAN: Okay. All right. So, you have made your point. (*Interruptions*)

SHRI A. NAVANEETHAKRISHNAN: So, it should be amended suitably.

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MR. DEPUTY CHAIRMAN: This is the problem when you have a former Advocate-General here. ...*(Interruptions)*...

SHRI A. NAVANEETHAKRISHNAN: It is only in favour of the manufacturers, not in favour of consumers. Please amend it.

MR. DEPUTY CHAIRMAN: Okay. Mr. V.P. Singh Badnore. What is your point?

SHRI V.P. SINGH BADNORE (Rajasthan): Sir, I have a very simple clarification to ask. I also support the Bill.

MR. DEPUTY CHAIRMAN: There are some people who read the Bill.

SHRI V.P. SINGH BADNORE: Sir, as I was saying, the Bureau of Indian Standards should not be the minimum levels. If we want to really make our product international, the 'Make in India' should be like the Japanese, and I will give you an example for it. Minolta and the other cameras and all that are made in so many places. But everybody looks that if it is made in Japan, then they will buy it, not the ones which are made in Thailand, Cambodia and anywhere else. They are made in ten places.

They are made at ten places. So, my question is: Is it the minimum standard? Because, unless you have higher standards, you will not be able to achieve the 'Make-in-India' that the Prime Minister really wants. I would give you just one example. When Sony came into the market, they got a big order. He has written in his biography that he got a big order from the US for his radio. In those days, it was the radio. He got a big order from the US, I but the only thing that they said was that he must change the name from Sony to something else. It was a big dilemma for him, whether to give up the order or to keep it. He said, 'No. I will only sell it as Sony and not any other brand as you want it. And I will not stamp on anything else.' That is the standards we are talking about. It should not be minimum; it is higher standards that we want.

MR. DEPUTY CHAIRMAN: Thank you. Shri Jairam Ramesh.

SHRI JAIRAM RAMESH (Andhra Pradesh): Sir, my question to the hon. Minister is very simple and straight-forward.

MR. DEPUTY CHAIRMAN: Good that it is not to me!

SHRI JAIRAM RAMESH: Sir, the Bill provides for the BIS to recognize foreign and other Indian entities as standardizing authorities. I want to know from the hon. Minister whether the rules, regulations and the protocol that will govern this recognition will be part of the rules? That is because you are not just creating one BIS; you are also giving BIS the power to recognize other bodies as standardizing authorities. So, will the conditions under which those recognitions take place be there in the rules or not?

7.00 PM

MR. DEPUTY CHAIRMAN: Now, Mr. Rangasayee Ramakrishna. That is the last.

SHRI RANGASAYEE RAMAKRISHNA (Karnataka): Sir, I have a basic question on which I need a clarification. The timing of introduction of a legislation is as important as the content of the legislation. Now, we are paused at a time when we want to increase the domestic demand and, in the international scenario, our exports are falling month after month. Now, we are bringing in an Act which introduces a certain element of compulsion. Will it conform to these requirements or will it run counter to these requirements? This is what I want to know.

MR. DEPUTY CHAIRMAN: Now, the hon. Minister.

श्री रामविलास पासवान: उपसभापति महोदय, जिन सदस्यों ने इस पर अपने सुझाव दिए हैं, मैं उन सभी सदस्यों को बहुत-बहुत धन्यवाद देना चाहता हूँ। यह बहुत ही महत्वपूर्ण बिल है। इस पर अभी करीब 13 माननीय सदस्यों ने अपने बहुमूल्य सुझाव रखे हैं। तरुण विजय जी, नाच्चीयप्पन जी, नरेश अग्रवाल जी, डा. आर. लक्ष्मणन जी, मुनक्राद अली जी, टी.के. रंगाराजन जी, भूपिंदर जी, अनिल देसाई जी, विवेक गुप्ता जी, नवनीतकृष्णन जी, वी.पी. सिंह बदनौर जी, जयराम रमेश जी और रंगासायी रामाकृष्णा जी ने अपने सुझाव रखे।

महोदय, जो चीज़ हमारे मन में थी और है, उसको हम किसी कारण से इसमें नहीं डाल सकते हैं। उस बात को भी यहां पर रखा गया है। चूंकि एक कहावत है कि क्रिकेट के मैदान में रन भी बनाना पड़ता है और विकेट भी बचाना पड़ता है, इसलिए दोनों चीज़ों को देखना पड़ता है। चूंकि हम कंज्यूमर अफेयर्स डिपार्टमेंट के मिनिस्टर हैं, इसलिए हमारी जो होल एण्ड सोल रिस्पॉसिबिलिटी है, वह है कंज्यूमर के इंटरैस्ट को देखना। यह जो BIS बिल है, उसका एक हिस्सा है। अभी हम कंज्यूमर प्रॉटेक्शन बिल लाएंगे, जो स्टैंडिंग कमिटी के पास है। जब हम उस बिल को यहां लाएंगे, तो उसमें आपको पूरा का पूरा चित्रण दिखलाई पड़ेगा। जैसे हमारे बहुत से सदस्यों ने misleading advertisement की बात कही। यहां पर misleading advertisement नहीं है कि कैसे आप तीन महीने में वजन को बढ़ा लेंगे, कैसे यह कर लेंगे, कैसे वह कर लेंगे। हर चीज़ लिखी रहती है। ये सारी चीज़ें इसमें कवर्ड नहीं हैं, लेकिन उसमें कवर्ड हैं। उसी तरीके से मान लीजिए कि कोई खराब वस्तु है और आपने उसकी क्वालिटी की बात कही है, तो वह अथॉरिटी इस बिल में है। जैसे पानी की एक बोतल खराब है, तो अभी केवल एक ही आदमी को उसका लाभ मिल सकता है या कार का इंजन खराब है तो एक ही व्यक्ति को उसका लाभ मिल सकता है, लेकिन इसमें हमने यह प्रावधान रखा है कि अगर एक कार का इंजन खराब है तो केवल उसी कार का इंजन खराब नहीं होगा, बल्कि उस लॉट में जितनी कारें होंगी, उन सबका इंजन खराब होगा। अगर बोतल का पानी खराब है, तो केवल एक बोतल का ही पानी खराब नहीं होगा, बल्कि सारी की सारी बोतलों का पानी खराब होगा। ऐसी बहुत सारी चीज़ें कंज्यूमर्स के इंटरैस्ट में हैं। आप देखेंगे कि किसी चीज़ पर एक्सपायरी डेट लिखी नहीं होगी, बल्कि कहीं किसी कोने में यह लिखा मिलेगा कि यह छः महीने के भीतर पीने या खाने योग्य है। इसलिए मैंने कहा कि ये सारी की सारी चीज़ें हैं, जिनसे कंज्यूमर्स को लाभ मिल सकता है।

इसी प्रकार, कन्ज्यूमर का मामला है, चाहे वह डिस्ट्रिक्ट लेवल का हो, स्टेट लेवल का हो या नेशनल लेवल का हो। पहले उसमें वकील रखने की बात थी, हमने कहा कि वकील रखने की जरूरत नहीं है। पहले यह था कि जहां से आप सामान खरीदते हैं, वहीं जाकर आप कम्प्लेंट दर्ज कीजिए, लेकिन अब हमने कहा है कि अब आपको कहीं जाने की जरूरत नहीं है, आप घर से भी कम्प्लेंट दर्ज कर सकते हैं। पहले 20 लाख रुपये तक था, अब एक करोड़ रुपये तक डिस्ट्रिक्ट में कर दिया गया है और उससे ऊपर स्टेट कमीशन में 10 करोड़ रुपये तक का जाएगा। उसमें हमने मीडिएशन की व्यवस्था भी रखी है। ये सारी चीजें हैं, जिनको हम उस बिल में लाएंगे, लेकिन अभी का मामला ब्यूरो ऑफ इंडिया स्टैंडर्ड (बीआईएस) से संबंधित है।

अभी हमारे साथियों ने खाने के सामान में मिलावट की बात कही। इस देश में जो मजदूर या चपरासी है, उससे लेकर राष्ट्रपति तक सभी कंज्यूमर्स हैं और सभी को आज परेशानी का सामना करना पड़ रहा है। हमारा अलग-अलग स्ट्रक्चर बना हुआ है। जैसे खाने का मामला है और उसमें आप ऐडल्टरेशन के बारे में कह रहे हैं। आज खाना ही नहीं, बल्कि हर चीज में ऐडल्टरेशन है। आप विदेश में चले जाइए, वहां ऐडल्टरेशन के बारे में कोई जानता भी नहीं है। वहां के लोग यह जानते ही नहीं है कि खाने में मिलावट भी होती है। अभी हमारे एक साथी ने सऊदी अरब का उदाहरण दिया तथा अन्य किसी ने एक दूसरी कंट्री का उदाहरण दिया। वहां कोई सोचता भी नहीं है कि मिलावट हो सकती है और हमारे यहां कोई यह सोच भी नहीं सकता कि बिना मिलावट के कोई चीज मिलती है। यह सही बात है। आपने ठीक कहा कि हमारे पास इंफ्रास्ट्रक्चर नहीं है। बहुत से साथियों ने उदाहरण के साथ बतलाया कि आपके पास इतने कम कर्मचारी हैं कि उनसे क्या होगा। यह सही बात है कि इंफ्रास्ट्रक्चर की कमी है और हमारे पास सीमित साधन हैं, लेकिन हम सब चीजों में इंटरफियर नहीं कर सकते हैं। जहां तक खाने का मामला है, तो उसे एफएसएसआई देख रही है। वहां अथॉरिटी है। उसी तरह से, स्टील की भी अथॉरिटी है। उनके प्रॉडक्ट्स के लिए उनके अपने स्टैंडर्ड्स बने हुए हैं। हर चीज का अपना अलग-अलग स्टैंडर्ड बना हुआ है। जहां तक हमारे बीआईएस की बात है, इसमें हमने केवल इतना ही कहा है कि देश के बाहर आईएस, यानी इंडियन स्टैंडर्ड को लोग जानते हैं, हालांकि ऐक्ट में वह अभी नहीं है। हम ऐक्ट इसलिए बनाने जा रहे हैं ताकि इंडियन स्टैंडर्ड ऐक्ट के अंतर्गत हम सारे के सारे प्रॉडक्ट्स को एक अंब्रेला के तहत कवर कर सकें। एफएसएसआई रहेगी और अपने सामान की जांच भी वही करेगी। इसी तरह, अपने सामान की जांच स्टील अथॉरिटी ही करेगी और इलेक्ट्रिसिटी अथॉरिटी ही अपने सामान की जांच करेगी। हमारे पास इतना इंफ्रास्ट्रक्चर नहीं है। हमने कहा कि सेल्फ सर्टिफिकेशन भी करो, हम बीआईएस का स्टैंडर्ड देते हैं। हमारा स्टैंडर्ड बना हुआ है और उस स्टैंडर्ड के मुताबिक अगर कोई कंपनी या व्यक्ति आकर कहता है कि हमारा स्टैंडर्ड आपके स्टैंडर्ड के अनुकूल है, तो अपने स्टैंडर्ड के मुताबिक हम यह नहीं करेंगे कि उसके यहां तुरंत पुलिस को इंसपेक्शन करने के लिए भेज देंगे, जिससे फिर से इंसपेक्टर राज आ जाए। हमने कहा कि हम इस बात को मानकर चलते हैं कि आपने जो स्टैंडर्ड दिया है और आपने जो लिखा है, वह सही है, लेकिन अगर आपके खिलाफ कम्प्लेंट आएगी, तो उसके ऊपर कड़ी से कड़ी कार्रवाई की जाएगी।

[श्री रामविलास पासवान]

आपने इम्पोर्टेड सामान के बारे में कहा है। इम्पोर्टेड सामान के लिए भी हमने यही कहा है। हमने कहा है कि इम्पोर्टेड सामान आएगा, लेकिन हम हर किसी को उसके लिए अलाऊ नहीं करेंगे, बल्कि उसको बीआईएस का स्टैंडर्ड लेना पड़ेगा। इसी प्रकार जो सामान बाहर जाएगा, उसको भी बीआईएस के स्टैंडर्ड के अनुसार होना पड़ेगा। आपने चीन का उदाहरण दिया है। यह सही है कि डंपिंग हो रही है, गणेशजी की मूर्ति आ रही है, दीया आ रहा है और अन्य सामान आ रहे हैं। हमारा सामान है, जब हम "मेक इन इंडिया" कहते हैं, "मेड इन इंडिया" कहते हैं, हमारे यहां किसी चीज़ की कमी नहीं है। आप चले जाइए, लोग लंदन जाते हैं, तो Marks and Spencer में जरूर जाते होंगे और Marks and Spencer की शर्ट आप देखिए, गंजी देखिए, उस पर "मेड इन इंडिया" लिखा होगा। जब हम "मेड इन इंडिया" देखते हैं, तो कहते हैं कि इसको नहीं लेंगे, लोग उसको छोड़ देते हैं। वहां पर बढ़िया से बढ़िया सामान है, लेकिन उसको नहीं खरीदते हैं। हमारी जो बाहर मार्केटिंग है, उसमें हमारा नाम बदनाम हो गया है, जैसे हमारे यहां से चावल जाता है, वह रिजेक्ट होकर आ जाता है। इसलिए हम चाहते हैं कि आईएसआई हमारा इंटरनेशनल ब्रांड हो। मैं इस बारे में अपने सभी साथियों से सहमत हूं। अभी जयराम रमेश जी ने बहुत बढ़िया बात कही। हमारे साथी अनिल देसाई जी ने बताया, हमने सभी साथियों के प्वाइंट्स को नोट कर लिया है। हमारे पास ज्यादा समय नहीं है। श्री तरुण विजय जी ने कहा कि "मेड इन इंडिया" हो, तो उसका स्टैंडर्ड होना चाहिए। उन्होंने कहा कि मानक सही हो, बिल्कुल होना चाहिए। हमारे नाच्चीयप्पन साहब ने कहा कि हम इतना vast law बनाने जा रहे हैं और इसका क्रियान्वयन हम कैसे करेंगे। हमने कहा है कि हम बाहर से भी expertise को लेंगे। एक कहावत है, जिसे हम बचपन में पढ़ते थे कि हमारे मन की मधुमक्खियां संसार के सभी उद्यानों में जाएंगी, लेकिन अपनी ही रीति से मधु का कोष तैयार करेंगी। हम सबकी चीज़ लेंगे, लेकिन स्टैंडर्ड्स हम अपने तरीके से बनाने का काम करेंगे। हमारे साथी नाच्चीयप्पन जी ने कहा है कि सर्टिफिकेशन में डिले होता है और आपने कहा कि 8,000 केस लाइन में लगे हुए हैं। हम इस बात को देखेंगे। जो हमारे अंडर की बात है, उसको हम तुरंत देख लेंगे। बाकी जो सुझाव आपने दिए हैं, उनको हम ध्यान में रखेंगे। हमने अभी रूल्स नहीं बनाए हैं। हमने इसको वेबसाइट पर डाल रखा था, हमारी जो Consultative Committee है, उसमें हमने इस बात को कई बार डिस्कस किया और हमने सब लोगों से सुझाव देने को कहा। हम लोग गरीब परिवार से आते हैं। हम इसके विक्टिम हैं। हम एम. पी. थे और हमने अपनी मां को बढ़िया से बढ़िया सोना खरीद कर दिया। हमें दो साल के बाद पता चला कि वह सोना तो नकली है। बाजार में 22 कैरेट का, 23 कैरेट का सोना है और 9 कैरेट का भी सोना है। अब 9 कैरेट सोने का दाम 22 कैरेट सोने के हिसाब से लिया जाता है, तो इसको गरीब लोग थोड़े ही जानते हैं। आप और हम लोगों में से इस बात को कौन जानता है। हमने पूछा कि क्या है, तो बताया गया कि अभी hallmarking mandatory नहीं है। इसलिए हमने उसमें hallmarking mandatory करने का प्रावधान रखा है। सरकार चाहे तो ऐसा कर सकती है। जो नेशनल इंटररेस्ट में है, जो पब्लिक इंटररेस्ट में है, जो हैल्थ इंटररेस्ट में है, उसको हम जब चाहे तब mandatory कर सकते हैं। हमने बताया कि जब हमने मां को सोना खरीद कर दिया, तो हमको पता चला कि यह नकली है। हमने पूछा, तो हमें पता चला कि उसमें कैरेट लिखा हुआ नहीं है,

उसमें नम्बर लिखा हुआ रहता है, 916 और कोई नम्बर, अब भला किसके पास में वह नम्बर है, जो उसे जाकर रखेगा। हमने कहा कि बगल में 9 कैरेट लिखो, हर दुकान पर magnifying glass रखो, हर दुकान पर शीट लिखकर रखो। जो आपने सजा के संबंध में कहा है, हमारे साथी सजा के बारे में धारा 29 और 33 के संबंध में कह रहे थे, वह पहली बार का है। जिसको कोर्ट से जेल की सजा मिलेगी, वह उसके लिए नहीं है। जिसको फाइन होगा, उसके बारे में धारा 29 में अलग-अलग लिखा गया है, hallmarking के लिए अलग लिखा गया है, यदि कोई certification को डुप्लीकेट करता है, उसके लिए अलग है, अगर कोई injurious to health हो, तो उसके लिए अलग है। इसलिए उसको compounding किया गया है कि कोर्ट में मामला बहुत दिन तक लटका रहता है, तो कम से कम फाइन देकर के, मैक्सिमम देकर के जो छोटा-मोटा केस है, उसको कम से कम ठीक कर लिया जाए।

श्री नरेश अग्रवाल जी ने बहुत अच्छे-अच्छे सुझाव दिए हैं। उन्होंने कहा है कि डुप्लीकेट चीजों पर लगने से कैसे रोकेंगे, हमने इसके लिए बहुत कड़ा से कड़ा कानून रखा है। हमारे पास सब सामान मेंडेटरी नहीं है। यह गलतफहमी नहीं रहनी चाहिए कि हम जिसको चाहें पकड़ लेंगे। जिस सामान में हमारा मेंडेटरी रहता है, जिसके ऊपर ISI का मार्क होता है, यदि वह खराब सामान बेचता है और यह मालूम होता है कि उसने ISI का दुरुपयोग किया है या जाली है तो हम उसके खिलाफ कार्रवाई करते हैं। पहले भी कड़ी कार्रवाई का प्रावधान था, लेकिन उससे भी ज्यादा कड़ा प्रावधान हमने इसमें रखा है। इसके बाद डा. लक्ष्मणन ने भी यही कहा और एक बात अच्छी कही है कि Online purchase का मामला है, ई-कॉमर्स का मामला है, हम जो नया बिल ला रहे हैं, उसमें हम ई-कॉमर्स को डील कर रहे हैं। चूंकि ये सभी बिल 1986 के हैं और आज हम 2016 में हैं। 30 साल के बाद यह बिल आ रहा है। हम धन्यवाद देना चाहते हैं कि के.बी. थॉमस जी हमारे मंत्री हैं, उन्होंने दूसरे सदन में इनिशिएट किया था। हमने उनको भी उस दिन धन्यवाद दिया था और आज आप लोगों को भी धन्यवाद देना चाहते हैं। देखिए, नेशनल इनटरेस्ट सबसे ऊपर होता है, सबसे ऊपर राष्ट्र हित होता है, उसके बाद पार्टी का हित होता है तथा सबसे नीचे व्यक्ति का हित होता है, नेशनल इनटरेस्ट में जो भी चीज हो, इधर-उधर देखकर नहीं करते रहना चाहिए। इसलिए मैं यह कहना चाहूंगा कि यह नेशनल इनटरेस्ट में है और सुई से लेकर अंतरिक्ष यान तक में मानक की आवश्यकता होती है, स्टैंडर्ड की आवश्यकता होती है और उसके बाद जो भी आपका सजेशन है, इंफ्रास्ट्रक्चर से लेकर, लेबोरेटरी से लेकर, सर्टिफिकेशन से लेकर और ठीक से मानक लागू हों, इन सारी चीजों का हम आश्वासन देना चाहते हैं कि जो हमारे रूल्स बनेंगे, उनमें हम सारी चीजों को रखेंगे। कुछ बातें मेम्बर्स के बारे में हैं, जो नहीं उठाई हैं, लेकिन कितने मेम्बर्स होंगे, कैसे होंगे, हम इन सभी चीजों को देख रहे हैं। हमारी आप सबसे अपील है कि जो भी आपके और भी सजेशंस हों - चूंकि अभी ज्यादा समय नहीं मिला है, जो भी सजेशन हो, आप बताएं, जो भी संभव होगा, हम रूल्स में देखने का काम करेंगे। मैं इन्हीं शब्दों के साथ सभी पक्षों के माननीय सदस्यों को बहुत-बहुत धन्यवाद देना चाहता हूं कि आपने जिस तरीके से सर्वसम्मति से इस बिल को पास करने और अपना सहयोग देने का काम किया है, हम उसे हमेशा याद रखेंगे और जो भी हमसे बन पाएगा, हम करेंगे। बहुत-बहुत धन्यवाद।

MR. DEPUTY CHAIRMAN: Thank you, Mr. Minister. The question is:

[MR. Deputy Chairman]

"That the Bill to provide for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause-by-clause consideration of the Bill. In clause 2, there are two amendments. First is Amendment (No. 3) by Shri Vivek Gupta. Are you moving the amendment, Mr. Gupta?

