

THE BUREAU OF INDIAN STANDARDS RULES, 1987

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[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;

*(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 subsection (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;

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

(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) five Members of Parliament of whom three shall be from the House of the People and two from the Council of States;
- (f) ten 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) ten 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 capable of representing consumer interests;
- (i) two persons, who, in the opinion of the Central Government, are capable of representing farmers' interests, to be nominated from amongst farmers or farmers associations;
- (j) twenty four persons representing the industry and trade and their associations, public sector enterprises and small scale sectors to be chosen as follows:-
- i. Presidents of eight industry associations or federations of all-India level including at least two associations or federations of small scale industries;
 - ii. Chief Executives of eight Central or State Public Enterprises related to subjects of importance to the Bureau;
 - iii. Chairman or Managing Directors of six industrial organizations other than the Public Sector;
 - iv. Chairman or Proprietors of two small scale industrial units operating the Bureau of Indian Standards Certification Scheme;
- (k) five persons representing the scientific and research institutions related to subjects of importance to the Bureau;
- (l) five persons representing the technical, educational and professional organizations to be chosen from amongst representatives of professional bodies, educational and technical institutions 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 two meetings of the Bureau shall be held every year. The President may at his discretion convene more than two meetings 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) Ten 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 sixteen 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 Joint Secretary having administrative control of the Bureau of Indian Standards;

ii) 2 persons representing Ministries or Department of Central Government;

iii) 2 persons representing recognised consumer organization;

- iv) 2 persons representing industry, trade and their associations;
- v) 2 persons representing public sector enterprises;
- vi) 1 person representing small scale sector;
- vii) 2 persons representing scientific and research institutions;
- viii) 1 person representing technical, educational or professional organizations; and
- ix) 2 members from the Bureau of Indian Standards.

(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 membership of a member of the Executive Committee shall be terminated when he ceases to be a member of the Bureau. In case of such termination of membership, the Bureau shall take steps to **fill the vacancy within a period of @three months from the date of its occurrence by making an appointment from amongst the members of the Bureau and the member so appointed shall hold office for the remainder of the term of office of the member in whose place he is appointed.

(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 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(s) 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 of 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 in 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.

***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;
- 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 appellants 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 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.
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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 226(E) dated 7 March 2000
