

Proposed Decriminalization of Labelling Related Offences under Legal Metrology

This update relates to the proposed amendment to Legal Metrology Act, 2009 ('LM Act') tabled before Lok Sabha on August 18, 2025. The said amendment intends to decriminalize various offences under LM Act including penal provision relating to non-compliance of mandatory declarations of pre-packaged commodities.

Background

The Government had notified the Jan Vishwas (Amendment of Provisions) Act, 2023 which decriminalized several offences under LM Act. However, Section 36 of the LM Act relating to penalty for non-standard packages remained unaltered. Consequently, any non-compliance under Legal Metrology (Packaged Commodities) Rules, 2011 ('LMPC Rules') was susceptible to both fine and imprisonment of up to one year. Such liability vests on the directors of the Company unless any other officer is nominated.

Proposed amendment

The Government has now tabled Jan Vishwas (Amendment of Provisions) Bill, 2025 which focuses on following changes from a penal perspective:

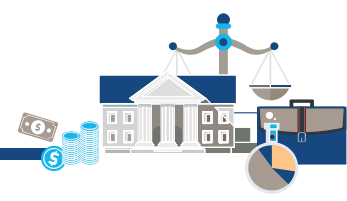
- i. **Improvement notice:** This will be for first-time contraventions as an advisory or warning
- ii. **Recalibration of amount of fine:** This will make the penal amount proportionate with penalties gradually increasing for repeated offences

Once in-acted, a non-compliance under Section 36 of the LM Act will be penalized as under:

First offence	Improvement notice
Second offence	A fine up to INR 25,000
Subsequent offence	Double the amount paid for previous offence subject to maximum fine of INR 5,00,000

The Bill has currently been referred to a Select Committee for review.

Dhruva Comments: The proposed amendment offers significant relief to businesses by eliminating the threat of criminal prosecution under LMPC Rules. With violations proposed to be treated as civil offences, resolution will shift to administrative or civil mechanisms, thereby streamlining compliance and reducing legal exposure for the stakeholders.



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