SHRI VIVEK GUPTA: No, Sir. I am not moving.

MR. DEPUTY CHAIRMAN: Okay. Not moving. Now, there is Amendment (No. 5) by Shri Husain Dalwai. Are you moving the amendment, Mr. Dalwai?

SHRI HUSAIN DALWAI (Maharashtra): Sir I am moving the amendment. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You are moving the amendment. ...*(Interruptions)*...

श्री रामविलास पासवान: सर, हुसैन दलवाई जी, हमारे पुराने मित्र हैं। आप बिल को तो इस तरह आने दीजिए। जो आपका कहना है, हम उसको देख लेंगे।

श्री हुसैन दलवाई: मैं मिनिस्टर साहब से कहूंगा कि मैंने 9 अमेंडमेंट्स दिए हैं अगर वे रूल्स में आ सकते हैं, तो मैं अपने अमेंडमेंट्स वापस लेने के लिए तैयार हूँ।

श्री रामविलास पासवान: हमने कहा है कि जितने भी माननीय सदस्यों के सुझाव आए हैं, हमने पहले ही एक लाइन में कहा है कि हमारी भी लिमिटेशन है। सरकार में आप सब मंत्री रह चुके हैं, रूल्स में जितना भी संभव होगा, हम उसको देख लेंगे।

MR. DEPUTY CHAIRMAN: Okay. All right. So, Mr. Husain Dalwai did not move the amendment as the Minister has given some assurance. ...*(Interruptions)*... No, no. It is okay. So, amendments not moved. I shall now put clause 2 to vote.

Clause 2 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 3, there is one Amendment by Shri Husain Dalwai. Are you moving?

SHRI HUSAIN DALWAI: No. He has promised that all my amendments he will be considering ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: Okay. All right, Amendment not moved. I shall now put clause 3 to vote.

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Clause 3 was added to the Bill.

Clause 4 was added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 5, there is one Amendment by Shri Husain Dalwai. Are you moving?

SHRI HUSAIN DALWAI: Not moving.

MR. DEPUTY CHAIRMAN: Amendment not moved. I shall now put clause 5 to vote.

Clause 5 was added to the Bill.

Clauses 6 to 12 were added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 13, there is one Amendment by Shri Husain Dalwai. Are you moving?

SHRI HUSAIN DALWAI: Not moving.

MR. DEPUTY CHAIRMAN: Thank you for not moving. I shall now put clause 13 to vote.

Clause 13 was added to the Bill.

Clauses 14 to 26 were added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 27, there is one Amendment again by Shri Husain Dalwai. Are you moving?

SHRI HUSAIN DALWAI: Not moving.

MR. DEPUTY CHAIRMAN: Thank you for not moving. I shall now put clause 27 to vote.

Clause 27 was added to the Bill.

Clauses 28 and 29 were added to the Bill.

MR. DEPUTY CHAIRMAN: In clause 30, there is one Amendment by Shri Vivek Gupta.

SHRI VIVEK GUPTA: Not moving.

MR. DEPUTY CHAIRMAN: Thank you for not moving. I shall now put clause 30 to vote.

Clause 30 was added to the Bill.

Clauses 31 to 43 were added to the Bill.

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[RAJYA SABHA]

*Mentions***Clause 1 - Short Title, Extent and Commencement**

MR. DEPUTY CHAIRMAN: In clause 1, there is one Amendment (No.2) by Shri Ramvilas Paswan.

SHRI RAMVILAS PASWAN: Sir, I move:

2. That at page 1, line 4, for the figure "2015", the figure "2016" be substituted.

The question was put and the motion was adopted.

Clause 1, as amended, was added to the Bill.

ENACTING FORMULA

MR. DEPUTY CHAIRMAN: Now, in the Enacting Formula, there is one Amendment (No. 1) by Shri Ramvilas Paswan.

SHRI RAMVILAS PASWAN: Sir, I move:

1. That at page 1, line 1, for the word "Sixty-sixth", the word "Sixty-seventh" be substituted.

The question was put and the motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

The Title was added to the Bill.

SHRI RAMVILAS PASWAN: Sir, I beg to move:

That the Bill, as amended, be passed.

The question was put and the motion was adopted.

MR. DEPUTY CHAIRMAN: Now, Special Mentions.

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE (SHRI PRAKASH JAVADEKAR): Sir, one more Bill.

MR. DEPUTY CHAIRMAN: One more Bill tomorrow. One more Bill, we will take up tomorrow, not today.

SPECIAL MENTIONS*

MR. DEPUTY CHAIRMAN: Now, Shri Mansukh L. Mandaviya. Mention the subject and lay on the Table.

*Laid on the Table.

The Bureau of Indian Standards Act, 2016¹ (Bureau of Indian Standards Act, 2016)

*[Act 11 of 2016 as amended up to S.O. 1557(E), dt. 10-4-2019] [Updated
as on 30-10-2022]*

[21st March, 2016]

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Bureau of Indian Standards Act, 2016

[Act 11 of 2016 as amended up to S.O. 1557(E), dt. [21st March,
10-4-2019] 2016]

An Act to provide for the establishment of a national standards body for the harmonious development of the activities of standardisation, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto

Be it enacted by Parliament in the Sixty-seventh Year of the Republic of India as follows—

Statement of Objects and Reasons.—The Bureau of Indian Standards Act, 1986 (BIS Act) provides for the establishment of a Bureau of Indian Standards (BIS) and for the harmonious development of the activities of standardisation, marking and quality certification of goods and processes. So far, the BIS has formulated over 19,300 standards for about 9500 products and services.

2. The core activities of BIS are standard formulation and certification of articles and processes under licence. The BIS has the power to grant licence to use the standard mark under Section 10 of the BIS Act. The World Trade Organisation (WTO) agreement on Technical Barriers to Trade encourages all member countries to adopt International Standards and also move towards mutual recognition of certification systems. WTO guidelines also provide that enforcement of

standards should have uniform application for both domestic industry and imported goods. In view of the increasing significance of standards and conformity assessment systems in world trade, it is essential that the BIS re-orient itself to adequately address the future challenges as the National Standards Body of India.

3. At present, the BIS is not formally recognised as the National Standards Body of India though it has been representing India in various international bodies. The BIS Act also does not provide for recall of sub-standard ISI marked products, Hallmarking of precious metal articles, compounding of offences, etc. Provisions related to formulation of standards and conformity processes are also required to be aligned with global best practices. Further the said Act restricts the list of items to those, as referred to in the Schedule of the Industries (Development and Regulation) Act, 1951, which can be brought under the ambit of mandatory compliance by manufacturers.

4. In view of the increasing significance of standards and conformity assessment systems in World Trade, and to address the aforesaid issues and future challenges in the area, comprehensive amendments are required in the present BIS Act to adequately protect the interests of the consumers. Therefore, it is proposed to enact a new legislation and repeal the BIS Act.

5. The Bureau of Indian Standards Bill, 2015, inter alia, seeks to provide for—

- (i) establishment of BIS as National Standards Body of India;
- (ii) to empower the Central Government to authorise any other agency having necessary accreditation for the purpose of conformity assessment against Indian Standard;
- (iii) to enable the Government to bring more products, systems and services under the ambit of standardisation;
- (iv) to allow multiple types of conformity assessment schemes in tune with global best practices;
- (v) to enable mandatory hallmarking of precious metal articles;
- (vi) to prevent the misuse of Standard Mark;
- (vii) to provide for compounding of offences and also make certain offences as cognizable; and
- (viii) to repeal the Bureau of Indian Standards Act, 1986 (63 of 1986).

6. The Bill seeks to achieve the above objectives.

Chapter I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the Bureau of Indian Standards Act, 2016.

(2) It extends to the whole of India.

(3) It shall come into force on such date² as the Central Government may, by notification in the Official Gazette, appoint.

2. Definitions.—In this Act, unless the context otherwise requires,—

- (1) “article” means any substance, artificial or natural, or partly artificial or partly natural, whether raw or partly or wholly processed or manufactured or handmade within India or imported into India;
- (2) “assaying and hallmarking centre” means a testing and marking centre recognised by the Bureau to determine the purity of precious metal articles and to apply hallmark on the precious metal articles in a manner as may be determined by regulations;
- (3) “Bureau” means the Bureau of Indian Standards established under Section 3;
- (4) “certification officer” means a certification officer appointed under sub-section (1) of Section 27;
- (5) “certified body” means a holder of certificate of conformity or licence under sub-section (2) of Section 13 in relation to any goods, article, process, system or service which conforms to a standard;
- (6) “certified jeweller” means a jeweller who has been granted a certificate by the Bureau to get manufactured for sale or to sell any precious metal article after getting the same hallmarked in a manner as may be determined by regulations;
- (7) “conformity assessment” means demonstration that requirements as may be specified relating to an article, process, system, service, person or body are fulfilled;
- (8) “conformity assessment scheme” means a scheme relating to such goods, article, process, system or service as may be notified by the Bureau under Section 12;
- (9) “consumer” means a person as defined in the Consumer Protection Act, 1986 (68 of 1986);
- (10) “covering” includes any stopper, cask, bottle, vessel, box, crate, cover, capsule, case, frame, wrapper, bag, sack, pouch or other container;
- (11) “Director-General” means the Director-General appointed under sub-section (1) of Section 7;
- (12) “Executive Committee” means the Executive Committee constituted under sub-section (1) of Section 4;
- (13) “fund” means the fund constituted under Section 20;
- (14) “goods” includes all kinds of movable properties under the Sale of Goods Act, 1930 (3 of 1930). other than actionable

claims, money, stocks and shares;

- (15) "Governing Council" means a Governing Council constituted under sub-section (3) of Section 3;
- (16) "Hallmark" means in relation to precious metal article, the Standard Mark, which indicates the proportionate content of precious metal in that article as per the relevant Indian Standard;
- (17) "Indian Standard" means the standard including any tentative or provisional standard established and published by the Bureau, in relation to any goods, article, process, system or service, indicative of the quality and specification of such goods, article, process, system or service and includes—
 - (i) any standard adopted by the Bureau under sub-section (2) of Section 10; and
 - (ii) any standard established and published, or recognised, by the Bureau of Indian Standards established under the Bureau of Indian Standard Act, 1986 (63 of 1986), which was in force immediately before the commencement of this Act;
- (18) "Indian Standards Institution" means the Indian Standards Institution registered under the Societies Registration Act, 1860 (21 of 1860);
- (19) "jeweller" means a person engaged in the business to get manufactured precious metal article for sale or to sell precious metal articles;
- (20) "licence" means a licence granted under Section 13 to use a specified Standard Mark in relation to any goods, article, process, system or service, which conforms to a standard;
- (21) "manufacturer" means a person responsible for designing and manufacturing any goods or article;
- (22) "mark" includes a device, brand, heading, label, ticket, pictorial representation, name, signature, word, letter or numeral or any combination thereof;
- (23) "member" means a member of the Governing Council, Executive Committee or any of the Advisory Committee;
- (24) "notification" means a notification published in the Official Gazette and the expression "notify" or "notified" shall be construed accordingly;
- (25) "person" means a manufacturer, an importer, a distributor, retailer, seller or lessor of goods or article or provider of service or any other person who uses or applies his name or trade mark or any other distinctive mark on to goods or article or while providing a service, for any consideration or gives goods

or article or provides service as prize or gift for commercial purposes including their representative and any person who is engaged in such activities, where the manufacturer, importer, distributor, retailer, seller, lessor or provider of service cannot be identified;

- (26) "precious metal" means gold, silver, platinum and palladium;
- (27) "precious metal article" means any article made entirely or in part from precious metals or their alloys;
- (28) "prescribed" means prescribed by rules made under this Act;
- (29) "process" means a set of inter-related or interacting activities, which transforms inputs into outputs;
- (30) "recognised testing and marking centre" means a testing and marking centre recognised by the Bureau under sub-section (5) of Section 14;
- (31) "recognised testing laboratory" means a testing laboratory recognised by the Bureau under sub-section (4) of Section 13;
- (32) "registering authority" means any authority competent under any law for the time being in force to register any company, firm or other body of persons, or any trade mark or design, or to grant a patent;
- (33) "regulations" means regulations made by the Bureau under this Act;
- (34) "sale" means to sell, distribute, hire, lease or exchange of goods, article, process, system or service for any consideration or for commercial purposes;
- (35) "seller" means a person who is engaged in the sale of any goods, article, process, system or service;
- (36) "service" means the result generated by activities at the interface between an organisation and a customer and by organisation's internal activities, to meet customer requirements;
- (37) "specification" means a description of goods, article, process, system or service as far as practicable by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age, material, mode of manufacture or processing, consistency and reliability of service delivery or other characteristics to distinguish it from any other goods, article, process, system or service;
- (38) "specified" means specified by the regulations;
- (39) "standards" means documented agreements containing technical specifications or other precise criteria to be used consistently as rules, guidelines, or definitions of

characteristics, to ensure that goods, articles, processes, systems and services are fit for their purpose;

- (40) "Standard Mark" means the mark specified by the Bureau, and includes Hallmark, to represent conformity of goods, article, process, system or service to a particular Indian Standard or conformity to a standard, the mark of which has been established, adopted or recognised by the Bureau and is marked on the article or goods as a Standard Mark or on its covering or label attached to such goods or article so marked;
- (41) "system" means a set of inter-related or interacting elements;
- (42) "testing laboratory" means a body set up for the purpose of testing of goods or article against a set of requirements and report its findings;
- (43) "trade mark" means a mark used or proposed to be used in relation to goods or article or process or system or service for the purpose of indicating, or so as to indicate, a connection in the course of trade of goods, article, process, system or service, as the case may be, and some person having the right, either as proprietor or as registered user, to use the mark, whether with or without any indication of the identity of that person.

Chapter II

BUREAU OF INDIAN STANDARDS

3. Establishment of Bureau and Constitution of Governing Council.—

(1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established a national body for the purposes of this Act, a Bureau, to be called the Bureau of Indian Standards.

(2) The Bureau shall be a body corporate by the name aforesaid, having perpetual succession and a common seal, with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by the said name sue and be sued.

(3) The members of the Governing Council shall constitute the Bureau and general superintendence, direction and management of the affairs of the Bureau shall vest in the Governing Council, which shall consist of the following members, namely—

- (a) the Minister in-charge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex-officio President of the Bureau;
- (b) the Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be ex-officio Vice

-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;

(c) the Secretary to the Government of India of the Ministry or Department of the Central Government having administrative control of the Bureau, ex-officio;

(d) the Director-General of the Bureau, ex-officio;

(e) such number of other persons to represent the Government, industry, scientific and research institutions, consumers and other interests, as may be prescribed, to be appointed by the Central Government.

(4) The term of office of the members referred to in clause (e) of sub-section (3) and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by the members, shall be such as may be prescribed:

Provided that a member, other than an ex-officio member of the Bureau of Indian Standards constituted under the Bureau of Indian Standards Act, 1986 (63 of 1986), shall, after the commencement of this Act, continue to hold such office as member till the completion of his term.

(5) The Governing Council may associate with itself, in such manner and for such purposes as may be prescribed, any person whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Governing Council relevant to the purposes for which he has been associated but shall not have the right to vote.

(6) The Governing Council may, by general or special order in writing, delegate to any member, the Director-General or any other person subject to such conditions, if any, as may be specified in the order, such of its powers and functions under this Act except the powers under Section 37 as it may deem necessary.

4. Executive Committee of Bureau.—(1) The Governing Council may, with the prior approval of the Central Government, by notification in the Official Gazette, constitute an Executive Committee which shall consist of the following members, namely—

(a) Director-General of the Bureau, who shall be its ex-officio Chairman; and

(b) such number of members, as may be prescribed.

(2) The Executive Committee constituted under sub-section (1) shall perform, exercise and discharge such functions, powers and duties of the Bureau, as may be delegated to it by the Governing Council.

5. Advisory Committees of Bureau.—(1) Subject to any regulations

made in this behalf, the Governing Council may, from time to time and as and when it is considered necessary, constitute the following Advisory Committees for the efficient discharge of the functions of the Bureau, namely—

- (a) Finance Advisory Committee;
- (b) Conformity Assessment Advisory Committee;
- (c) Standards Advisory Committee;
- (d) Testing and Calibration Advisory Committee; and
- (e) Such number of other committees as may be specified by regulations.

(2) Each Advisory Committee shall consist of a Chairman and such other members as may be specified by regulations.

6. Vacancies, etc., not to invalidate act or proceedings.—No act or proceedings of the Governing Council, under Section 3 shall be invalid merely by reason of—

- (a) any vacancy in, or any defect in the constitution of the Governing Council; or
- (b) any defect in the appointment of a person acting as a member of the Governing Council; or
- (c) any irregularity in the procedure of the Governing Council not affecting the merits of the case.

