

ESSENTIAL COMMODITIES ACT, 1955

1. INTRODUCTION

There are many commodities essential to our day-to-day life for the purpose of meeting the basic needs related to food, clothing, housing, health, education, transportation etc. Due to greedy tendency of some traders to make more profit, the scope and is a possibility of hoarding, black marketing and other unfair trade practices had gone up with these essential commodities. To make these commodities easily available with fair price and quality to the common man, The Government of India enacted an Act in 1955 called '**Essential Commodities Act, 1955**' in the interest of general public for control of production, supply, distribution, trade and commerce of certain commodities. The Act came in force from 1st April 1955. It is a socio-economic legislation, which safeguards the interest of common man. The Act and various Orders issued under this Act provide necessary powers to the Government to deal with certain emergent situations arising from time to time concerning to Essential Commodities. The Orders related to food and food processing ensures various aspects of food safety and quality. In order to meet the changing needs of the society, the Control Orders have been amended from time to time by notifying in official Gazettes. The major amendments were made in 1981 with some special provisions in various Sections of the Act.

1.1. The Aim of the Act

The aim of this Act is to

1. To check black marketing
2. To prevent and punish the offenders of law
3. To check the inflationary trends in prices and commodities and
4. To ensure equitable distribution of essential commodities.

1.2. The Objectives of the Act

The objectives of the act are to provide for the control of

- i. Production
- ii. Supply
- iii. Distribution of trade commerce in certain commodities, in the interest of general public.

1.3. Various Control Orders passed under The Essential Commodities Act 1955

There are various Control Orders passed under the Essential Commodities Act 1955 related to commodities like cement, coal, cotton, steel, petroleum, drugs, fodder and food stuffs etc. Many of the orders have been passed from time to time to with a view to deal with the emergent situation. Few of the orders like Cold Storage Control Order, 1980 and Gur Control Order 1997 restricting the trader to store not more than 250 quintal of Gur at any point of time

have been repealed subsequently. The important Control Orders related to food and food processing are listed below.

1. Fruit Products Order, 1955
2. Sugar Control Order, 1966
3. Food Grains (Prohibition of Use for Manufacture of Starch) Order, 1966 etc.
4. Solvent Extracted Oil, De-Oiled Meal and Edible Flour Control Order, 1967
5. Gur (Regulation of Use) Order, 1968
6. Sugar Packing and Marking Order, 1970
7. Meat Food Products Order, 1973
8. Levy Sugar Supply Control Order, 1979
9. Milk and Milk Products Order, 1992
10. Edible Oils Packing (Regulation) Order, 1998
11. Vegetable Oil Products (Regulation) Order, 1998

Some of the above Control Orders are likely to be repealed as and when the Food Safety and Standard Authority (FSSAI) under Food Safety and Standards Act, 2006 will be in operation or these will be regulated under one single umbrella of FSSAI instead of multiple authorities regulating them at present. Hence we shall discuss brief detail about Fruit Products Order and some other Orders, as basic requirements of all the Orders are more or less same or similar.

Some common features of all the orders:

- i) Require License/Registration
- ii) Require maintenance of hygienic conditions in the processing premises
- iii) Laid down minimum quality standards.
- iv) Prescribe various forms to be maintained/submitted
- v) Empower government authority to prohibit production and sale, seize and confiscate the commodity for contravention, cancellation of License and Prosecution
- vi) Labeling should meet the requirement rules framed under Prevention of Food and Adulteration Act and Weight & Measure Act 1976.

2. FRUIT PRODUCTS ORDER (FPO)

This order was promulgated under Section 3 of Essential Commodities Act 1955. It is enforced and implemented by the Directorate of Fruits & Vegetables Preservation, Ministry of Food Processing Industries, Govt. of India. It deals with the products manufactured from perishable commodities like fruits and vegetables. To manufacture and sale any fruit or vegetable product including some non fruit products like sweetened carbonated beverage, a license under this Order is required. It basically stipulates sanitary & hygienic conditions of the manufacturing premises, machinery and equipments, workers' hygiene, quality control facility and minimum product standards.

2.1 Products Covered Under FPO

Pickles, Preserves, Candy, Chutney, Syrup and Sharbat, Vinegar, Jam, Jelly Marmalades, Squash, Crush, Cordials, Dehydrated fruits and vegetables, Frozen fruits and vegetables, Canned fruits and vegetables, Tomato Products, Fruits Cereals and flakes, Sweetened Aerated Water and all unspecified fruit and vegetable products which are considered microbiologically safe and contains only permitted additives within permissible limit.

