



New Marking Requirements for Handlooms: Key Features and Implications for Stakeholders

I. BACKGROUND

On March 11, 2026, the Ministry of Textiles notified the World Trade Organization (**WTO**)’s Committee on Technical Barriers to Trade of the Handloom Mark Standards (Labelling and Display) Regulations, 2025 (the “**Regulations**”). When enforced, these Regulations will impose a mandatory requirement to use the “Handloom Mark Label” for any product described or sold as a “handloom”.

The Regulations are intended to provide a uniform, legally enforceable framework for use of the Handloom Mark on handloom products in India. They seek to improve consumers’ ability to identify authentic handloom products, while also promoting the handloom industry’s economic realization and employment generation. The Regulations intend to achieve these objectives by essentially requiring mandatory registration for all weavers/manufacturers under the pre-existing (and erstwhile voluntary) Handloom Mark Scheme notified by the Government of India in 2006.

Once notified in the Official Gazette, the Regulations will have binding effect across India and will, in practice, determine the conditions under which products can be marketed as handloom products in domestic and export markets.

II. COVERAGE & REQUIREMENTS

A. Covered Products and Entities:

The Regulations apply to all fabrics and products which are marketed as “handloom”, defined as follows:

- **Handloom fabric:** Textile material produced on manually operated looms (including pit looms, frame looms or similar machines) where the weaver manually controls the entire weaving process.
- **Handloom product:** Any textile product manufactured on handlooms as defined under applicable provisions and guidelines of the Ministry of Textiles/Textiles Committee.

The Regulations would apply throughout India and would extend across the handloom ecosystem, covering:

- Individual handloom weavers and master weavers;
- Primary Handloom Weavers’ Co-operative Societies, Apex Societies and State Handloom Corporations;
- Manufacturer-exporters and other commercial entities dealing in handloom products; and
- Organizations and individuals seeking to use the Handloom Mark for commercial or promotional purposes.

B. Mandatory Handloom Mark Labelling Requirements

The Regulations aim to create a regime of mandatory labelling of handloom fabrics and products, similar to the pre-existing Quality Control Order regime administered by the Bureau of Indian Standards and various Ministries. The Regulations require that every product marketed, sold, exhibited or promoted as “Handloom” must bear a valid Handloom Mark Label, and the display or sale of any product as “Handloom” without such labelling shall be deemed as “misleading”.



Example Image for Handloom Mark Label

These Handloom Mark Labels must be affixed by stitching, tag-pin or other approved means in line with Textiles Committee’s guidelines and cannot be reused, duplicated, transferred or tampered with.

Notably, the Regulations require every producer (including individual weavers and producing societies) to be registered under the pre-existing Handloom Mark Scheme before affixing labels on products. After registration, the Regulations require registered users to:

- Ensure that only genuine handloom products carry the Handloom Mark;
- Maintain records of raw material procurement, production, sales and label usage and submit periodic reports / self-certifications on authenticity;
- Facilitate inspections, audits and on-site verifications by authorised officers; and
- Refrain from permitting third-party use of the Handloom Mark without express authorization.

Critically, traders or sellers not themselves registered under the Scheme must still ensure that every handloom product they market, sell or distribute bears the Handloom Mark Label and is traceable to its origin through documentation linking the product to the relevant weaver or loom.

C. Registration Requirements

The registration procedure, provided in Schedule II of the Regulations, involves the following broad steps:

- Submission of application and fee to the concerned Regional Office of the Textiles Committee (**ROTC**) for registration;
- Scrutiny of documents by the ROTC and notification of defects (if any) to the applicant. Defects must be rectified within the time limit of one month (unless extended by the ROTC), failing which the application “may” be abandoned by the ROTC;
- On-site verification of the applicant. While the Regulations state that the requirements of the verification are “variable according to category of the applicant”, they provide an indicative list of the factors that may be verified:
 - Physical presence of handloom(s);
 - Ongoing production activities;
 - Random checking of purchase orders for hand-woven fabrics;
 - Production centres;
 - Production, sales and distribution records; and

- Supply chains.
- Estimation and finalization of the applicant's "production capacity" by the ROTC. This finalization will be done in consultation with the applicant's personnel and based on the applicant's installed handlooms, work practices and professional judgment.
 - This finalized production capacity will be cross-checked against production records.
- Scrutiny of post-verification report by the ROTC.