7. Director-General.—(1) The Central Government shall appoint a Director-General of the Bureau.

(2) The terms and conditions of service of the Director-General of the Bureau shall be such as may be prescribed.

(3) Subject to the general superintendence and control of the Governing Council, the Director-General of the Bureau shall be the Chief Executive Authority of the Bureau.

(4) The Director-General of the Bureau shall exercise and discharge such of the powers and duties of the Bureau as may be specified by regulations.

(5) The Director-General may, by general or special order in writing, delegate to any officer of the Bureau subject to such conditions, if any, as may be specified in the order, such of his powers and functions as are assigned to him under the regulations or are delegated to him by the Governing Council, as he may deem necessary.

8. Officers and employees of Bureau.—(1) The Bureau may appoint such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of service of officers and employees of the Bureau appointed under sub-section (1) shall be such as may be specified by regulations.

9. Powers and functions of Bureau.—(1) The powers and duties as may be assigned to the Bureau under this Act shall be exercised and performed by the Governing Council and, in particular, such powers may include the power to—

- (a) establish branches, offices or agencies in India or outside;
- (b) recognise, on reciprocal basis or otherwise, with the prior approval of the Central Government, the mark of any international body or institution, on such terms and conditions as may be mutually agreed upon by the Bureau in relation to any goods, article, process, system or service at par with the Standard Mark for such goods, article, process, system or service;
- (c) seek recognition of the Bureau and of the Indian Standards outside India on such terms and conditions as may be mutually agreed upon by the Bureau with any corresponding institution or organisation in any country or with any international organisation;
- (d) enter into and search places, premises or vehicles, and inspect and seize goods or articles and documents to enforce the provisions of this Act;
- (e) provide services to manufacturers and consumers of goods or articles or processes for compliances of standards on such terms and conditions as may be mutually agreed upon;
- (f) provide training services in relation to quality management, standards, conformity assessment, laboratory testing and calibration, and any other related areas;
- (g) publish Indian Standards and sell such publications and publications of international bodies;
- (h) authorise agencies in India or outside India for carrying out any or all activities of the Bureau and such other purposes as may be necessary on such terms and conditions as it deems fit;
- (i) obtain membership in regional, international and foreign bodies having objects similar to that of the Bureau and participate in international standards setting process;
- (j) undertake testing of samples for purposes other than for conformity assessment; and
- (k) undertake activities relating to legal metrology.

(2) The Bureau shall take all necessary steps for promotion, monitoring and management of the quality of goods, articles, processes, systems and services, as may be necessary, to protect the interests of consumers and various other stakeholders which may include the following, namely—

- (a) carrying out market surveillance or survey of any goods, article, process, system or service to monitor their quality and publish findings of such surveillance or surveys;
- (b) promotion of quality in connection with any goods, article, process, system or service by creating awareness among the consumers and the industry and educate them about quality and standards in connection with any goods, article, process, system and service;
- (c) promotion of safety in connection with any goods, article, process, system or service;
- (d) identification of any goods, articles, process, system or service for which there is a need to establish a new Indian Standard, or to revise an existing Indian Standard;
- (e) promoting the use of Indian Standards;
- (f) recognising or accrediting any institution in India or outside which is engaged in conformity certification and inspection of any goods, article, process, system or service or of testing laboratories;
- (g) coordination and promotion of activities of any association of manufacturers or consumers or any other body in relation to improvement in the quality or in the implementation of any quality assurance activities in relation to any goods, article, process, system or service; and
- (h) such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

(3) The Bureau shall perform its functions under this section through the Governing Council in accordance with the direction and subject to such rules as may be made by the Central Government.

Chapter III

INDIAN STANDARDS, CERTIFICATION AND LICENCE

10. Indian Standards.—(1) The standards established by the Bureau shall be the Indian Standards.

(2) The Bureau may—

- (a) establish, publish, review and promote the Indian Standard, in relation to any goods, article, process, system or service in such manner as may be prescribed;
- (b) adopt as Indian Standard, any standard, established by any other Institution in India or elsewhere, in relation to any goods, article, process, system or service in such manner as may be prescribed;
- (c) recognise or accredit any institution in India or outside which

is engaged in standardisation;

(d) undertake, support and promote such research as may be necessary for formulation of Indian Standards.

(3) The Bureau, for the purpose of this section, shall constitute, as and when considered necessary, such number of technical committees of experts for the formulation of standards in respect of goods, articles, processes, systems or services, as may be necessary.

(4) The Indian Standard shall be notified and remain valid till withdrawn by the Bureau.

(5) Notwithstanding anything contained in any other law, the copyright in an Indian Standard or any other publication of the Bureau shall vest in the Bureau.

► **Notifications exempting coking coal.**—Internationally reputed inspection agency following British Standards equivalent of IS 436 and 1350 tested and reported as content of 9.8%, Customs Department drawing samples at Indian Port without using IS 436, CFRI testing coal samples and reporting more than 12% ash content and CRCL Report also finding ash content above 12% it was samples were not drawn in accordance with law, *Tata Chemicals Ltd. v. Commr. of Customs*, (2015) 11 SCC 628.

11. Prohibition to publish, reproduce or record without authorisation by Bureau.—(1) No individual shall, without the authorisation of the Bureau, in any manner or form, publish, reproduce or record any Indian Standard or part thereof, or any other publication of the Bureau.

(2) No person shall issue a document that creates, or may create the impression that it is or contains an Indian Standard, as contemplated in this Act:

Provided that nothing in this sub-section shall prevent any individual from making a copy of Indian Standard for his personal use.

12. Conformity Assessment scheme.—(1) The Bureau may notify a specific or different conformity assessment scheme for any goods, article, process, system or service or for a group of goods, articles, processes, systems or services, as the case may be, with respect to any Indian Standard or any other standard in a manner as may be specified by regulations.

(2) The Bureau may establish a Standard Mark in relation to each of its conformity assessment schemes, which shall be of such design and contain such particulars as may be specified by regulations to represent a particular standard.

► **Permission of Bureau of Indian Standards.**—Use of mark without previous permission of Bureau of Indian Standards is completely prohibited by Section 12. Words “no person” used in section in no uncertain terms enshrined so, *Tata Metaliks Kubota Pipes Ltd. v. Union of India*, 2010 SCC OnLine Cal 208 : (2010) 2 CHN 333.

13. Grant of licence or certificate of conformity.—(1) A person may apply for grant of licence or certificate of conformity, as the case may be, if the goods, article, process, system or service conforms to an Indian Standard.

(2) Where any goods, article, process, system or service conforms to a standard, the Director-General may, by an order, grant—

(a) a certificate of conformity in a manner as may be specified by regulations; or

(b) a licence to use or apply a Standard Mark in a manner as may be specified by regulations,

subject to such conditions and on payment of such fees, including late fee or fine, before or during the operation of the certificate of conformity or licence, and as determined by regulations.

(3) While granting a certificate of conformity or licence to use a Standard Mark, the Bureau may, by order, specify the marking and labelling requirements that shall necessarily be affixed as may be specified from time to time.

(4) The Bureau may establish, maintain or recognise testing laboratories for the purposes of conformity assessment and quality assurance and for such other purposes as may be required for carrying out its functions.

14. Certification of Standard Mark of jewellers and sellers of certain specified goods or articles.—(1) The Central Government, after consulting the Bureau, may notify precious metal articles or other goods or articles as it may consider necessary, to be marked with a Hallmark or Standard Mark, as the case may be, in a manner as specified in sub-section (2).

(2) The goods or articles notified in sub-section (1) may be sold through retail outlets certified by the Bureau after such goods or articles have been assessed for conformity to the relevant standard by testing and marking centre, recognised by the Bureau and marked with Hallmark or Standard Mark, as the case may be, as specified by regulations.

(3) The Central Government may, after consulting the Bureau, by an order published in the Official Gazette, make it compulsory for the sellers of goods or article notified under sub-section (1) to be sold only through certified sales outlets fulfilling such conditions as may be determined by regulations.

(4) The Bureau may, by an order, grant, renew, suspend or cancel certification of Standard Mark or Hallmark of a jeweller or any other seller for sale of goods or articles notified under sub-section (1) in such manner as may be determined by regulations.

(5) The Bureau may establish, maintain and recognise testing and

marking centres, including assaying and hallmarking centres, for conformity assessment and application of Standard Mark, including Hallmark, on goods or articles notified under sub-section (1), in a manner as may be specified by regulations.

(6) No testing and marking centre or assaying and hallmarking centre, other than the recognised by the Bureau, shall with respect to goods or articles notified under sub-section (1), use, affix, emboss, engrave, print or apply in any manner the Standard Mark, including the Hallmark, or colourable imitation thereof, on any goods or article; and make any claim in relation to the use and application of a Standard Mark, including the Hallmark, through advertisements, sales promotion leaflets, price lists or the like.

(7) Every recognised testing and marking centre, including assaying and hallmarking centre, shall use or apply Standard Mark on good or articles notified under sub-section (1), including Hallmark on precious metal articles, after accurately determining the conformity of the same in a manner as may be specified.

(8) No recognised testing and marking centre, including assaying and hallmarking centre, shall, notwithstanding that it has been recognised under sub-section (5), use or apply in relation to any goods or article notified under sub-section (1) a Standard Mark, including Hallmark, or any colourable imitation thereof, unless such goods or article conforms to the relevant standard.

15. Prohibition to import, sell, exhibit, etc.—(1) No person shall import, distribute, sell, store or exhibit for sale, any goods or article under sub-section (1) of Section 14, except under certification from the Bureau.

(2) No person, other than that certified by the Bureau, shall sell or display or offer to sell goods or articles that are notified under sub-section (3) of Section 14 and marked with the Standard Mark, including Hallmark and claim in relation to the Standard Mark, including Hallmark, through advertisements, sales promotion leaflets, price lists or the like.

(3) No certified jeweller or seller shall sell or display or offer to sell any notified goods or articles, notwithstanding that he has been granted certification, with the Standard Mark, including Hallmark, or any colourable imitation thereof, unless such goods or article is marked with a Standard Mark or Hallmark, in a manner as may be specified by regulations, and unless such goods or article conforms to the relevant standard.

► **Grant of licence.**—Relevant factors to be couched upon for grant of licence are requisite skill, equipments, systems, resources, previous performance and antecedent. Each factor to be considered while granting, licence. One factor

not to be read in isolation. There is no room for individual consideration of factors, *Tata Metaliks Kubota Pipes Ltd. v. Union of India*, 2010 SCC OnLine Cal 208 : (2010) 2 CHN 333.

16. Central Government to direct compulsory use of Standard Mark.

—(1) If the Central Government is of the opinion that it is necessary or expedient so to do in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security, it may, after consulting the Bureau, by an order published in the Official Gazette, notify—

- (a) goods or article of any scheduled industry, process, system or service; or
- (b) essential requirements to which such goods, article, process, system or service,

which shall conform to a standard and direct the use of the Standard Mark under a licence or certificate of conformity as compulsory on such goods, article, process, system or service.

Explanation.—For the purpose of this sub-section,—

- (i) the expression “scheduled industry” shall have the meaning assigned to it in the Industries (Development and Regulation) Act, 1951 (65 of 1951);
- (ii) it is hereby clarified that essential requirements are requirements, expressed in terms of the parameters to be achieved or requirements of standard in technical terms that effectively ensure that any goods, article, process, system or service meet the objective of health, safety and environment.

(2) The Central Government may, by an order authorise Bureau or any other agency having necessary accreditation or recognition and valid approval to certify and enforce conformity to the relevant standard or prescribed essential requirements under sub-section (1).

17. Prohibition to manufacture, sell, etc., certain goods without Standard Mark.—(1) No person shall manufacture, import, distribute, sell, hire, lease, store or exhibit for sale any such goods, article, process, system or service under sub-section (1) of Section 16—

- (a) without a Standard Mark, except under a valid licence; or
- (b) notwithstanding that he has been granted a licence, apply a Standard Mark, unless such goods, article, process, system or service conforms to the relevant standard or prescribed essential requirements.

(2) No person shall make a public claim, through advertisements, sales promotion leaflets, price lists or the like, that his goods, article, process, system or service conforms to an Indian standard or make such a declaration on the goods or article, without having a valid certificate of conformity or licence from the Bureau or any other

authority approved by the Central Government under sub-section (2) of Section 16.

(3) No person shall use or apply or purport to use or apply in any manner, in the manufacture, distribution, sale, hire, lease or exhibit or offer for sale of any goods, article, process, system or service, or in the title of any patent or in any trade mark or design, a Standard Mark or any colourable imitation thereof, except under a valid licence from the Bureau.

18. Obligations of licence holder, seller, etc.—(1) The licence holder shall, at all times, remain responsible for conformance of the goods, articles, processes, systems or services carrying the Standard Mark.

(2) It shall be the responsibility of the distributor or the seller, as the case may be, to ensure that goods, articles, processes, systems or services carrying the Standard Mark are purchased from certified body or licence holder.

(3) It shall be the responsibility of the seller before the goods or article is sold or offered to be sold or exhibited or offered for sale to ensure that—

- (a) goods, articles, processes, systems or services carrying the Standard Mark bear the requisite labels and marking details, as specified by the Bureau from time to time;
- (b) the marking and labelling requirements on the product or covering is displayed in a manner that has been specified by the Bureau.

(4) Every certified body or licence holder shall supply to the Bureau with such information and with such samples of any material or substance used in relation to any goods, article, process, system or service, as the case may be, as the Bureau may require for monitoring its quality and for the recovery of the fee as may be prescribed in the certificate of conformity or the licence.

(5)(a) The Bureau may make such inspection and take such samples of any material or substance as may be necessary to see whether any goods, article, process, system or service, in relation to which a Standard Mark has been used, conforms to the requirements of the relevant standard or whether the Standard Mark has been properly used in relation to any goods, article, process, system or service with or without a licence.

(b) The Bureau may publicise the results of its findings and the directions given in pursuance thereof.

(6) If the Bureau is satisfied under the provisions of sub-sections (4) and (5) that the goods, articles, processes, systems or services in relation to which a Standard Mark has been used do not conform to the requirements of the relevant standard, the Bureau may direct the

certified body or licence holder or his representative to stop the supply and sale of non-conforming goods or articles and recall the non-conforming goods or articles that have already been supplied or offered for sale and bear such mark from the market or any such place from where they are likely to be offered for sale or prohibit to provide the service.

(7) Where a certified body or licence holder or his representative has sold goods, articles, processes, system or services, which bear a Standard Mark or any colourable imitation thereof, which do not conform to the relevant standard, the Bureau shall direct the certified body or licence holder or his representative to—

- (a) repair or replace or reprocess the standard marked goods, article, process, system or service in a manner as may be specified; or
- (b) pay compensation to the consumer as may be prescribed by the Bureau; or
- (c) be liable for the injury caused by non-conforming goods or article, which bears a Standard Mark, as per the provisions of Section 31.

Chapter IV

FINANCE, ACCOUNTS AND AUDIT

19. Financial Management of Bureau of Indian Standards.—The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Bureau grants and loans of such sums of money as the Government may consider necessary.

20. Fund of Bureau.—(1) There shall be constituted a fund to be called the Bureau of Indian Standards fund and there shall be credited thereto—

- (a) any grants and loans made to the Bureau by the Central Government;
 - (b) all fees and charges received by the Bureau under this Act;
 - (c) all fines received by the Bureau;
 - (d) all sums received by the Bureau from such other sources as may be decided upon by the Central Government.
- (2) The fund shall be applied for meeting—
- (a) the salary, allowances and other remuneration of the members, Director-General, officers and other employees of the Bureau;
 - (b) expenses of the Bureau in the discharge of its functions under the Act; and
 - (c) expenses on objects and for purposes authorised by this Act:
- Provided that the fines received in clause (c) of sub-section (1)

shall be used for consumer awareness, consumer protection and promotion of quality of goods, articles, processes, system or services in the country.

21. Borrowing powers of Bureau.—(1) The Bureau may, with the consent of the Central Government or in accordance with the terms of any general or special authority given to it by the Central Government, borrow money from any source as it may deem fit for discharging all or any of its functions under this Act.

(2) The Central Government may guarantee in such manner as it thinks fit, the repayment of the principal and the payment of interest thereon with respect to the loans borrowed by Bureau under sub-section (1).

22. Budget.—The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Bureau and forward the same to the Central Government.

23. Annual report.—(1) The Bureau shall prepare, in such form and at such time in each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

(2) The Central Government shall cause the annual report to be laid, as soon as may be after it is received, before each House of Parliament.

24. Accounts and audit.—(1) The Bureau shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Bureau shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Bureau to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Bureau shall have the same rights and privileges and the authority in connection with such audit as the Comptroller and Auditor-General of India generally has in connection with the audit of Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any office of the Bureau.

(4) The accounts of the Bureau as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded

annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

Chapter V

MISCELLANEOUS

25. Power of Central Government to issue directions.—(1) Without prejudice to the foregoing provisions of this Act, the Bureau shall, in the exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time:

Provided that the Bureau shall, as far as practicable, be given an opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is one of policy or not shall be final.

(3) The Central Government may take such other action as may be necessary for the promotion, monitoring and management of quality of goods, articles, processes, systems and services and to protect the interests of consumers and various other stakeholders and notify any other goods, articles, processes, systems and services for the purpose of sub-section (1) of Section 16.

26. Restriction on use of name of Bureau and Indian Standard.—(1) No person shall, with a view to deceive or likely to deceive the public, use without the previous permission of the Bureau,—

- (a) any name which so nearly resembles the name of the Bureau as to deceive or likely to deceive the public or the name which contains the expression “Indian Standard” or any abbreviation thereof; or
- (b) any title of any patent or mark or trade mark or design, in relation to any goods, article, process, system or service, containing the expressions “Indian Standard” or “Indian Standard Specification” or any abbreviation of such expressions.

(2) Notwithstanding anything contained in any law for the time being in force, no registering authority shall—

- (a) register any company, firm or other body of persons which bears any name or mark; or
- (b) register a trade mark or design which bears any name or mark; or
- (c) grant a patent, in respect of an invention, which bears a title containing any name or mark,

if the use of such name or mark is in contravention of sub-section (1).

(3) If any question arises before a registering authority whether the use of any name or mark is in contravention of sub-section (1), the

registering authority may refer the question to the Central Government whose decision thereon shall be final.

27. Appointment and powers of certification officers.—(1) The Bureau may appoint as many certification officers as may be necessary for the purpose of inspection whether any goods, article, process, system or service in relation to which the Standard Mark has been used conforms to the relevant standard or whether the Standard Mark has been properly used in relation to any goods, article, process, system or service with or without licence, and for performing such other functions as may be assigned to them.

(2) Subject to any rules made under this Act, a certification officer shall have power to—

- (a) inspect any operation carried on in connection with any goods, article, process, system or service in relation to which the Standard Mark has been used; and
- (b) take samples of any goods or article or of any material or substance used in any goods, article, process, system or service, in relation to which the Standard Mark has been used.