2.2 Licensing Requirement

The factory for grant of FPO license is required to be set-up as per hygienic and sanitary requirements laid down in the second schedule of this Order. Some of the requirements are given below:

a) Minimum area for production and storage

Depending upon the installed capacity per day and annual production, the factories are divided in to five categories. Processing area, annual production limit and fees for each category are given in the table A below:

TABLE: -A

S. No.	Category	Installed capacity Per day (Kg)	Annual Production Limit (MT)	Minimum Production Area (Sq mt)	License fees and annual renewal fees (Rs)
1.	Home Scale 'B'	-	10	25	100
2.	Cottage Scale-	-	50	60	250
3.	Small Scale 'A'	1000	100	100	400
4.	Small Scale 'B'	2000	250	150	600
5.	Large Scale	Above 2000	More than 250	300	1500

Note: - Adequate area for storage of raw materials and finished goods is to be provided.

b) Sanitary and hygienic conditions: -

- Premises to be located in a sanitary place.
- Construction of building to permit hygienic operations.
- Adequate lighting & ventilation facility.
- Doors, windows & other openings to be suitably fly-proofed.
- Floor & walls to be properly cemented/tiled/painted.
- Adequate drainage, effluents & waste disposal facility to be provided.
- Machinery & equipments should permit easy cleaning.
- No vessels used in processing should cause metallic contamination.
- Adequate provision of latrines, urinals, washbasins etc for workers.
- Workers to be provided with clean aprons, head wears etc.
- Workers should be free from contagious diseases.

c) Water

There should be adequate provision of potable water as per Bureau of Indian Standards (BIS) for cleaning of fruits/vegetables and direct use in the product.

d) Machinery and equipments

Minimum machinery and equipments for processing of fruits and vegetables with respect to each unit operation like washing, cutting/ peeling, juice extraction/ pulping, mixing, heating, filling, sealing etc shall be provided. No iron or galvanized iron vessels are allowed in food processing.

e) Quality control facility

The factory should have minimum quality control facility and for large and small-scale unit, there should be provisions for quality control laboratory with qualified chemist / food technologist.

2.3 Documentations required

For grant of FPO license an application in Form “A” is to be submitted along with other documents like plan of the factory, list of machinery & equipments, proof of possession, water analysis report, NOC from local authority and partnership deed/ memorandum of understanding and article of association, wherever applicable. license is issued after the factory is found conforming to the requirements. After a license is granted the factory is inspected from time to time to ensure adherence to the standards laid down with respect to factory hygienic conditions and product specifications. A factory is required to maintain records as per Forms prescribed in the first schedule of the order and also to submit annual production return in prescribed Form “C”.

2.4 Product specifications

There are specifications for each product covered under this order. Some of the quality parameters are given below:

- i. Minimum percentage of fruit/juice/pulp content and drained weight for canned products.
- ii. Minimum percentage of Total Soluble Solids (TSS) and acidity.
- iii. Maximum percentage of moisture content for dehydrated products.
- iv. Microbial standards for certain products.
- v. Limit for artificial coloring matter (maximum 200 mg per kg)
- vi. Maximum limits for artificial sweeteners like saccharine, aspartame etc.
- vii. Maximum limit for chemical preservatives (Only salts of Sulphur dioxide and Benzoic acid are permitted).
- viii. Maximum limit for toxic metals like arsenic, lead, zinc, copper etc.

2.5 Specification of packaging materials

Fruit products should be packed in suitable containers such as glass / pet bottles, sanitary top cans, aseptic and flexible packaging materials conforming to food grade as per Bureau of Indian Standards (BIS).

2.6 Labeling requirements

Container of a product is to be labeled with necessary declarations as per Prevention of Food Adulteration Act (PFA), 1954 & Rules 1955 and Package Commodities Act and Weights & Measures Rules, 1977.

The following declarations have to be made for any fruit product: -

- FPO monogram with License number.
- Name and type of the product.
- Net content/weight.
- Name of ingredients in descending order of proportion.
- Code/ Batch number best before.
- Maximum retail price.
- Full name and address of the manufacturer.
- Declaration of chemical preservatives, artificial coloring matter & artificial sweetener and other additives conspicuously.
- For export product the declaration of “Made in India” or “Product of India” should be specified.

3. MEAT FOOD PRODUCTS ORDER (MFPO)

The meat product order was promulgated under section 3 of Essential Commodities Act 1955 in the year 1973. The Directorate of Marketing & Inspection (DMI), Ministry of Agriculture, government of India was initially implementing this order and later on it was transferred to Ministry of Food Processing Industries with effect from 19.3.2004. Recently government of India has introduced compulsory quality Control & inspection on fish products & frozen meat/ meat products by amending the Order in the year 2005.

3.1. Products covered under MFPO

All value added products from meat are covered under MFPO. It includes article of meat food intended or capable of being used as food which is prepared from meat by means of appropriate processing and preservation methods like freezing, dehydration, canning, smoking, curing etc.

3.2 Guidelines for Licensing

The Processing of meat products require a license under this Order. Hygienic and sanitary requirements of the factory as well as supply of raw meat have been specified in the second

schedule of this order. Most of the hygienic requirements are similar to that of Fruit Products Order discussed earlier. However some of the special requirements are given below: -

- a) Apart from ensuring strict quality control at all stages of production a special emphasis is given on source of supply of raw meat. If it is not slaughtered in the factory it shall be obtained only from slaughterhouses in which anti mortem and post mortem inspections are carried out with the rules prescribed in that connection and so certified by the local authority. Such meat shall be transported from the slaughter house to the factory under hygienic conditions by taking adequate precautions to ensure that no contamination or deterioration takes place during the period between its procurement and the time of commencement of its processing in the factory. The third schedule of the order specifies the strict hygienic requirements of the slaughterhouse if it is attached to the factory.
- b) Depending upon the source of raw meat, the manufacturers are issued licenses in three categories with fees mentioned in the table B.