Upon a successful on-site verification and scrutiny, the concerned ROTC shall issue a registration/confirmation letter and execute an agreement with the authorised user setting out conditions of use for the Handloom Mark Label. Labels will be supplied by the ROTC on the payment of the prescribed fees, with entitlements linked to past label consumption and verified production capacity. Notably, non-purchase of labels for more than five consecutive years shall empower the ROTC to conduct a re-verification of the user.

Lastly, while Schedule II of the Regulations is titled "Procedure for Registration and Renewal", the Regulations currently do not prescribe any renewal process for authorizations.

III. ENFORCEMENT & PENALTIES

The Regulations embed strong safeguards against misuse and create a clear enforcement pathway:

- **Prohibition of misuse:** It is expressly prohibited to use or affix the Handloom Mark Label without registration, to market products as "handloom" without due certification and labelling, to counterfeit, alter or reuse labels, or to use marks deceptively similar to the Handloom Mark or otherwise mislead consumers.
- **Inspection, search and seizure:** Authorised officers of the Textiles Committee/Development Commissioner for Handlooms-DC(HL), may inspect premises, verify accounts, examine handlooms and products, and seize labels, records or goods in cases of suspected violation, subject to due process (notice and hearing) before penal action.
- **Statutory penalties:** The Regulations state that violations may attract liability under the following provisions:
 - Section 17 of the Textiles Committee Act, 1963 (TCA), which prohibits sale and exports of textiles where such textiles are subject to mandatory standards/requirements and envisions punishments ranging from imprisonment up to one year and/or fines, as well as possible confiscation of machinery by the Central Government;
 - Sections 103-104 of the Trademarks Act, 1999, which prohibit applying false trademarks, descriptions etc. as well as selling products with such marks and descriptions, and envision punishments of imprisonment up to three years and/or fines; and
 - Any other applicable provisions under the aforementioned laws.
- **Additional penalties:** The Regulations also state that obstruction of inspections or failure to maintain records can draw further consequences under the TCA as well as the Bharatiya Nyaya Sanhita, 2023. Further, organised or repeated violations may lead to cancellation of registration, forfeiture of goods and prosecution.

IV. NEXT STEPS FOR STAKEHOLDERS

The Regulations essentially create a mandatory labelling and registration regime for all handloom products to be sold in India. As per India's notification to the WTO, the Regulations are currently in a draft stage, with April 1, 2026 as their proposed date of adoption and October 1, 2026 as their proposed date of entry into force.

As a result, for weavers, cooperatives, exporters and traders, the practical implications are significant and will require both legal and operational adjustments:

- De facto mandatory certification for any product held out as “handloom”, given that unlabelled claims will carry heightened enforcement risk once the Regulations are notified and brought into force.
- Greater documentation and traceability expectations across the supply chain, including loom-level production records, supplier/loom mapping, and label-issue and label-usage logs.
- Closer linkage with government schemes and export programmes, as Handloom Mark compliance may increasingly be used by buyers and authorities as a benchmark for eligibility and assurance of genuineness.

In light of this, stakeholders may wish to take the following near-term steps:

- **Foreign exporters:** The Government of India has notified the WTO of its intention to adopt the Regulations from April 1, 2026. Comments can be provided on the Regulations by foreign exporters of handloom fabrics and products via their respective governments by March 31, 2026. These comments may be provided to Shri Kartikay Dhanda, Secretary, Textiles Committee at emailsecy.tc@nic.in.
- **Weavers and primary producers:** Map all products currently marketed as “handloom”, initiate (or confirm) registration, and put in place basic documentation systems (weaving registers, yarn and raw-material records, and label-usage logs) aligned with the Regulations.
- **Co-operatives, apex bodies and State handloom corporations:** Conduct an internal compliance audit of procurement and sales flows, designate a nodal compliance officer, and ensure that member-societies and cluster weavers understand Handloom Mark eligibility, documentation requirements and the consequences of misuse.
- **Manufacturer-exporters and brand owners:** Integrate Handloom Mark controls into procurement and quality systems, including contractual clauses with suppliers requiring valid labels and traceability, incoming-goods checks for Handloom Mark Labels, and alignment of export documentation with label and production records.
- **Retailers and e-commerce platforms:** Review product descriptions and vendor agreements for “handloom” SKUs, build checks for Handloom Mark Labels at the point of procurement, and update terms with vendors to allocate responsibility and indemnities for mislabelling or misuse of the Mark.
- **All stakeholders:** Monitor the final notification and any guidelines or FAQs issued by DC(HL) / the Textiles Committee and consider engaging through industry associations to raise transitional issues (for example, treatment of existing stock and reasonable lead times for full compliance).

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com or write to our authors:

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