(3) Every certification officer shall be furnished by the Bureau with a certificate of appointment as a certification officer, and the certificate shall, on demand, be produced by the certification officer.

(4) Every certified body or licence holder shall—

- (a) provide reasonable facilities to certification officer to enable him to discharge the duties imposed on him;
- (b) inform certification officer or the Bureau of any change in the conditions which were declared or verified by the certification officer or the Bureau at the time of grant of certificate of conformity or licence.

(5) Any information obtained by a certification officer or the Bureau from any statement made or information supplied or any evidence given or from inspection made under the provisions of this Act shall be treated as confidential:

Provided that nothing shall apply to the disclosure of any information for the purpose of prosecution and protection of interest of consumers.

28. Power to search and seizure.—(1) If the certification officer has reason to believe that any goods or articles, process, system or service in relation to which the contravention of Section 11 or sub-section (6) or (8) of Section 14 or Section 15 or Section 17 has taken place are secreted in any place, premises or vehicle, he may enter into and search such place, premises or vehicle for such goods or articles, process, system or service, as the case may be.

(2) Where, as a result of any search made under sub-section (1), any goods or article, process, system or service has been found in

relation to which contravention of Section 11 or sub-section (6) or (8) of Section 14 or Section 15 or Section 17 has taken place, the certification officer may seize such goods or article and other material and documents which, in his opinion will be useful for, or relevant to any proceeding under this Act:

Provided that where it is not practicable to seize any such goods or article or material or document, the certification officer may serve on the owner an order that he shall not remove, part with, or otherwise deal with, the goods or article or material or document except with the previous permission of the certification officer.

(3) The provision of the Code of Criminal Procedure, 1973 (2 of 1974), relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this section.

29. Penalty for contravention.—(1) Any person who contravenes the provisions of Section 11 or sub-section (1) of Section 26 shall be punishable with fine which may extend to five lakh rupees.

(2) Any person who contravenes the provisions of sub-section (6) or (8) of Section 14 or Section 15 shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than one lakh rupees, but may extend up to five times the value of goods or articles produced or sold or offered to be sold or affixed or applied with a Standard Mark including Hallmark, or with both:

Provided that where the value of goods or articles produced or sold or offered to be sold cannot be determined, it shall be presumed that one year's production was in such contravention and the annual turnover in the previous financial year shall be taken as the value of goods or articles for such contravention.

(3) Any person who contravenes the provisions of Section 17 shall be punishable with imprisonment for a term which may extend up to two years or with fine which shall not be less than two lakh rupees for the first contravention and not be less than five lakh rupees for the second and subsequent contraventions, but may extend up to ten times the value of goods or articles produced or sold or offered to be sold or affixed or applied with a Standard Mark, including Hallmark, or with both:

Provided that where the value of goods or articles produced or sold or offered to be sold cannot be determined, it shall be presumed that one year's production was in such contravention and the annual turnover in the previous financial year shall be taken as the value of goods or articles for such contravention.

(4) The offence under sub-section (3) shall be cognizable.

30. Offences by companies.—Where an offence under this Act has been committed by a company, every director, manager, secretary or

other officer of the company who, at the time the offence was committed, was in charge of and was responsible to the company for the conduct of the business of the company, or authorised representative of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly, irrespective of the fact that the offence has been committed with or without the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, or authorised representative of the company.

Explanation.—For the purposes of this section,—

- (a) “company” means a body corporate and includes a firm or other association of individuals; and
- (b) “director”, in relation to a firm, means a partner in the firm.

31. Compensation for non-conforming goods.—Where a holder of licence or certificate of conformity or his representative has sold any goods, article, process, system or service, which bears a Standard Mark not conforming to the relevant standard, or with colourable imitation, the certified body or licence holder or his representative shall be liable to compensate the consumer for the injury caused by such non-conforming goods, article, process, system or service in such manner as may be prescribed.

32. Cognizance of offence by courts.—(1) No court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class, specially empowered in this behalf, shall try any offence punishable under this Act.

(2) No court shall take cognizance of any offence punishable under this Act save on a complaint made by—

- (a) or under the authority of the Bureau; or
- (b) any police officer, not below the rank of Deputy Superintendent of Police or equivalent; or
- (c) any authority notified under sub-section (2) of Section 16; or
- (d) any officer empowered under the authority of the Government; or
- (e) any consumer; or
- (f) any association.

(3) Any police officer not below the rank of Deputy Superintendent of Police or equivalent, may, if he is satisfied that any of the offences referred to in sub-section (3) of Section 29 has been, is being, or is likely to be, committed, search and seize without warrant, the goods, die, block, machine, plate, other instruments or things involved in committing the offence, wherever found, and all the articles so seized shall, as soon as practicable, be produced before a Magistrate as

prescribed under sub-section (1).

(4) The court may direct that any property in respect of which the contravention has taken place shall be forfeited to the Bureau.

(5) The court may direct that any fine, in whole or any part thereof, payable under the provisions of this Act, shall be payable to the Bureau.

33. Compounding of offence.—(1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), any offence committed for the first time, punishable under this Act, not being an offence punishable with imprisonment only, or with imprisonment and also with fine, may, either before or after the institution of any prosecution, be compounded by an officer so authorised by the Director-General, in such manner as may be prescribed:

Provided that the sum so specified shall not in any case exceed the maximum amount of the fine which may be imposed under Section 29 for the offence so compounded; and any second or subsequent offence committed after the expiry of a period of three years from the date on which the offence was previously compounded shall be deemed to be an offence committed for the first time.

(2) Every officer referred to in sub-section (1) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the Bureau.

(3) Every application for the compounding of an offence shall be made in such manner as may be prescribed.

(4) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted in relation to such offence against the offender in relation to whom the offence is so compounded.

(5) Where the composition of any offence is made after the institution of any prosecution, such composition shall be brought to the notice of the court in which the prosecution is pending in writing by the officer referred to in sub-section (1), and on such notice of the composition of the offence being given and its acceptance by the court, the person against whom the offence is so compounded shall be discharged.

34. Appeal.—(1) Any person aggrieved by an order made under Section 13 or sub-section (4) of Section 14 or Section 17 of this Act may prefer an appeal to Director-General of the Bureau within such period as prescribed.

(2) No appeal shall be admitted if it is preferred after the expiry of the period prescribed therefor:

Provided that an appeal may be admitted after the expiry of the

period prescribed therefor if the appellant satisfies the Director-General that he had sufficient cause for not preferring the appeal within the prescribed period.

(3) Every appeal made under this section shall be made in such form and shall be accompanied by a copy of the order appealed against and by such fees as may be prescribed.

(4) The procedure for disposing of an appeal shall be such as may be prescribed:

Provided that before disposing of an appeal, the appellant shall be given a reasonable opportunity of being heard.

(5) The Director-General may suo motu or on an application made in the manner prescribed review the order passed by any officer to whom the power has been delegated by him.

(6) Any person aggrieved by an order made under sub-section (1) or sub-section (5) may prefer an appeal to the Central Government having administrative control of the Bureau within such period as may be prescribed.

35. Members, officers and employees of Bureau to be public servants.—All members, officers and other employees of the Bureau shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of Section 21 of the Indian Penal Code (45 of 1860).

36. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Government or any officer of the Government or any member, officer or other employee of the Bureau for anything which is in done or intended to be done in good faith under this Act or the rules or regulations made thereunder.

37. Authentication of orders and other instruments of Bureau.—All orders and decisions of, and all other instruments issued by, the Bureau shall be authenticated by the signature of such officer or officers as may be authorised by the Bureau in this behalf.

38. Power to make rules.—The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

► **Qualification/Experience.**—Separate experience criteria prescribed on basis of qualifications need to be complied with, *Bureau of Indian Standards v. S.K. Kanojia*, (2007) 8 SCC 636 : (2007) 2 SCC (L&S) 972.

39. Power to make regulations.—³[The Bureau] may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the rules to carry out the purposes of this Act.

40. Rules and regulations to be laid before Parliament.—Every rule and every regulation made under this Act shall be laid, as soon as may

be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

41. Act not to affect operation of certain Acts.—Nothing in this Act shall affect the operation of the Agricultural Produce (Grading and Marking) Act, 1937 (1 of 1937) or the Drugs and Cosmetics Act, 1940 (23 of 1940), or any other law for the time being in force, which deals with any standardisation or quality control of any goods, article, process, system or service.

42. Power to remove difficulties.—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of two years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

43. Repeal and savings.—(1) The Bureau of Indian Standards Act, 1986 (63 of 1986) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have done or taken including any rule, regulation, notification, scheme, specification, Indian Standard, Standard Mark, inspection order or notice made, issued or adopted, or any appointment, or declaration made or any licence, permission, authorisation or exemption granted or any document or instrument executed or direction given or any proceedings taken or any penalty or fine imposed under the Act hereby repealed shall, insofar as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

(3) The mention of particular matters in sub-section (2) shall not be held to prejudice or affect the general application of Section 6 of the General Clauses Act, 1897 (10 of 1897) with regard to the effect of repeal.

— — —

¹ Received the assent of the President on March 21, 2016 and published in the Gazette of India, Extra., Part II, Section 1, dated 22nd March, 2016, pp. 1-17, No. 12

² 12-10-2017 [*Vide* Noti. No. S.O. 3295(E), dated 12-10-2017].

³ *Subs.* for “the Executive Committee” by S.O. 1557(E), dt. 10-4-2019.

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MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**(Department of Consumer Affairs)****NOTIFICATION**

New Delhi, the 13th October 2017.

G.S.R. 1266(E).—In exercise of the powers conferred by section 38 of the Bureau of Indian Standards Act, 2016 (11 of 2016), and in supersession of the Bureau of Indian Standards Rules, 1987, except Chapter IV A of the said rules, and the Bureau of Indian Standards (Appointment, Terms and Conditions of Service of Director General) Rules, 1987 except as respects things done or omitted to be done before such supersession, the Central Government hereby makes the following rules, namely:-

1. Short title and commencement - (1) These rules may be called the Bureau of Indian Standards Rules, 2017.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions. - (1) In these rules, unless the context otherwise requires, -

(a) "Act" means the Bureau of Indian Standards Act, 2016 (11 of 2016);

(b) "Advisory Committee" means an Advisory Committee constituted by the Governing Council under sub-section (1) of section 5 of the Act;

(c) "certificate of conformity" means a certificate granted by the Bureau or designated authority demonstrating that an article, process, system, service, has been determined to be in compliance with a standard or specified requirements, following assessment of conformity;

(d) "compounding authority" means an officer authorised by the Director General to be the compounding authority under sub-rule (1) of rule 50;

(e) "Consultant" means an expert or an organisation of experts engaged for a specific task relating to standards formulation to whom a fee is payable by the Bureau;

(f) "Director General" means Director General of the Bureau;

(g) "form" means form as specified by the Bureau from time to time provided that if any such form is specified by the Central Government for a purpose, that form shall prevail;

(h) "licensee" means a person to whom a licence has been granted under the Act;

(i) "technical committee" means a committee constituted by the Bureau under sub-section (3) of section 10 of the Act and includes a Division council, sectional committee, sub-committee, panel, working group or any other committee;

(j) "year" means the financial year commencing on the first day of April and ending on the 31st day of March.

(2) Words and expressions used in these rules and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Constitution of the Governing Council. - (1) The Governing Council shall consist of the following members, namely: -

(a) the Minister in charge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex officio* President of the Bureau;

(b) the Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex officio* Vice-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;

(c) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the Bureau, *ex officio*;

(d) the Director General of the Bureau, *ex officio*;

(e) two Members of Parliament of whom one shall be from the House of the People and one from the Council of States;

(f) three persons representing the Ministries and Departments of the Central Government dealing with important subjects of interest to the Bureau;

(g) five representatives - one each from five zones of the State Governments and the Union territories on rotation basis who shall be, -

(i) the Minister in charge or Secretary of the Department having administrative control over quality and standards in the case of States and Union territories having a Council of Ministers; and

(ii) the Administrator or the Chief Executive Councillor, as the case may be, in the case of Union territories, not having a Council of Ministers;

(h) two persons representing consumer organisations which in the opinion of the Central Government are active and effective in their operations, or are in the opinion of that Government are capable of representing consumer interests;

(i) one person, who, in the opinion of the Central Government, is capable of representing farmers' interests;

(j) five persons representing the industry and trade and their associations and public sector enterprises to be chosen as follows:-

(i) President or Director General or Secretary General of three industry associations or federations of all India level;

(ii) Chief Executive of one Central or State Public Sector Enterprise related to subjects of importance to the Bureau;

(iii) Chairman or Managing Director of one industrial organisation, other than the public sector, who is awardee of a national or an international award for quality;

(k) three persons representing the scientific and research institutions, technical, educational and professional organisations related to subjects of importance to the Bureau;

(l) one person representing regulatory authorities or bodies dealing with important subjects of interest to the Bureau;

(m) one person representing the National Accreditation Boards or bodies.

Explanation - For the purposes of clause (g), the five zones of States and Union territories shall be as under:-

North (1)	East (2)	West (3)	South (4)	North-East (5)
1. Himachal Pradesh	1. West Bengal	1. Gujarat	1. Andhra Pradesh	1. Assam
2. Punjab	2. Orissa	2. Maharashtra	2. Tamil Nadu	2. Meghalaya
3. Haryana	3. Bihar	3. Rajasthan	3. Karnataka	3. Tripura
4. Uttar Pradesh	4. Chhatisgarh	4. Madhya Pradesh	4. Kerala	4. Arunachal Pradesh
5. Jammu and Kashmir	5. Jharkhand	5. Goa	5. Telangana	5. Manipur
6. Uttarakhand	6. Sikkim	6. Daman and Diu	6. Puducherry	6. Mizoram
7. NCT of Delhi		7. Dadra and Nagar Haveli	7. Andaman and Nicobar Islands	7. Nagaland
8. Chandigarh			8. Lakshadweep Islands	

(2) The term of office of a member shall continue so long as he holds the office by virtue of which he is such a member.

(3) The Governing Council may associate persons not exceeding fifteen to assist or advise in the fields of science and technology including environmental control, energy conservation, import substitution, transfer of technology and other areas of emerging technology.

4. Term of office of members. - (1) Members appointed under clause (e) to clause (m) of sub-rule (1) of rule 3 shall hold office for a period of two years and shall be eligible for reappointment.

(2) A member appointed under sub-rule (1) of rule 3 who desire to resign from membership of the Governing Council shall forward his letter of resignation under his own hand to the Central Government and such resignation shall take effect from the date of its acceptance by the Central Government or on the expiry of a period of one month from the date of its receipt by the Central Government, whichever is earlier.

(3) When a vacancy occurs by resignation of a member under sub-rule (2) or otherwise, the Central Government shall take steps to fill the vacancy within a period of six months from the date of its occurrence by making an appointment from amongst the category of persons to which the person who vacated the office belonged and the person so appointed shall hold office for the remainder of the term of office of the member in whose place he is appointed.

(4) A person shall be disqualified for being appointed as a member or shall be removed from membership by the Central Government if he,-

(a) has been convicted and sentenced to imprisonment for an offence, which, in the opinion of the Central Government, involves moral turpitude; or

(b) is an undischarged insolvent; or

(c) is of unsound mind and stands so declared by a competent court; or

(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or

(e) has in the opinion of the Central Government such financial or other interest in the Bureau as is likely to affect prejudicially the discharge by him of his functions as a member:

Provided that no member shall be removed on the ground that he has become subject of the disqualification mentioned under clause (e) unless he has been given a reasonable opportunity of being heard in the matter.

5. Proceedings of the Governing Council.- (1) The President, or in his absence the Vice-President, shall preside at the meetings of the Governing Council:

Provided that in the absence of both the President and the Vice-President, the members present at the meeting shall elect one from amongst themselves to preside over the meeting.

(2) At least one meeting of the Governing Council shall be held every year:

Provided that the President may at his discretion convene more than one meeting in a year if he considers it necessary.

(3) A notice of not less than twenty-one days from the date of issue shall ordinarily be given to every member for each meeting of the Governing Council:

Provided that if it is necessary to convene an emergency meeting, a notice of not less than seven days shall be given to every member.

(4) Every notice of meeting of the Governing Council shall specify the place and the day and hour of the meeting.

(5) The President shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is convened, an agenda for such meeting may be circulated to the members at the meeting.

(6) Seven members shall form the quorum:

Provided that if any meeting is adjourned for want of quorum, the adjourned meeting may be called on a date not later than seven days from the date of the original meeting to transact the business regardless of the quorum.

(7) Each member including the President shall have one vote and in the case of an equality of votes on any question to be decided by the Governing Council, the President, or the Vice-President or the member presiding over such meeting shall in addition, have a casting vote.

(8) The proceedings of each meeting shall be circulated to each member of the Governing Council which shall be confirmed at the next meeting with or without modifications.

6. Executive Committee. - (1) The Executive Committee shall perform, exercise, and discharge such of the functions, powers and duties as may be delegated to it by the Governing Council.

(2) The Executive Committee shall consist of the Director General as *ex officio* Chairman and ten other members, representing the following categories, to be appointed by the Governing Council, with the prior approval of the Central Government, namely:—

- (i) Special Secretary or Additional Secretary and Financial Adviser to the Government of India in the Ministry or Department having administrative control of the Bureau;
- (ii) Special Secretary or Additional Secretary or Joint Secretary to the Government of India in the Ministry or Department having administrative control of the Bureau;
- (iii) two persons, each representing different Ministries or Departments of Central Government other than the Ministry or Department having administrative control of the Bureau.
- (iv) one person representing consumer organisation;
- (v) one person representing industry, trade and their associations;
- (vi) two persons representing academic, scientific and research institutions;
- (vii) two persons representing public sector enterprises and technical or professional organisations.

(3) The members of the Executive Committee appointed under sub-rule (2) shall hold office for a period of two years and shall be eligible for reappointment.

(4) When a member appointed under sub-rule (2) desires to resign from membership of the Executive Committee, he shall forward his letter of resignation under his own hand to the Director General and such resignation shall take effect from the date of its acceptance by the Director General or on the expiry of a period of one month from the date of its receipt by the Director General, whichever is earlier.

(5) The vacancy caused on resignation, termination etc., of a member of the Executive Committee shall be filled within a period of three months from the date of occurrence by the Bureau with the prior approval of the Central Government.

(6) A meeting of the Executive Committee shall be held at least once in every three months.

(7) Each meeting of the Executive Committee shall be called by giving not less than fourteen days from the date of issue, notice in writing to every member:

Provided that an emergency meeting may be called by giving not less than three days' notice to every member.

(8) Every notice of a meeting of the Executive Committee shall specify the place and the day and hour of the meeting.

(9) The ex officio Chairman of the Executive Committee shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is called, an agenda for such meeting may be circulated to the members at the meeting.

(10) The quorum for a meeting of the Executive Committee shall be four.

(11) The proceedings of each meeting shall be circulated to each member of the Executive Committee which shall be confirmed at the next meeting with or without modification.