TABLE-B

S. No	Category	Type of manufacturer	License fee (per annum) Rs.
1	A	Who makes meat food products exclusively from meat of animals slaughtered & dressed in his factory	
		i) If the quantity of meat food products manufactured is more than 150 MT per annum	5000
		ii) If the quantity of meat food products manufactured is less than 150 MT per annum	2500
2	B	Manufacturer who makes meat food products exclusive from meat of animals slaughtered and dressed in recognized slaughtered house including a slaughterhouse maintained by A category of licensee.	
		i) If the quantity of meat food products manufactured is more than 150 MT per annum.	2500
		ii) If the quantity of meat food products manufactured is less than 150 MT per annum	1000
3	C	Manufacturer who makes meat food products exclusively from poultry and / or pig meat at places where authorized slaughterhouses do not exist. Fish products are also covered under this category	1000

- c) A manufacturer is required to maintain records and submit return in the Forms as prescribed in the first schedule of the order. For a purpose of obtaining MFPO the license, the necessary formatting with other documents have to be submitted. The following information are required to be furnished in the application: -
 - 1) The source of raw meat should be clearly mentioned indicating name and address of the slaughterhouse.
 - 2) List of equipments used for slaughtering, storing, de-boning, mincing, processing of meat etc.
 - 3) NOC or license from a local authority
 - 4) List of products and specimen labels for each product to be manufactured.

- 5) Authority letter with name and address of two persons nominated by the manufacturers for assisting the authority during inspection, collection of samples etc.
- 6) List of workers with their medical fitness certificate
- 7) An undertaking for category A licensee stipulating the time required to take up HACCP certification.
- 8) An Undertaking from C category licensees regarding how much time is needed to upgrade in to the B category.

3.3 Labeling requirements

Labeling requirements are stipulated in the 4th Schedule of the Order, these are more or less same/similar as that described in Fruit Products Order, except some special declarations, which are as follows: -

- 1) In addition to License number, Category of license to be written
- 2) If the product contains mono sodium glutamate (MSG), declaration as “the product is unfit for infant below 12 months” is to be made.
- 3) Every trade name shall be intimated and recorded with the licensing officer.
- 4) Specimen of each item of the label is to be got approved by the licensing authority.

4. MILK AND MILK PRODUCTS ORDER, 1992

The Milk and Milk Products Order was promulgated under Section 3 of Essential Commodities Act 1955 in the year 1992 after the de-licensing of Dairy sector in 1991. The main objective of the Order is to maintain and increase the supply of liquid milk and its products of desired quality by regulating production, processing and distribution.

4.1. Commodities covered under the order

- i) Liquid milk of cow, buffalo, sheep, goat either raw or processed in any manner and includes pasteurized, sterilized, recombined, flavoured, skimmed, toned, double- toned, standardized or full cream milk.
- (ii) The milk products include Dahi, Paneer, ghee, butter, cream, yogurt, whole and skimmed milk powder, cheese, condensed milk, khoya, casein, infant milk and any other products made from milk containing more than 50% of milk solid.

4.2. General sanitary and hygienic conditions for dairy establishments

The milk is a highly perishable commodity. Its procurement, processing, transportation & distribution require maintenance of strict hygienic conditions at each operation. Some of the hygienic requirements of dairy establishments are listed below: -

- i) There should be sufficient working area having layout should be available so that it permits hygienic production.

- ii) Floor should be solid and waterproof, which allows easy cleaning and disinfections.
- iii) Walls and ceilings should be impermeable which allow easy cleaning.
- iv) Adequate ventilation and lighting facilities should be there.
- v) Appropriate arrangements for protection against pests should be made available.
- vi) The Instruments and equipments intended to come into direct contact of dairy products should be made of corrosion resistant materials.
- vii) Special water tight, non-corrodible containers should be used for keeping the product.
- viii) Appropriate facilities should be provided for cleaning and disinfecting of equipments and instruments specially cleaning in place (CIP) system.
- ix) An adequate wastewater disposal system, which is hygienic and approved by Pollution Control Board should be available.

4.3. Requirements for registration

Any Plant handling more than 10,000 liters of liquid milk per day or 500 MT of milk solids per annum is required to be registered with the appropriate registering authority as given below, with requisite fee of Rs 5000.

- a) **State Registering Authority**- For units with handling capacity up to 2 lakh liters of milk per day or 10000 MT of milk solids per annum.
- b) **Central Registering Authority**- For units with handling capacity of more than 2 lakh liters of milk per day or 10000 MT of milk solids per annum.

4.4. Amendments made in MMPO

The MMP Order was amended in March 2002 so as to make it more liberal. The salient features of the amendments are: -

- 1) The Order covers sanitary, hygiene, quality and food safety.
- 2) Provision for assigning milk-shed has been done with
- 3) Provision for inspection of dairy plant has been made flexible.
- 4) Provision to grant registration has been reduced to 45 days from 90 days