7. Travelling and daily allowances to Governing Council and Executive Committee members. - (1) The members and persons associated with the Governing Council and the members of the Executive Committee representing the Central Government, State Governments, Union territories, Statutory and autonomous bodies and public sector undertakings (other than those specially approved by the Executive Committee), trade, industry and their associations, shall not be eligible to draw any travelling or daily allowance from the funds of the Bureau.

(2) Travelling and daily allowances to members and persons associated with the Governing Council and members of the Executive Committee other than those specified in sub-rule (1), while travelling within the country with prior concurrence of the Director General, may be admissible from the Bureau for attending meetings of the Governing Council and the Executive Committee and discharging any duty as assigned by the Governing Council or the Executive Committee.

(3) The rates of travelling and daily allowances admissible to the members and persons covered by sub-rule (2) shall be the same as applicable to non officials attending the meetings of committees set up by the Central Government.

(4) Any member who is a Member of Parliament shall not be entitled to any allowance other than compensatory allowance, as defined in clause (a) of section 2 of the Parliament (Prevention of Disqualification) Act, 1959 (10 of 1959):

Provided that such member shall be entitled to such allowance for meetings held during the intersession period.

Explanation – For the purposes of this sub-rule, “intersession period” means the interval between the adjournment of a House of Parliament of which he is a Member and the reassembly of that House.

8. Appointment of Director General.- (1) There shall be a Selection Committee for recommending to the Government a panel of names for appointment of the Director General under sub-section (1) of section 7.

(2) The Selection Committee shall consist of the following persons, namely:-

- | | |
|---|------------|
| (i) Secretary to the Government of India in the Ministry or the Department having administrative control of the Bureau; | - Chairman |
| (ii) Secretary to the Government of India in the Department of Science and Technology; | - Member |
| (iii) Nominee of the Government of India in the Department of Personnel and Training; | - Member |
| (iv) An outside expert of eminence from the relevant field to be nominated by the Central Government. | - Member |

(3) The Selection Committee shall consider suitable candidates, including from amongst officers and employees of the Bureau, possessing the following qualifications and experience, namely:-

- (a) (i) Essential qualifications : a first class degree in Engineering or Technology or a first class Post Graduate degree in any branch of Science;
- (ii) Desirable qualifications: a Post Graduate degree in any branch of Engineering or Technology or a Doctorate in Science or any branch of Engineering;
- (b) Experience : at least twenty-five years combined experience in the following areas in the Government or public sector undertakings or autonomous bodies or private sector, namely :-
- (i) Industrial Engineering Design or Research;
 - (ii) Standardisation;
 - (iii) Quality Control;
 - (iv) Basic scientific and technical research (in case of research experience in a laboratory, the same should be of national repute);
 - (v) Administration:

Provided that candidates with Post Graduate degree in Engineering or Doctorate in pure Science or any branch of Engineering having twenty-three years of experience shall be eligible:

Provided further that if the candidate is a Government servant, he shall have the educational qualifications and experience as specified in clauses (a) and (b) and also be eligible for promotion to a post equivalent to Additional Secretary in the Government of India:

Provided also that if a candidate is an employee of a public sector undertaking or an autonomous body, he shall have the educational qualifications and experience as specified in clauses (a) and (b) and at least two years' regular service in a post equivalent to Joint Secretary in the Government of India; and at least two years' experience in senior management level in the case of a candidate working in private sector:

Provided also that on the closing date of receipt of applications, the candidate should have at least two years' service before superannuation.

(4) The recommendations of the Selection Committee shall be sent to the Central Government for taking a decision on the appointment of the Director General.

(5) Notwithstanding anything contained in sub-rule (3), if the Central Government considers it necessary, it may, in the public interest, appoint a suitable officer to the post of Director General under the Central Staffing Scheme, as per the procedure specified in that Scheme.

9. Term of office of Director General. - The Director General shall hold office for a term of three years or until he attains the age of sixty years, whichever is earlier:

Provided that the term of the Director General may be extended by the Central Government for a period not exceeding two years or until he attains the age of sixty years, whichever is earlier:

Provided further that where the Central Government is satisfied that the re-appointment of an outgoing Director General after he has attained the age of sixty years is in the interest of the Bureau, it may for reasons to be recorded in writing, reappoint him for a further period not exceeding two years.

10. Pay and allowances. - The post of Director General shall be equivalent to the post of an Additional Secretary in the Government of India and shall be entitled to all other allowances as provided under the Act or under these rules:

Provided that in case of foreign travel, officers of the Central Government appointed on tenure or transfer or deputation basis, shall be governed by Foreign Travelling Allowance or the Daily Allowance rules as are applicable to the Central Government servants of equivalent status and others shall be governed by the regulations of the Bureau.

11. Staff car. - (1) The Director General shall be entitled to free use of staff car for official purpose including the journeys from residence to office and vice-versa.

(2) The Director General shall be allowed to use staff car (car upto and including 16 H.P.) for non-duty journeys upto five hundred kilometres per month on payment of an amount as decided by Department of Expenditure in the Ministry of Finance from time to time.

12. Resignation. - The Director General may, at any time before the expiry of his term, tender his resignation to the Central Government by giving three months' notice therefor:

Provided that the Central Government reserves the right not to accept the resignation tendered by the Director General in the public interest:

Provided further that the Government may, in special circumstances, waive the stipulation of three months' notice by making payment of three months' salary and allowances in lieu of the notice period.

13. Other conditions of service. - With regard to the other conditions of service including joining time, earned leave, medical benefits, retirement benefits and leave travel concession, if a candidate is a Government servant, the entitlement shall be as applicable to the Central Government servant of equivalent status and if the candidate is an employee of a public sector undertaking or an autonomous body or working in private sector, he shall be governed by regulations framed under the Act in this regard for the employees of the Bureau.

14. Power to relax. - Where the Central Government is of the opinion that it is necessary or expedient so to do, it may, for reasons to be recorded in writing, relax any of the provisions of these rules relating to appointment and terms and conditions of service of the Director General.

15. Establishment of Indian Standards. - (1) The Bureau shall establish Indian Standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary, by a process of consultation with stakeholders who may include representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing laboratories or calibration laboratories, scientists, technologists, and members of the Committees of the Bureau:

Provided that where a standard is being established on the request of the Central Government or the regulator, which is emerging from or has an impact on national policy, the Central Government or the concerned regulator shall be consulted to ensure that the standard is consistent with such policy:

Provided further that any Indian Standard established by the erstwhile Indian Standards Institution and the Bureau of Indian Standards established under Bureau of Indian Standards Act, 1986 (63 of 1986) before the date of commencement of the Act or the rules or regulations made thereunder, shall be deemed to have been established under the provisions of the Act or under these rules or regulations made under Section 39 of the Act.

(2) All Indian Standards, their revisions, amendments and withdrawal shall be established by notification in the Official Gazette.

16. Division Councils. - The Bureau shall, for the purposes of formulation of Indian Standards in respect of any goods, article, process, system or service, constitute technical committees of experts to be known as the Division Councils.

17. Sectional committees. - (1) The Division Council may constitute such number of Sectional Committees, for the work of formulation of Indian Standards, as it may consider necessary for the purpose.

(2) Every Sectional committee shall comprise of concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing organisations laboratories or calibration laboratories, scientists, technologists, experts in personal capacity and consumer interests and an officer of the Bureau shall be its Member-Secretary.

18. Sub-Committees, panels and working groups.- A sectional committee may constitute such number of sub-committees, panels or working groups within its area of work as it may consider necessary, and it shall define their scope, composition and coordinate their activities.

19. Term of the technical committees.- The Division Councils, sectional committees and sub - committees shall be reconstituted once every three years:

Provided that the tenure of panels and working groups shall be as decided by the concerned Division Council under which they were constituted.

(2) Division Councils shall be constituted in defined areas of industries, technologies, services and other subjects and shall comprise of concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing laboratories or calibration laboratories, scientists and technologists and an officer of the Bureau shall be the Member Secretary.

(3) The Division Council shall. -

- (i) advise on the subject areas to be taken up for formulation of Indian Standards in their respective areas keeping in view the national needs and priorities;
- (ii) approve proposals for work and determine the priority to be assigned to the work;
- (iii) direct the sectional committees concerned to undertake the work of formulation of standards;
- (iv) advise on matters relating to research and development needed for the establishment of Indian Standards or their revisions ;
- (v) study the work of international organisations and their committees in standards formulation related to the area of work of the Division Council and recommend on the extent and manner of participation in standardisation activities at the international level;
- (vi) advise on implementation of established standards and promotion of Indian Standards;
- (vii) receive and deal with activity reports and to make recommendations thereon to the Governing Council concerning matters in which the decision of the Governing Council is necessary;
- (viii) carry out such tasks as may be specifically referred to it by the Governing Council or the Standards Advisory Committee constituted under clause (c) of sub-section (1) of section 5 of the Act.

20. Travelling and daily allowances to members of technical committee. -

(1) The members of the technical committees constituted under these rules representing the Central Government, State Governments, Union territories, statutory bodies, autonomous bodies and public sector undertakings (other than those specially approved by the Executive Committee), trade, industry and their associations, shall not be eligible to draw any travelling or daily allowance from the funds of the Bureau.

(2) Travelling and daily allowances to Chairperson and members of the technical committees constituted under these rules other than those specified in sub-rule (1), while travelling within the country with prior concurrence of the Director General, may be admissible from the Bureau for attending meetings of the technical committee or discharging any duty of the technical committee.

(3) The rates of travelling and daily allowances admissible to the members under sub-rule (2) shall be same as applicable to non-officials attending the meetings of the committees set up by the Central Government.

21. Terms and conditions for engaging consultants .- (1) The Bureau may from time to time, engage such number of consultants as it may consider necessary, to assist the Committees constituted under this rule.

(2) The terms and conditions for engaging consultants in the work of technical committees and in the work relating to establishment of Indian Standards shall be such as may be decided by the Executive Committee.

22. Procedure for establishment of Indian Standards. – (1) Any person, being a Ministry of the Central Government, State Government, Union territory administration, consumer organisation, industrial unit, industry-association, professional body, member of the Governing Council, member of a technical committee or any individual who proposes for establishment of an Indian Standard or for amending or for revising or withdrawing an established Indian Standard may submit the proposal to the Bureau in writing for the purpose.

(2) On receipt of the proposal under sub-rule (1), the Bureau shall assign the proposal to the concerned Division Council.

(3) The Division Council, on being satisfied as a result of its own deliberations or on investigation and consultation with concerned interests that the necessity for standardisation has been established, shall assign the task of formulating the standard to a sectional committee constituted for the purpose:

Provided that if the proposal for establishing an Indian Standard has not been accepted after its due consideration, the proposer shall be informed of the decision.

(4) The Indian Standard prepared by the sectional committee shall be issued in draft form and widely circulated for a period of not less than one month amongst the various interests concerned for critical review and suggestions for improvement:

Provided that the wide circulation may be waived of, if the Sectional Committee is satisfied that the matter is urgent or non-controversial.

(5) The draft Indian Standards issued under sub-rule (4) shall be finalised by the concerned sectional committee after giving due consideration to the comments that may be received and the draft so finalised shall be submitted to the Chairperson of the concerned Division Council for adoption of the Standard.

(6) The standard so adopted under sub-rule (5) shall be notified by the Bureau.

23. Review of Indian standards. – The Bureau shall review, periodically, at least once in five years, all established Indian standards to determine the need for revision, amendment, reaffirmation or withdrawal of such standards, in accordance with the provisions of these rules:

Provided that the need for withdrawal of the established Indian standard shall be decided upon by the respective Division Council on the recommendations of the sectional committee concerned:

Provided further that proposals relating to minor amendments or amendments in the nature of correction of errors or omissions in established Indian Standards may be notified by the Bureau without reference to the concerned Sectional Committee:

Provided also that the Bureau shall have the power to provisionally amend, by notification, such of the provisions of an Indian Standard as in its view are necessary for expeditious fulfilment of any of the objectives of the Act and the amendments so made shall be regularised without further notification if the sectional committee concerned has on examination, approved the standards as so amended, within a period of six months from the date of the notification.

24. Indian Standards to be binding in certain cases.– (1) Save as otherwise provided in sub-rule (2), the Indian Standards are voluntary and their implementation depends on adoption by concerned parties.

(2) An Indian Standard shall be binding if it is stipulated in a contract or referred to in a legislation or made mandatory by specific orders of the Government.

25. Publication. – The Indian Standards established by the Bureau, their revisions and amendments shall be published and copies thereof, in any form as may be determined by the Bureau, shall be made available for sale at such prices as may be determined by the Bureau.

26. Standards promotion. – The Bureau may promote adoption of Indian Standards by consumers, commerce, industry, Government and other interests, in such manner as it may consider necessary.

27. Procedure for establishment of provisional Indian Standards. – (1) Where a proposal relates to a new technology in respect of which its technical accuracy cannot be established, the Bureau may cause the Division Council to prepare a provisional Indian standards in accordance with the procedure laid down under rule 22.

(2) The provisional Indian Standard so prepared under this rule shall be notified as a provisional Indian Standard without wide circulation, after its adoption by Chairperson of Division Council concerned.

(3) The Foreword of the provisional Indian Standard shall specify the following, namely:-

- (i) need for preparing the provisional Indian Standard;
- (ii) scope of its application; and
- (iii) period of its validity:

Provided that the provisional Indian standards so notified under sub-rule (2) shall be valid for a period upto two years, as may be determined by the Bureau on the recommendations of the sectional committee, and may be extended by not more than two years.

(4) The provisional Indian Standard shall not be used for Standard Mark.

(5) The provisional Indian Standards so notified under sub-rule (2) shall, before the expiry of the validity period, be examined by the concerned sectional committee and establish it as a regular Indian Standard:

Provided that if the sectional committee is of the opinion that such standards should not be established, with or without modification, as a regular Indian Standard, then the provisional Indian Standard so notified shall lapse after its validity period.

28. Concurrent Running of Indian Standards, – (1) The Director General may allow concurrent running of two versions of an Indian Standard and may also decide the period of such concurrent running.

(2) The Director General may allow concurrent running of an Indian Standard and any of its amendments and may also decide the period of such concurrent running.

29. Adoption of other Standards as Indian Standards. - (1) The Bureau may, in relation to any goods, article, process, system or service, adopt any standard established by any other institution in India or outside India as an Indian Standard with necessary modifications, in accordance with the procedure laid down in rule 22:

Provided that any Indian Standard adopted by the erstwhile Indian Standards Institution and the Bureau of Indian Standards established under Bureau of Indian Standards Act, 1986 (63 of 1986) shall be deemed to have been adopted under the provisions of the Act or under these rules or the regulations made under section 39 of the Act.

(2) Standards so adopted as Indian Standards shall be notified by the Bureau in the Official Gazette.

30. Recognition or accreditation of Institutions engaged in standardisation. -

The terms and conditions for recognition or accreditation of any institution in India or outside India, engaged in standardisation, shall be as decided by Executive Committee.

31. Standard Mark. – (1) The Standard Mark shall be published by the Bureau in the Official Gazette.

(2) The Standard Mark established and notified by the Indian Standards Institution and the Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986 (63 of 1986) shall be deemed to be valid unless amended or rescinded by the Bureau.

32. Establishment, maintenance and recognition of laboratories. - (1) The laboratories established and maintained by the Bureau shall -

- (a) carry out testing of samples in relation to conformity assessment schemes of Bureau ;
 - (b) carry out research and development investigations or testing for collecting data for evolving and revising Indian Standards and for quality assessment studies;
 - (c) provide support services to industries for quality improvement on such terms and conditions as may be laid down by the Bureau from time to time; and
 - (d) carry out such other functions as may be necessary to fulfill the objectives of the Bureau.
- (2) The Bureau may recognise any laboratory in India or outside India for carrying out testing of samples in relation to conformity assessment and such other functions as the Bureau may assign to it.
- (3) The Bureau may issue guidelines for recognition, suspension or withdrawal, revocation or renewal, of recognition of laboratories.
- (4) The Bureau shall maintain a record of laboratories recognised by it for testing samples of articles or processes in relation to the relevant Indian Standards.

33. Appointment of agents. – (1) The Bureau may appoint any person or laboratory or organisation in India or outside India as its agent to act on its behalf for discharging any one or more of the following functions, namely :-

- (a) to carry out inspections of manufacturer's premises in India or outside India for allowing use of the Standard Mark or for grant of certificate of conformity;
- (b) to test samples of products for their conformity to Indian Standards;
- (c) to inspect consignments intended to be covered under the Standard Mark or under certificate of conformity;
- (d) to collect market samples; and
- (e) to carry out market surveillance and surveys for any goods, article, process, system or service.

(2) The terms and conditions of the appointment of agents shall be set out in an agreement between the Bureau and the agent so appointed:

Provided that the appointment of agents outside India shall be made with the previous approval of the Central Government.

34. Inspection of goods, article, process, system or service when Standard Mark or conformity to Indian Standards is required by the Act or under any other law. – (1) The Bureau may carry out inspections, through its certification officers or agents, of goods, articles, processes, systems or services where Standard Mark or conformity to Indian Standards is required or claimed under the Act.

(2) The inspections may be carried out in India or outside India at place of manufacture before dispatch, or at the place of its entry into India, or at place of its sale or use in India.

(3) The inspections may include inspection of quality control system, or verification of records of testing or testing of a sample or any other related matter.

(4) The fees for inspection and expenses incurred in travelling and other expenses relating thereto, shall be paid in the manner and at the rates as may be specified by the Bureau from time to time.

35. Other functions of the Bureau. – The Bureau may, -

(a) formulate, implement and coordinate activities relating to quality maintenance and improvement in products and processes;

(b) promote harmonious development in standardisation, management systems and conformity assessment, and matters connected therewith both within the country and at international level;

(c) provide information, documentation and other services to consumers and consumer organisations on such terms and conditions as may be mutually agreed upon;

(d) give recognition to quality assurance systems in manufacturing or processing units or service providers, on such terms and conditions as may be mutually agreed upon;

(e) bring out handbooks, guides and other special publications;

(f) carry out inspections and testing or testing of goods and articles or audit of process, system or service for conformity to any other standard if so authorised, on such terms and conditions as may be mutually agreed upon; and

(g) formulate, implement and coordinate activities of conformity assessment including activities relating to registration for self declaration of conformity to the relevant Indian Standards on voluntary or compulsory basis, of goods, article, process, system or service as may be considered expedient in public interest and as notified through an order by the Central Government after consulting the Bureau.

36. Provision as to restriction to use certain names, etc. – (1) Any person using any name, mark or trade mark, etc., referred to in sub-section (1) of section 26 of the Act who has not obtained previous approval of the Bureau for such use shall, if such name, mark or trade mark, etc., has been established by or under any law for the time being in force, make an application to the Bureau for permission to the use thereof, within a period of six months from the date of notification of these rules and the Bureau may grant permission to such name, mark or trade mark, etc.

(2) The application to be made to the Bureau under sub-rule (1) shall be in such form as may be specified by the Bureau.

(3) The Bureau shall cause to be maintained a register in which shall be entered all names, marks and trademarks permitted by the Bureau under sub-rule (1).

37. Appeals against decisions of Bureau. – (1) Any person aggrieved by an order made under section 13 or sub-section (4) of section 14 or section 17 of the Act may prefer an appeal to the Director General within ninety days from the date of the order:

Provided that if the appellant satisfies the Director General that he had sufficient cause for not preferring the appeal within the period so specified, the appeal may be admitted after the expiration of the said period of ninety days.

(2) Every appeal made under sub-rule (1) shall be filed in duplicate and shall be accompanied by a self-attested copy of the order appealed against.

(3) Every appeal made under sub-rule (1) shall be accompanied by a fee of two thousand rupees in the form of a demand draft or pay order or E transfer, drawn in favour of the Bureau.

(4) The Director General may call for relevant documents from the appellant and may after such inquiry in the matter as he considers necessary and after giving an opportunity to the parties to be heard, pass such orders as he thinks fit:

Provided that the appeal shall be disposed of within a period of ninety days from the date of its filing.

(5) The Director General may, suo-moto, or on an application made in the form as specified by the Bureau from time to time, review and reconsider any order passed under sub-rule (4) by an officer to whom the powers have been delegated by him and may confirm, modify or set aside the orders passed by such officer after the review.

(6) Any person aggrieved by an order passed by the Director General under sub-rule (4) or sub-rule (5), as the case may be, may prefer an appeal to the Central Government in the Ministry having administrative control of the Bureau within a period of sixty days from the date of such order.

(7) The provisions of sub-rule (2) and sub-rule (4) shall apply, mutatis mutandis to every appeal filed under sub-rule (6).

38. Budget. – (1) The Bureau shall prepare budget estimates for the next year and the revised estimates for the current year and shall forward it to the Central Government by 15th October each year or by such date as may be decided by the Central Government.

(2) The estimates under sub-rule (1) shall be prepared separately on revenue and capital accounts.

(3) The estimates shall contain the following, namely:-

- (a) budget estimates for the current year;
- (b) revised estimates for the current year; and
- (c) budget estimates for the next year :

Provided that where the expenditure is of an emergent and essential character but provision for the same has not been made in the budget, it shall be incurred only after the approval by the Executive Committee.

39. Appropriation and reappropriation. – (1) The funds provided in the sanctioned budget shall be deemed to be at the disposal of the Director General who shall have full powers to appropriate sums therefrom to meet the expenditure under different heads of accounts for activities and purposes authorised and provided for in the budget :

Provided that funds shall not be appropriated or reappropriated to meet the expenditure which has not been sanctioned by an authority competent to sanction it.

(2) The Director General shall have powers within the scope of the budgetted activities and purposes to reappropriate sums from one head of account to another:

Provided that funds shall not be reappropriated –

- (i) to meet the expenditure on any new item of work not contemplated in the budget;
- (ii) to meet the expenditure on any project involving construction which has not received administrative approval and technical sanction from the competent authorities;
- (iii) to meet the expenditure on any project involving construction, in excess of ten per cent of the approved estimates;
- (iv) from the provision made for any specified new item of expenditure in the budget for any other purpose;
- (v) from funds provided under plan heads to the non-plan heads of expenditure and from capital to revenue and vice versa; and
- (vi) from or to head of account "overseas travel" expenditure.

40. Bank accounts. – (1) Bank accounts shall be opened in the State Bank of India or any of its subsidiaries or any of the nationalised banks and operated in such a manner as may be authorised by the Director General.

(2) All money belonging to the fund shall be deposited promptly into the Bank.

41. Investment. – Moneys belonging to the fund may, with the approval of the Director General or any other officer authorised in this behalf, be invested in the form and modes as specified under sub-section (5) of section 11 of the Income-tax Act, 1961 (113 of 1961) for Investment of income derived from property held under trust wholly for charitable or religious purposes.

42. Contract. – (1) The Bureau may enter into all such contracts as it may consider necessary for giving effect to any of the provisions of the Act.

(2) Every contract made under or for any purpose of the Act shall be made on behalf of the Bureau by the Director General or such other officers as may be authorised by him/her in this behalf.

43. Administration of provident fund. – (1) The General Provident Fund applicable to the officers and employees of the Bureau shall be administered by a committee of administrators, to be nominated by the Director General, comprising a Chairman and four other persons out of which at least two of them shall be the representatives of officers and employees.

(2) The functions of the committee of administrators shall include management of the provident funds and investment of the same in Government securities and other deposits, in the manner laid down by the Central Government in this regard.

- 44. Pension or gratuity liability fund.** - (1) The Bureau shall maintain a pension or gratuity liability fund.
- (2) The Fund shall be utilised for the payment of pension, gratuity and commuted value of pension only and no appropriation shall be made out of this fund.
- (3) The corpus of the fund shall be on the basis of actuarial valuation and shortfall shall be made through the appropriation of the surplus from income and expenditure account or transfer from the fund of the Bureau.
- (4) An annual contribution based on actuarial valuation shall be made to the fund and charged to income and expenditure account of the Bureau.
- (5) The Investment of the fund shall be made in accordance with rule 41.
- (6) The custody, operation and maintenance of the records of the fund shall be in such a manner as may be authorised by the Director General.
- 45. Annual report.** - (1) The Bureau shall prepare its annual report and forward it to the Central Government within nine months of the end of the financial year for being laid before each House of Parliament.
- (2) The annual report shall give a full account of the activities of the Bureau during the previous year and shall include the audited accounts of the year and the report of the Comptroller and Auditor General of India thereon.
- 46. Accounts.** - (1) The Bureau shall maintain accounts of its income and expenditure relating to each year and prepare annual statement of accounts consisting of income and expenditure account and the balance sheet.
- (2) Annual statement of accounts shall be submitted for audit not later than 30th June each year in the common accounting format prescribed by Ministry of Finance from time to time for central autonomous bodies or as nearer thereto as the circumstances admit.
- (3) The annual statement of accounts prepared under sub-rule (1) shall be signed on behalf of the Bureau by the officer incharge of accounts and the Director General and shall be approved by the Executive Committee.
- 47. Certification officers.** - (1) Every certification officer appointed under sub-section (1) of section 27 of the Act shall be furnished by the Bureau with a certificate of appointment as a certification officer in the form as specified by the Bureau from time to time.
- (2) The certificate shall be carried by the certification officer at all times while he is on duty and shall, on demand, be produced by him.
- (3) Every applicant for a licence or certificate of conformity or every holder of licence or certificate of conformity shall afford to the certification officer such reasonable facilities as the certification officer may require for carrying out the duties imposed on him by or under the Act.
- 48. Powers of certification officer.** - Without prejudice to the powers conferred under section 27 and section 28 of the Act, a certification officer may -
- at any time during the usual business hour enter upon any premises in which any goods, article, process, system or service, in respect of which a licence or certificate of conformity has been granted, with a view to ascertain that the Standard Mark is being used in accordance with the terms and conditions imposed by the Bureau and that the Scheme of inspection and testing specified by the Bureau is being correctly followed;
 - inspect and take samples at such premises of any such goods or article or any material used or intended to be used in the manufacture of such goods or article which is marked with a Standard Mark;
 - inspect any process, system or service at such premises in respect of which the certified body or licence holder has been granted a certificate of conformity or given the authority to use the Standard Mark;
 - examine the records kept by the certified body or licence holder relating to the certificate of conformity or use of the Standard Mark;
 - seize any such goods or articles or material or document which in his opinion will be useful, or relevant to any proceeding under the Act or under these rules.
- 49. Compensation for non-conforming goods.** - (1) Where a certified body or license holder or his representative has sold goods, articles, processes, system or services, which bear a Standard Mark or any colourable imitation thereof, which do not conform to the relevant standard, and where the Bureau decides that the certified body or license holder or his representative shall pay compensation under clause (b), of sub-section (7) of section 18 of the Act, then the compensation payable in such case shall be two times the selling price of the non-conforming goods, article, process, system or service, and the testing charges:

Provided that in case of precious metal article not conforming to the relevant standards, such compensation shall be two times the amount of difference calculated on the basis of shortage of purity for the weight of such article sold and the testing charges.

(2) Every application for compensation shall be made in the form as specified by the Bureau from time to time together with self-attested copies of relevant documents, including the test report of the goods, article, process, system or service in question, relevant to establish the non-conformance and such test report shall be issued by any laboratory maintained or recognised by the Bureau.

(3) The Head of the Regional office of the Bureau under whose jurisdiction the holder of licence or certificate of conformity falls, shall be the authority competent to decide the compensation:

Provided that the authority shall decide the application within sixty days of its filing.

Provided further that before passing any order under this sub-rule, an opportunity to file a statement of defence shall be afforded to the holder of licence or certificate of conformity to whom the application relates and an opportunity of personal hearing may also be given to both the sides, if the circumstances so deserve.

(4) In case the holder of licence or certificate of conformity fails or refuses to pay the amount of compensation, as provided under this rule, within a period of thirty days from the date of passing of the order, the Bureau may cancel the licence or certificate of conformity:

Provided that the period of thirty days may be extended by a maximum period of another thirty days by the authority, if an application revealing genuine hardship is preferred by the holder of licence or certificate of conformity.

(5) If the non-conformity to standard is established, the Bureau will carry out inspection of other samples of the product in the market or at the production site and initiate further action against the licensee as per the license conditions.

(6) Where the Bureau decides that a certified body or licence holder or his representative is liable for injury caused by non-conforming goods or article under clause (c) of sub-section (7) of section 18 of the Act, it shall communicate this decision to the certified body or licence holder or his representative and the certified body or licence holder or his representative shall take a decision on the compensation under section 31 of the Act within a period of two months of receipt of such communication.

50. Compounding of offences. – (1) Any offence committed for the first time punishable under the Act may either before or after the institution of any prosecution, be compounded by an officer so authorised by Director General:

Provided that the Director General shall authorise in writing, the Head of the Regional office or any other senior officer of the Bureau of equivalent rank, to be the compounding authority under this rule.

(2) Any person may either before or after the institution of prosecution, make an application in the form as specified by the Bureau with the approval of the Central Government from time to time to the compounding authority to compound the offences specified under section 33 of the Act.

(3) On receipt of an application under sub- rule (2), the compounding authority shall call for a report from the concerned branch office with reference to the particulars furnished in the application or any other information which may be considered relevant for examination of such application and a report shall be furnished by the branch office within a period of thirty days or within such extended period as may be allowed by the compounding authority, from the date of receipt of communication from the compounding authority.

(4) The compounding authority, after giving personal hearing to the applicant and after taking into account the contents of the said application may by order giving reasons of arriving at the decision, either allow the application indicating the compounding amount or reject such application:

Provided that the application shall not be rejected unless an opportunity has been given to the applicant of being heard and the grounds of such rejection are mentioned in such order.

Provided that the applicant shall not claim, as a matter of right, that his offence be compounded:

Provided further that no compounding shall be allowed by the compounding authority where there are apparent contradictions, inconsistencies or incompleteness in the case of the applicant.

(5) A copy of order passed under sub- rule (4) shall be sent to the applicant by registered post or speed post or by e-mail at the address given in the application and also be placed on the website of the Bureau.

(6) Where the prosecution has already been instituted, the compounding authority may bring the composition, including the compounding amount, to the notice of the court by filing appropriate application, and shall be bound by the decision of the court on such application.

(7) The applicant shall within a period of thirty days from the date of receipt of order under sub-rule (4) allowing the compounding of offences, or order of the court under sub-rule (6), pay to the Bureau the compounding amount as ordered to be paid by the compounding authority or the court, as the case may be, and shall furnish the proof of such payment to the compounding authority:

Provided that the compounding amount once paid shall not be refunded except in cases where the court rejects grant of immunity from prosecution for the same offence.

(8) The amount so compounded under this rule shall be as provided in the following table:

Sl. No.	Offence specified under the Act	Compounding amount
(1)	(2)	(3)
	Sub-section (1) of section 29	fifty percent of the maximum and subject to minimum of twenty-five percent of the applicable fine.
2	Sub-section (2) of section 29	fifty percent of the maximum and subject to a minimum of one lakh rupees of the applicable fine.
3	Sub-section (3) of section 29	fifty percent of the maximum and subject to a minimum of two lakh rupees of the applicable fine.

(9) If the person has committed offences falling under more than one of the categories specified in the table in sub-rule (8), the amount so compounded, in such cases shall be the amount as determined for the offence for which a higher compounding amount has been prescribed.

51. Powers and duties of compounding authority. – (1) The compounding authority, if he is satisfied that any person who has made the application for compounding of offence under sub-rule (2) of rule 50 has cooperated in the proceedings before him and has made full and true disclosure of the facts relating to the goods, articles, process, system or service, grant such person immunity from prosecution under the Act, if the prosecution has not been instituted with respect to the case so compounded, subject to such conditions as the compounding authority may find fit to impose.

(2) The compounding authority shall endeavour to decide every application for compounding within sixty days of its filing.

(3) The compounding authority shall file before the Director General, a monthly report indicating the details of applications received by him and actions taken thereon.

[F. No. 6/1/2016-BIS]

P.V. RAMA SASTRY, Jt. Secy.

(9) यदि किसी व्यक्ति ने उप-नियम (8) के अंतर्गत सारणी में विनिर्दिष्ट एक से अधिक श्रेणियों के अधीन आने वाले अपराध किए हैं, तो ऐसे मामलों में जिस अपराध के लिए अधिकतम शमन राशि निर्धारित की गई है, वही राशि शमन राशि के रूप में नियत की जाएगी।

51. शमन प्राधिकारी की शक्तियाँ एवं कर्तव्य – (1) यदि शमन प्राधिकारी, इस बात से संतुष्ट है कि किसी व्यक्ति ने नियम 50 के उप-नियम (2) के अधीन अपराध के शमन हेतु आवेदन किया है और उसने कार्यवाही में उसके समक्ष सहयोग दिया है और वस्तुओं, प्रक्रिया, पद्धति या सेवा के संबंध में तथ्यों का पूरा तथा सच्चा खुलासा किया है, तो वह ऐसे व्यक्ति को अधिनियम के तहत अभियोजन से उन्मुक्ति प्रदान कर सकता है, यदि इस प्रकार शमन मामले के संबंध में वाद नहीं चलाया गया हो, तो ऐसी परिस्थितियों में शमन प्राधिकारी जैसे उचित समझे, उसे वैसे लागू कर सकता है।

(2) शमन प्राधिकारी को शमन करने के लिए हरेक आवेदन पर उसके फाइल होने के 60 दिनों के भीतर निर्णय लेने का प्रयास करेगा।

(3) शमन प्राधिकारी उसके द्वारा प्राप्त आवेदनों के विवरण तथा उन पर की गई कार्यवाहियों को दर्शति हुए महानिदेशक के समक्ष एक मासिक रिपोर्ट फाइल करेगा।

[फा. सं. 6/1/2016-बीआईएस]

अनिल बहुगुणा, संयुक्त सचिव

MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION

(Department of Consumer Affairs)

NOTIFICATION

New Delhi, the 25th June, 2018

G.S.R. 584(E).—In exercise of the powers conferred by section 38 of the Bureau of Indian Standards Act, 2016 (11 of 2016), and in supersession of the Bureau of Indian Standards Rules, 1987 in so far as they relate to Chapter IV A of the said rules, and in supersession of the Bureau of Indian Standards Rules, 2017 except as respects things done or omitted to be done before such supersession, the Central Government hereby makes the following rules, namely:—

1. Short title and commencement - (1) These rules may be called the Bureau of Indian Standards Rules, 2018.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions. - (1) In these rules, unless the context otherwise requires, -

(a) "Act" means the Bureau of Indian Standards Act, 2016 (11 of 2016);

(b) "Advisory Committee" means an Advisory Committee constituted by the Governing Council under sub-section (1) of section 5 of the Act;

(c) "certificate of conformity" means a certificate granted by the Bureau or designated authority demonstrating that an article, process, system, service, has been determined to be in compliance with a standard or specified requirements, following assessment of conformity;

(d) "compounding authority" means an officer authorised by the Director General to be the compounding authority under sub-rule (1) of rule 50;

(e) "Consultant" means an expert or an organisation of experts engaged for a specific task relating to standards formulation to whom a fee is payable by the Bureau;

(f) "Director General" means Director General of the Bureau;

(g) "form" means form as specified by the Bureau from time to time provided that if any such form is specified by the Central Government for a purpose, that form shall prevail;

(h) "licensee" means a person to whom a licence has been granted under the Act;

(i) "technical committee" means a committee constituted by the Bureau under sub-section (3) of section 10 of the Act and includes a Division council, sectional committee, sub-committee, panel, working group or any other committee;

(j) "year" means the financial year commencing on the first day of April and ending on the 31st day of March.

(2) Words and expressions used in these rules and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Constitution of the Governing Council. - (1) The Governing Council shall consist of the following members, namely: -

(a) the Minister in charge of the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex officio* President of the Bureau;

(b) the Minister of State or a Deputy Minister, if any, in the Ministry or Department of the Central Government having administrative control of the Bureau who shall be *ex officio* Vice-President of the Bureau, and where there is no such Minister of State or Deputy Minister, such person as may be nominated by the Central Government to be the Vice-President of the Bureau;

(c) the Secretary to the Government of India in charge of the Ministry or Department of the Central Government having administrative control of the Bureau, *ex officio*;

(d) the Director General of the Bureau, *ex officio*;

(e) two Members of Parliament of whom one shall be from the House of the People and one from the Council of States;

(f) three persons representing the Ministries and Departments of the Central Government dealing with important subjects of interest to the Bureau;

(g) five representatives - one each from five zones of the State Governments and the Union territories on rotation basis who shall be, -

(i) the Minister in charge or Secretary of the Department having administrative control over quality and standards in the case of States and Union territories having a Council of Ministers; and

(ii) the Administrator or the Chief Executive Councillor, as the case may be, in the case of Union territories, not having a Council of Ministers;

(h) two persons representing consumer organisations which in the opinion of the Central Government are active and effective in their operations, or are in the opinion of that Government are capable of representing consumer interests;

(i) one person, who, in the opinion of the Central Government, is capable of representing farmers' interests;

(j) five persons representing the industry and trade and their associations and public sector enterprises to be chosen as follows:-

(i) President or Director General or Secretary General of three industry associations or federations of all India level;

(ii) Chief Executive of one Central or State Public Sector Enterprise related to subjects of importance to the Bureau;

(iii) Chairman or Managing Director of one industrial organisation, other than the public sector, who is awardee of a national or an international award for quality;

(k) three persons representing the scientific and research institutions, technical, educational and professional organisations related to subjects of importance to the Bureau;

(l) one person representing regulatory authorities or bodies dealing with important subjects of interest to the Bureau;

(m) one person representing the National Accreditation Boards or bodies.

Explanation - For the purposes of clause (g), the five zones of States and Union territories shall be as under:-

North (1)	East (2)	West (3)	South (4)	North-East (5)
1. Himachal Pradesh	1. West Bengal	1. Gujarat	1. Andhra Pradesh	1. Assam
2. Punjab	2. Orissa	2. Maharashtra	2. Tamil Nadu	2. Meghalaya
3. Haryana	3. Bihar	3. Rajasthan	3. Karnataka	3. Tripura
4. Uttar Pradesh	4. Chhatisgarh	4. Madhya Pradesh	4. Kerala	4. Arunachal Pradesh
5. Jammu and Kashmir	5. Jharkhand	5. Goa	5. Telangana	5. Manipur
6. Uttarakhand	6. Sikkim	6. Daman and Diu	6. Puducherry	6. Mizoram
7. NCT of Delhi		7. Dadra and Nagar Haveli	7. Andaman and Nicobar Islands	7. Nagaland
8. Chandigarh			8. Lakshadweep Islands	

(2) The term of office of a member shall continue so long as he holds the office by virtue of which he is such a member.

(3) The Governing Council may associate persons not exceeding fifteen to assist or advise in the fields of science and technology including environmental control, energy conservation, import substitution, transfer of technology and other areas of emerging technology.

4. Term of office of members. - (1) Members appointed under clause (e) to clause (m) of sub-rule (1) of rule 3 shall hold office for a period of two years and shall be eligible for reappointment.

(2) A member appointed under sub-rule (1) of rule 3 who desire to resign from membership of the Governing Council shall forward his letter of resignation under his own hand to the Central Government and such resignation shall take effect from the date of its acceptance by the Central Government or on the expiry of a period of one month from the date of its receipt by the Central Government, whichever is earlier.

(3) When a vacancy occurs by resignation of a member under sub-rule (2) or otherwise, the Central Government shall take steps to fill the vacancy within a period of six months from the date of its occurrence by making an appointment from amongst the category of persons to which the person who vacated the office belonged and the person so appointed shall hold office for the remainder of the term of office of the member in whose place he is appointed.

(4) A person shall be disqualified for being appointed as a member or shall be removed from membership by the Central Government if he,-

(a) has been convicted and sentenced to imprisonment for an offence, which, in the opinion of the Central Government, involves moral turpitude; or

(b) is an undischarged insolvent; or

(c) is of unsound mind and stands so declared by a competent court; or

(d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or

(e) has in the opinion of the Central Government such financial or other interest in the Bureau as is likely to affect prejudicially the discharge by him of his functions as a member:

Provided that no member shall be removed on the ground that he has become subject of the disqualification mentioned under clause (e) unless he has been given a reasonable opportunity of being heard in the matter.

5. Proceedings of the Governing Council.- (1) The President, or in his absence the Vice-President, shall preside at the meetings of the Governing Council:

Provided that in the absence of both the President and the Vice-President, the members present at the meeting shall elect one from amongst themselves to preside over the meeting.

(2) At least one meeting of the Governing Council shall be held every year:

Provided that the President may at his discretion convene more than one meeting in a year if he considers it necessary.

(3) A notice of not less than twenty-one days from the date of issue shall ordinarily be given to every member for each meeting of the Governing Council:

Provided that if it is necessary to convene an emergency meeting, a notice of not less than seven days shall be given to every member.

(4) Every notice of meeting of the Governing Council shall specify the place and the day and hour of the meeting.

(5) The President shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is convened, an agenda for such meeting may be circulated to the members at the meeting.

(6) Seven members shall form the quorum:

Provided that if any meeting is adjourned for want of quorum, the adjourned meeting may be called on a date not later than seven days from the date of the original meeting to transact the business regardless of the quorum.

(7) Each member including the President shall have one vote and in the case of an equality of votes on any question to be decided by the Governing Council, the President, or the Vice-President or the member presiding over such meeting shall in addition, have a casting vote.

(8) The proceedings of each meeting shall be circulated to each member of the Governing Council which shall be confirmed at the next meeting with or without modifications.

6. Executive Committee. - (1) The Executive Committee shall perform, exercise, and discharge such of the functions, powers and duties as may be delegated to it by the Governing Council.

(2) The Executive Committee shall consist of the Director General as *ex officio* Chairman and ten other members, representing the following categories, to be appointed by the Governing Council, with the prior approval of the Central Government, namely:-

- (i) Special Secretary or Additional Secretary and Financial Adviser to the Government of India in the Ministry or Department having administrative control of the Bureau;
- (ii) Special Secretary or Additional Secretary or Joint Secretary to the Government of India in the Ministry or Department having administrative control of the Bureau;
- (iii) two persons, each representing different Ministries or Departments of Central Government other than the Ministry or Department having administrative control of the Bureau.
- (iv) one person representing consumer organisation;
- (v) one person representing industry, trade and their associations;
- (vi) two persons representing academic, scientific and research institutions;
- (vii) two persons representing public sector enterprises and technical or professional organisations.

(3) The members of the Executive Committee appointed under sub-rule (2) shall hold office for a period of two years and shall be eligible for reappointment.

(4) When a member appointed under sub-rule (2) desires to resign from membership of the Executive Committee, he shall forward his letter of resignation under his own hand to the Director General and such resignation shall take effect from the date of its acceptance by the Director General or on the expiry of a period of one month from the date of its receipt by the Director General, whichever is earlier.

(5) The vacancy caused on resignation, termination etc., of a member of the Executive Committee shall be filled within a period of three months from the date of occurrence by the Bureau with the prior approval of the Central Government.

(6) A meeting of the Executive Committee shall be held at least once in every three months.

(7) Each meeting of the Executive Committee shall be called by giving not less than fourteen days from the date of issue, notice in writing to every member:

Provided that an emergency meeting may be called by giving not less than three days' notice to every member.

(8) Every notice of a meeting of the Executive Committee shall specify the place and the day and hour of the meeting.

(9) The ex officio Chairman of the Executive Committee shall cause to be prepared and circulated to the members, at least seven days before the meeting, an agenda for the meeting:

Provided that where an emergency meeting is called, an agenda for such meeting may be circulated to the members at the meeting.

(10) The quorum for a meeting of the Executive Committee shall be four.

(11) The proceedings of each meeting shall be circulated to each member of the Executive Committee which shall be confirmed at the next meeting with or without modification.

7. Travelling and daily allowances to Governing Council and Executive Committee members.—

(1) The members and persons associated with the Governing Council and the members of the Executive Committee representing the Central Government, State Governments, Union territories, Statutory and autonomous bodies and public sector undertakings (other than those specially approved by the Executive Committee), trade, industry and their associations, shall not be eligible to draw any travelling or daily allowance from the funds of the Bureau.

(2) Travelling and daily allowances to members and persons associated with the Governing Council and members of the Executive Committee other than those specified in sub-rule (1), while travelling within the country with prior concurrence of the Director General, may be admissible from the Bureau for attending meetings of the Governing Council and the Executive Committee and discharging any duty as assigned by the Governing Council or the Executive Committee.

(3) The rates of travelling and daily allowances admissible to the members and persons covered by sub-rule (2) shall be the same as applicable to non officials attending the meetings of committees set up by the Central Government.

(4) Any member who is a Member of Parliament shall not be entitled to any allowance other than compensatory allowance, as defined in clause (a) of section 2 of the Parliament (Prevention of Disqualification) Act, 1959 (10 of 1959) :

Provided that such member shall be entitled to such allowance for meetings held during the intersession period.

Explanation – For the purposes of this sub-rule, “intersession period” means the interval between the adjournment of a House of Parliament of which he is a Member and the reassembly of that House.

8. Appointment of Director General.- (1) There shall be a Selection Committee for recommending to the Government a panel of names for appointment of the Director General under sub-section (1) of section 7.

(2) The Selection Committee shall consist of the following persons, namely:-

- | | |
|---|-----------|
| (i) Secretary to the Government of India in the Ministry or the Department having administrative control of the Bureau; | —Chairman |
| (ii) Secretary to the Government of India in the Department of Science and Technology; | —Member |
| (iii) Nominee of the Government of India in the Department of Personnel and Training; | —Member |
| (iv) An outside expert of eminence from the relevant field to be nominated by the Central Government. | —Member |

(3) The Selection Committee shall consider suitable candidates, including from amongst officers and employees of the Bureau, possessing the following qualifications and experience, namely:-

- (a) (i) Essential qualifications : a first class degree in Engineering or Technology or a first class Post Graduate degree in any branch of Science;
- (ii) Desirable qualifications: a Post Graduate degree in any branch of Engineering or Technology or a Doctorate in Science or any branch of Engineering;
- (b) Experience : at least twenty-five years combined experience in the following areas in the Government or public sector undertakings or autonomous bodies or private sector, namely :-
- (i) Industrial Engineering Design or Research;
 - (ii) Standardisation;
 - (iii) Quality Control;
 - (iv) Basic scientific and technical research (in case of research experience in a laboratory, the same should be of national repute);
 - (v) Administration:

Provided that candidates with Post Graduate degree in Engineering or Doctorate in pure Science or any branch of Engineering having twenty-three years of experience shall be eligible:

Provided further that if the candidate is a Government servant, he shall have the educational qualifications and experience as specified in clauses (a) and (b) and also be eligible for promotion to a post equivalent to Additional Secretary in the Government of India:

Provided also that if a candidate is an employee of a public sector undertaking or an autonomous body, he shall have the educational qualifications and experience as specified in clauses (a) and (b) and at least two years' regular service in a post equivalent to Joint Secretary in the Government of India; and at least two years' experience in senior management level in the case of a candidate working in private sector:

Provided also that on the closing date of receipt of applications, the candidate should have at least two years' service before superannuation.

(4) The recommendations of the Selection Committee shall be sent to the Central Government for taking a decision on the appointment of the Director General.

(5) Notwithstanding anything contained in sub-rule (3), if the Central Government considers it necessary, it may, in the public interest, appoint a suitable officer to the post of Director General under the Central Staffing Scheme, as per the procedure specified in that Scheme.

9. Term of office of Director General. - The Director General shall hold office for a term of three years or until he attains the age of sixty years, whichever is earlier:

Provided that the term of the Director General may be extended by the Central Government for a period not exceeding two years or until he attains the age of sixty years, whichever is earlier:

Provided further that where the Central Government is satisfied that the re-appointment of an outgoing Director General after he has attained the age of sixty years is in the interest of the Bureau, it may for reasons to be recorded in writing, reappoint him for a further period not exceeding two years.

10. Pay and allowances. - The post of Director General shall be equivalent to the post of an Additional Secretary in the Government of India and shall be entitled to all other allowances as provided under the Act or under these rules:

Provided that in case of foreign travel, officers of the Central Government appointed on tenure or transfer or deputation basis, shall be governed by Foreign Travelling Allowance or the Daily Allowance rules as are applicable to the Central Government servants of equivalent status and others shall be governed by the regulations of the Bureau.

11. Staff car. - (1) The Director General shall be entitled to free use of staff car for official purpose including the journeys from residence to office and vice-versa.

(2) The Director General shall be allowed to use staff car (car upto and including 16 H.P.) for non-duty journeys upto five hundred kilometres per month on payment of an amount as decided by Department of Expenditure in the Ministry of Finance from time to time.

12. Resignation. - The Director General may, at any time before the expiry of his term, tender his resignation to the Central Government by giving three months' notice therefor:

Provided that the Central Government reserves the right not to accept the resignation tendered by the Director General in the public interest:

Provided further that the Government may, in special circumstances, waive the stipulation of three months' notice by making payment of three months' salary and allowances in lieu of the notice period.

13. Other conditions of service. - With regard to the other conditions of service including joining time, earned leave, medical benefits, retirement benefits and leave travel concession, if a candidate is a Government servant, the entitlement shall be as applicable to the Central Government servant of equivalent status and if the candidate is an employee of a public sector undertaking or an autonomous body or working in private sector, he shall be governed by regulations framed under the Act in this regard for the employees of the Bureau.

14. Power to relax. - Where the Central Government is of the opinion that it is necessary or expedient so to do, it may, for reasons to be recorded in writing, relax any of the provisions of these rules relating to appointment and terms and conditions of service of the Director General.

15. Establishment of Indian Standards. - (1) The Bureau shall establish Indian Standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian Standards so established as may be necessary, by a process of consultation with stakeholders who may include representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing laboratories or calibration laboratories, scientists, technologists, and members of the Committees of the Bureau:

Provided that where a standard is being established on the request of the Central Government or the regulator, which is emerging from or has an impact on national policy, the Central Government or the concerned regulator shall be consulted to ensure that the standard is consistent with such policy:

Provided further that any Indian Standard established by the erstwhile Indian Standards Institution and the Bureau of Indian Standards established under Bureau of Indian Standards Act, 1986 (63 of 1986) before the date of commencement of the Act or the rules or regulations made thereunder, shall be deemed to have been established under the provisions of the Act or under these rules or regulations made under Section 39 of the Act.

(2) All Indian Standards, their revisions, amendments and withdrawal shall be established by notification in the Official Gazette.

16. Division Councils. - The Bureau shall, for the purposes of formulation of Indian Standards in respect of any goods, article, process, system or service, constitute technical committees of experts to be known as the Division Councils.

17. Sectional committees. - (1) The Division Council may constitute such number of Sectional Committees, for the work of formulation of Indian Standards, as it may consider necessary for the purpose.

(2) Every Sectional committee shall comprise of concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing organisations laboratories or calibration laboratories, scientists, technologists, experts in personal capacity and consumer interests and an officer of the Bureau shall be its Member-Secretary.

18. Sub-Committees, panels and working groups.- A sectional committee may constitute such number of sub-committees, panels or working groups within its area of work as it may consider necessary, and it shall define their scope, composition and coordinate their activities.

19. Term of the technical committees.- The Division Councils, sectional committees and sub - committees shall be reconstituted once every three years:

Provided that the tenure of panels and working groups shall be as decided by the concerned Division Council under which they were constituted.

(2) Division Councils shall be constituted in defined areas of industries, technologies, services and other subjects and shall comprise of concerned officers of the Bureau and representatives of various interests such as consumers, regulatory and other Government bodies, industry, testing laboratories or calibration laboratories, scientists and technologists and an officer of the Bureau shall be the Member Secretary.

(3) The Division Council shall. -

(i) advise on the subject areas to be taken up for formulation of Indian Standards in their respective areas keeping in view the national needs and priorities;

(ii) approve proposals for work and determine the priority to be assigned to the work;

(iii) direct the sectional committees concerned to undertake the work of formulation of standards;

(iv) advise on matters relating to research and development needed for the establishment of Indian Standards or their revisions ;

(v) study the work of international organisations and their committees in standards formulation related to the area of work of the Division Council and recommend on the extent and manner of participation in standardisation activities at the international level;

(vi) advise on implementation of established standards and promotion of Indian Standards;

(vii) receive and deal with activity reports and to make recommendations thereon to the Governing Council concerning matters in which the decision of the Governing Council is necessary;

(viii) carry out such tasks as may be specifically referred to it by the Governing Council or the Standards Advisory Committee constituted under clause (c) of sub-section (1) of section 5 of the Act.

20. Travelling and daily allowances to members of technical committee. -

(1) The members of the technical committees constituted under these rules representing the Central Government, State Governments, Union territories, statutory bodies, autonomous bodies and public sector undertakings (other than those specially approved by the Executive Committee), trade, industry and their associations, shall not be eligible to draw any travelling or daily allowance from the funds of the Bureau.

(2) Travelling and daily allowances to Chairperson and members of the technical committees constituted under these rules other than those specified in sub-rule (1), while travelling within the country with prior concurrence of the Director General, may be admissible from the Bureau for attending meetings of the technical committee or discharging any duty of the technical committee.

(3) The rates of travelling and daily allowances admissible to the members under sub-rule (2) shall be same as applicable to non-officials attending the meetings of the committees set up by the Central Government.

21. Terms and conditions for engaging consultants .- (1) The Bureau may from time to time, engage such number of consultants as it may consider necessary, to assist the Committees constituted under this rule.

(2) The terms and conditions for engaging consultants in the work of technical committees and in the work relating to establishment of Indian Standards shall be such as may be decided by the Executive Committee.

22. Procedure for establishment of Indian Standards. – (1) Any person, being a Ministry of the Central Government, State Government, Union territory administration, consumer organisation, industrial unit, industry-association, professional body, member of the Governing Council, member of a technical committee or any individual who proposes for establishment of an Indian Standard or for amending or for revising or withdrawing an established Indian Standard may submit the proposal to the Bureau in writing for the purpose.

(2) On receipt of the proposal under sub-rule (1), the Bureau shall assign the proposal to the concerned Division Council.

(3) The Division Council, on being satisfied as a result of its own deliberations or on investigation and consultation with concerned interests that the necessity for standardisation has been established, shall assign the task of formulating the standard to a sectional committee constituted for the purpose:

Provided that if the proposal for establishing an Indian Standard has not been accepted after its due consideration, the proposer shall be informed of the decision.

(4) The Indian Standard prepared by the sectional committee shall be issued in draft form and widely circulated for a period of not less than one month amongst the various interests concerned for critical review and suggestions for improvement:

Provided that the wide circulation may be waived of, if the Sectional Committee is satisfied that the matter is urgent or non-controversial.

(5) The draft Indian Standards issued under sub-rule (4) shall be finalised by the concerned sectional committee after giving due consideration to the comments that may be received and the draft so finalised shall be submitted to the Chairperson of the concerned Division Council for adoption of the Standard.

(6) The standard so adopted under sub-rule (5) shall be notified by the Bureau.

23. Review of Indian standards. – The Bureau shall review, periodically, at least once in five years, all established Indian standards to determine the need for revision, amendment, reaffirmation or withdrawal of such standards, in accordance with the provisions of these rules:

Provided that the need for withdrawal of the established Indian standard shall be decided upon by the respective Division Council on the recommendations of the sectional committee concerned:

Provided further that proposals relating to minor amendments or amendments in the nature of correction of errors or omissions in established Indian Standards may be notified by the Bureau without reference to the concerned Sectional Committee:

Provided also that the Bureau shall have the power to provisionally amend, by notification, such of the provisions of an Indian Standard as in its view are necessary for expeditious fulfilment of any of the objectives of the Act and the amendments so made shall be regularised without further notification if the sectional committee concerned has on examination, approved the standards as so amended, within a period of six months from the date of the notification.

24. Indian Standards to be binding in certain cases.- (1) Save as otherwise provided in sub-rule (2), the Indian Standards are voluntary and their implementation depends on adoption by concerned parties.

(2) An Indian Standard shall be binding if it is stipulated in a contract or referred to in a legislation or made mandatory by specific orders of the Government.

25. Publication. – The Indian Standards established by the Bureau, their revisions and amendments shall be published and copies thereof, in any form as may be determined by the Bureau, shall be made available for sale at such prices as may be determined by the Bureau.

26. Standards promotion. - The Bureau may promote adoption of Indian Standards by consumers, commerce, industry, Government and other interests, in such manner as it may consider necessary.

27. Procedure for establishment of provisional Indian Standards. - (1) Where a proposal relates to a new technology in respect of which its technical accuracy cannot be established, the Bureau may cause the Division Council to prepare a provisional Indian standards in accordance with the procedure laid down under rule 22.

(2) The provisional Indian Standard so prepared under this rule shall be notified as a provisional Indian Standard without wide circulation, after its adoption by Chairperson of Division Council concerned.

(3) The Foreword of the provisional Indian Standard shall specify the following, namely:-

- (i) need for preparing the provisional Indian Standard;
- (ii) scope of its application; and
- (iii) period of its validity:

Provided that the provisional Indian standards so notified under sub-rule (2) shall be valid for a period upto two years, as may be determined by the Bureau on the recommendations of the sectional committee, and may be extended by not more than two years.

(4) The provisional Indian Standard shall not be used for Standard Mark.

(5) The provisional Indian Standards so notified under sub-rule (2) shall, before the expiry of the validity period, be examined by the concerned sectional committee and establish it as a regular Indian Standard:

Provided that if the sectional committee is of the opinion that such standards should not be established, with or without modification, as a regular Indian Standard, then the provisional Indian Standard so notified shall lapse after its validity period.

28. Concurrent Running of Indian Standards, - (1) The Director General may allow concurrent running of two versions of an Indian Standard and may also decide the period of such concurrent running.

(2) The Director General may allow concurrent running of an Indian Standard and any of its amendments and may also decide the period of such concurrent running.

29. Adoption of other Standards as Indian Standards. - (1) The Bureau may, in relation to any goods, article, process, system or service, adopt any standard established by any other institution in India or outside India as an Indian Standard with necessary modifications, in accordance with the procedure laid down in rule 22:

Provided that any Indian Standard adopted by the erstwhile Indian Standards Institution and the Bureau of Indian Standards established under Bureau of Indian Standards Act, 1986 (63 of 1986) shall be deemed to have been adopted under the provisions of the Act or under these rules or the regulations made under section 39 of the Act.

(2) Standards so adopted as Indian Standards shall be notified by the Bureau in the Official Gazette.

30. Recognition or accreditation of Institutions engaged in standardisation. -

The terms and conditions for recognition or accreditation of any institution in India or outside India, engaged in standardisation, shall be as decided by Executive Committee.

31. Standard Mark. - (1) The Standard Mark shall be published by the Bureau in the Official Gazette.

(2) The Standard Mark established and notified by the Indian Standards Institution and the Bureau of Indian Standards established under the Bureau of Indian Standards Act, 1986 (63 of 1986) shall be deemed to be valid unless amended or rescinded by the Bureau.

32. Establishment, maintenance and recognition of laboratories. - (1) The laboratories established and maintained by the Bureau shall -

- (a) carry out testing of samples in relation to conformity assessment schemes of Bureau ;
 - (b) carry out research and development investigations or testing for collecting data for evolving and revising Indian Standards and for quality assessment studies;
 - (c) provide support services to industries for quality improvement on such terms and conditions as may be laid down by the Bureau from time to time; and
 - (d) carry out such other functions as may be necessary to fulfill the objectives of the Bureau.
- (2) The Bureau may recognise any laboratory in India or outside India for carrying out testing of samples in relation to conformity assessment and such other functions as the Bureau may assign to it.
- (3) The Bureau may issue guidelines for recognition, suspension or withdrawal, revocation or renewal, of recognition of laboratories.
- (4) The Bureau shall maintain a record of laboratories recognised by it for testing samples of articles or processes in relation to the relevant Indian Standards.

33. Appointment of agents. – (1) The Bureau may appoint any person or laboratory or organisation in India or outside India as its agent to act on its behalf for discharging any one or more of the following functions, namely :-

- (a) to carry out inspections of manufacturer's premises in India or outside India for allowing use of the Standard Mark or for grant of certificate of conformity;
 - (b) to test samples of products for their conformity to Indian Standards;
 - (c) to inspect consignments intended to be covered under the Standard Mark or under certificate of conformity;
 - (d) to collect market samples; and
 - (e) to carry out market surveillance and surveys for any goods, article, process, system or service.
- (2) The terms and conditions of the appointment of agents shall be set out in an agreement between the Bureau and the agent so appointed:

Provided that the appointment of agents outside India shall be made with the previous approval of the Central Government.

34. Inspection of goods, article, process, system or service when Standard Mark or conformity to Indian Standards is required by the Act or under any other law. – (1) The Bureau may carry out inspections, through its certification officers or agents, of goods, articles, processes, systems or services where Standard Mark or conformity to Indian Standards is required or claimed under the Act.

- (2) The inspections may be carried out in India or outside India at place of manufacture before dispatch, or at the place of its entry into India, or at place of its sale or use in India.
- (3) The inspections may include inspection of quality control system, or verification of records of testing or testing of a sample or any other related matter.
- (4) The fees for inspection and expenses incurred in travelling and other expenses relating thereto, shall be paid in the manner and at the rates as may be specified by the Bureau from time to time.

35. Other functions of the Bureau. – The Bureau may, -

- (a) formulate, implement and coordinate activities relating to quality maintenance and improvement in products and processes;
- (b) promote harmonious development in standardisation, management systems and conformity assessment, and matters connected therewith both within the country and at international level;
- (c) provide information, documentation and other services to consumers and consumer organisations on such terms and conditions as may be mutually agreed upon;

- (d) give recognition to quality assurance systems in manufacturing or processing units or service providers, on such terms and conditions as may be mutually agreed upon;
- (e) bring out handbooks, guides and other special publications;
- (f) carry out inspections and testing or testing of goods and articles or audit of process, system or service for conformity to any other standard if so authorised, on such terms and conditions as may be mutually agreed upon; and
- (g) formulate, implement and coordinate activities of conformity assessment to the relevant Indian Standards on voluntary or compulsory basis, of goods, article, process, system or service as may be considered expedient in public interest.

36. Provision as to restriction to use certain names, etc. – (1) Any person using any name, mark or trade mark, etc., referred to in sub-section (1) of section 26 of the Act who has not obtained previous approval of the Bureau for such use shall, if such name, mark or trade mark, etc., has been established by or under any law for the time being in force, make an application to the Bureau for permission to the use thereof, within a period of six months from the date of notification of these rules and the Bureau may grant permission to such name, mark or trade mark, etc.

(2) The application to be made to the Bureau under sub-rule (1) shall be in such form as may be specified by the Bureau.

(3) The Bureau shall cause to be maintained a register in which shall be entered all names, marks and trademarks permitted by the Bureau under sub-rule (1).

37. Appeals against decisions of Bureau. – (1) Any person aggrieved by an order made under section 13 or sub-section (4) of section 14 or section 17 of the Act may prefer an appeal to the Director General within ninety days from the date of the order:

Provided that if the appellant satisfies the Director General that he had sufficient cause for not preferring the appeal within the period so specified, the appeal may be admitted after the expiration of the said period of ninety days.

(2) Every appeal made under sub-rule (1) shall be filed in duplicate and shall be accompanied by a self-attested copy of the order appealed against.

(3) Every appeal made under sub-rule (1) shall be accompanied by a fee of two thousand rupees in the form of a demand draft or pay order or E transfer, drawn in favour of the Bureau.

(4) The Director General may call for relevant documents from the appellant and may after such inquiry in the matter as he considers necessary and after giving an opportunity to the parties to be heard, pass such orders as he thinks fit:

Provided that the appeal shall be disposed of within a period of ninety days from the date of its filing.

(5) The Director General may, suo-moto, or on an application made in the form as specified by the Bureau from time to time, review and reconsider any order passed under sub-rule (4) by an officer to whom the powers have been delegated by him and may confirm, modify or set aside the orders passed by such officer after the review.

(6) Any person aggrieved by an order passed by the Director General under sub-rule (4) or sub-rule (5), as the case may be, may prefer an appeal to the Central Government in the Ministry having administrative control of the Bureau within a period of sixty days from the date of such order.

(7) The provisions of sub-rule (2) and sub-rule (4) shall apply, mutatis mutandis to every appeal filed under sub-rule (6).

38. Budget. – (1) The Bureau shall prepare budget estimates for the next year and the revised estimates for the current year and shall forward it to the Central Government by 15th October each year or by such date as may be decided by the Central Government.

(2) The estimates under sub-rule (1) shall be prepared separately on revenue and capital accounts.

(3) The estimates shall contain the following, namely:-

- (a) budget estimates for the current year;
- (b) revised estimates for the current year; and
- (c) budget estimates for the next year :

Provided that where the expenditure is of an emergent and essential character but provision for the same has not been made in the budget, it shall be incurred only after the approval by the Executive Committee.

39. Appropriation and reappropriation. – (1) The funds provided in the sanctioned budget shall be deemed to be at the disposal of the Director General who shall have full powers to appropriate sums therefrom to meet the expenditure under different heads of accounts for activities and purposes authorised and provided for in the budget :

Provided that funds shall not be appropriated or reappropriated to meet the expenditure which has not been sanctioned by an authority competent to sanction it.

(2) The Director General shall have powers within the scope of the budgetted activities and purposes to reappropriate sums from one head of account to another:

Provided that funds shall not be reappropriated –

- (i) to meet the expenditure on any new item of work not contemplated in the budget;
- (ii) to meet the expenditure on any project involving construction which has not received administrative approval and technical sanction from the competent authorities;
- (iii) to meet the expenditure on any project involving construction, in excess of ten per cent of the approved estimates;
- (iv) from the provision made for any specified new item of expenditure in the budget for any other purpose;
- (v) from funds provided under plan heads to the non-plan heads of expenditure and from capital to revenue and vice versa; and
- (vi) from or to head of account "overseas travel" expenditure.

40. Bank accounts. – (1) Bank accounts shall be opened in the State Bank of India or any of its subsidiaries or any of the nationalised banks and operated in such a manner as may be authorised by the Director General.

(2) All money belonging to the fund shall be deposited promptly into the Bank.

41. Investment. – Moneys belonging to the fund may, with the approval of the Director General or any other officer authorised in this behalf, be invested in the form and modes as specified under sub-section (5) of section 11 of the Income-tax Act, 1961 (113 of 1961) for Investment of income derived from property held under trust wholly for charitable or religious purposes.

42. Contract. – (1) The Bureau may enter into all such contracts as it may consider necessary for giving effect to any of the provisions of the Act.

(2) Every contract made under or for any purpose of the Act shall be made on behalf of the Bureau by the Director General or such other officers as may be authorised by him/her in this behalf.

43. Administration of provident fund. – (1) The General Provident Fund applicable to the officers and employees of the Bureau shall be administered by a committee of administrators, to be nominated by the Director General, comprising a Chairman and four other persons out of which at least two of them shall be the representatives of officers and employees.

(2) The functions of the committee of administrators shall include management of the provident funds and investment of the same in Government securities and other deposits, in the manner laid down by the Central Government in this regard.

44. Pension or gratuity liability fund. - (1) The Bureau shall maintain a pension or gratuity liability fund.

(2) The Fund shall be utilised for the payment of pension, gratuity and commuted value of pension only and no appropriation shall be made out of this fund.

(3) The corpus of the fund shall be on the basis of actuarial valuation and shortfall shall be made through the appropriation of the surplus from income and expenditure account or transfer from the fund of the Bureau.

(4) An annual contribution based on actuarial valuation shall be made to the fund and charged to income and expenditure account of the Bureau.

(5) The Investment of the fund shall be made in accordance with rule 41.

(6) The custody, operation and maintenance of the records of the fund shall be in such a manner as may be authorised by the Director General.

45. Annual report. – (1) The Bureau shall prepare its annual report and forward it to the Central Government within nine months of the end of the financial year for being laid before each House of Parliament.

(2) The annual report shall give a full account of the activities of the Bureau during the previous year and shall include the audited accounts of the year and the report of the Comptroller and Auditor General of India thereon.

46. Accounts. – (1) The Bureau shall maintain accounts of its income and expenditure relating to each year and prepare annual statement of accounts consisting of income and expenditure account and the balance sheet.

(2) Annual statement of accounts shall be submitted for audit not later than 30th June each year in the common accounting format prescribed by Ministry of Finance from time to time for central autonomous bodies or as nearer thereto as the circumstances admit.

(3) The annual statement of accounts prepared under sub-rule (1) shall be signed on behalf of the Bureau by the officer incharge of accounts and the Director General and shall be approved by the Executive Committee.

47. Certification officers. – (1) Every certification officer appointed under sub-section (1) of section 27 of the Act shall be furnished by the Bureau with a certificate of appointment as a certification officer in the form as specified by the Bureau from time to time.

(2) The certificate shall be carried by the certification officer at all times while he is on duty and shall, on demand, be produced by him.

(3) Every applicant for a licence or certificate of conformity or every holder of licence or certificate of conformity shall afford to the certification officer such reasonable facilities as the certification officer may require for carrying out the duties imposed on him by or under the Act.

48. Powers of certification officer. – Without prejudice to the powers conferred under section 27 and section 28 of the Act, a certification officer may –

(a) at any time during the usual business hour enter upon any premises in which any goods, article, process, system or service, in respect of which a licence or certificate of conformity has been granted, with a view to ascertain that the Standard Mark is being used in accordance with the terms and conditions imposed by the Bureau and that the Scheme of inspection and testing specified by the Bureau is being correctly followed;

(b) inspect and take samples at such premises of any such goods or article or any material used or intended to be used in the manufacture of such goods or article which is marked with a Standard Mark;

(c) inspect any process, system or service at such premises in respect of which the certified body or licence holder has been granted a certificate of conformity or given the authority to use the Standard Mark;

(d) examine the records kept by the certified body or licence holder relating to the certificate of conformity or use of the Standard Mark;

(e) seize any such goods or articles or material or document which in his opinion will be useful, or relevant to any proceeding under the Act or under these rules.

49. Compensation for non-conforming goods. – (1) Where a certified body or license holder or his representative has sold goods, articles, processes, system or services, which bear a Standard Mark or any

colourable imitation thereof, which do not conform to the relevant standard, and where the Bureau decides that the certified body or license holder or his representative shall pay compensation under clause (b), of sub-section (7) of section 18 of the Act, then the compensation payable in such case shall be two times the selling price of the non-conforming goods, article, process, system or service, and the testing charges:

Provided that in case of precious metal article not conforming to the relevant standards, such compensation shall be two times the amount of difference calculated on the basis of shortage of purity for the weight of such article sold and the testing charges.

(2) Every application for compensation shall be made in the form as specified by the Bureau from time to time together with self-attested copies of relevant documents, including the test report of the goods, article, process, system or service in question, relevant to establish the non-conformance and such test report shall be issued by any laboratory maintained or recognised by the Bureau.

(3) The Head of the Regional office of the Bureau under whose jurisdiction the holder of licence or certificate of conformity falls, shall be the authority competent to decide the compensation:

Provided that the authority shall decide the application within sixty days of its filing.

Provided further that before passing any order under this sub-rule, an opportunity to file a statement of defence shall be afforded to the holder of licence or certificate of conformity to whom the application relates and an opportunity of personal hearing may also be given to both the sides, if the circumstances so deserve.

(4) In case the holder of licence or certificate of conformity fails or refuses to pay the amount of compensation, as provided under this rule, within a period of thirty days from the date of passing of the order, the Bureau may cancel the licence or certificate of conformity:

Provided that the period of thirty days may be extended by a maximum period of another thirty days by the authority, if an application revealing genuine hardship is preferred by the holder of licence or certificate of conformity.

(5) If the non-conformity to standard is established, the Bureau will carry out inspection of other samples of the product in the market or at the production site and initiate further action against the licensee as per the license conditions.

(6) Where the Bureau decides that a certified body or licence holder or his representative is liable for injury caused by non-conforming goods or article under clause (c) of sub-section (7) of section 18 of the Act, it shall communicate this decision to the certified body or licence holder or his representative and the certified body or licence holder or his representative shall take a decision on the compensation under section 31 of the Act within a period of two months of receipt of such communication.

50. Compounding of offences. – (1) Any offence committed for the first time punishable under the Act may either before or after the institution of any prosecution, be compounded by an officer so authorised by Director General:

Provided that the Director General shall authorise in writing, the Head of the Regional office or any other senior officer of the Bureau of equivalent rank, to be the compounding authority under this rule.

(2) Any person may either before or after the institution of prosecution, make an application in the form as specified by the Bureau with the approval of the Central Government from time to time to the compounding authority to compound the offences specified under section 33 of the Act.

(3) On receipt of an application under sub-rule (2), the compounding authority shall call for a report from the concerned branch office with reference to the particulars furnished in the application or any other information which may be considered relevant for examination of such application and a report shall be furnished by the branch office within a period of thirty days or within such extended period as may be allowed by the compounding authority, from the date of receipt of communication from the compounding authority.

(4) The compounding authority, after giving personal hearing to the applicant and after taking into account the contents of the said application may by order giving reasons of arriving at the decision, either allow the application indicating the compounding amount or reject such application:

Provided that the application shall not be rejected unless an opportunity has been given to the applicant of being heard and the grounds of such rejection are mentioned in such order.

Provided that the applicant shall not claim, as a matter of right, that his offence be compounded:

Provided further that no compounding shall be allowed by the compounding authority where there are apparent contradictions, inconsistencies or incompleteness in the case of the applicant.

(5) A copy of order passed under sub- rule (4) shall be sent to the applicant by registered post or speed post or by e-mail at the address given in the application and also be placed on the website of the Bureau.

(6) Where the prosecution has already been instituted, the compounding authority may bring the composition, including the compounding amount, to the notice of the court by filing appropriate application, and shall be bound by the decision of the court on such application.

(7) The applicant shall within a period of thirty days from the date of receipt of order under sub-rule (4) allowing the compounding of offences, or order of the court under sub-rule (6), pay to the Bureau the compounding amount as ordered to be paid by the compounding authority or the court, as the case may be, and shall furnish the proof of such payment to the compounding authority:

Provided that the compounding amount once paid shall not be refunded except in cases where the court rejects grant of immunity from prosecution for the same offence.

(8) The amount so compounded under this rule shall be as provided in the following table:

Sl. No.	Offence specified under the Act	Compounding amount
(1)	(2)	(3)
1	Sub-section (1) of section 29	fifty percent of the maximum and subject to minimum of twenty-five percent of the applicable fine.
2	Sub-section (2) of section 29	fifty percent of the maximum and subject to a minimum of one lakh rupees of the applicable fine.
3	Sub-section (3) of section 29	fifty percent of the maximum and subject to a minimum of two lakh rupees of the applicable fine.

(9) If the person has committed offences falling under more than one of the categories specified in the table in sub-rule (8), the amount so compounded, in such cases shall be the amount as determined for the offence for which a higher compounding amount has been prescribed.

51. Powers and duties of compounding authority. – (1) The compounding authority, if he is satisfied that any person who has made the application for compounding of offence under sub-rule (2) of rule 50 has cooperated in the proceedings before him and has made full and true disclosure of the facts relating to the goods, articles, process, system or service, grant such person immunity from prosecution under the Act, if the prosecution has not been instituted with respect to the case so compounded, subject to such conditions as the compounding authority may find fit to impose.

(2) The compounding authority shall endeavour to decide every application for compounding within sixty days of its filing.

(3) The compounding authority shall file before the Director General, a monthly report indicating the details of applications received by him and actions taken thereon.

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ANIL BAHUGUNA, Jt. Secy.