Indian Economy · GS - III

Examine the regulatory challenges involved in fixing product-quality liability in India's e-commerce ecosystem.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 28/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Consumer protection, BIS certification, e-commerce intermediaries, product liability, due diligence, regulatory accountability

Model Answer

The expansion of e-commerce has created complex supply chains involving manufacturers, sellers, marketplace platforms and consumers. Determining responsibility for non-compliant products has therefore become an important regulatory challenge.

Major issues:

1. **Multiple stakeholders:** Products may be manufactured by one entity, sold by another and listed through an online marketplace, complicating the identification of liability.
2. **Quality compliance:** Products covered by mandatory BIS certification requirements must satisfy applicable Indian Standards.
3. **Consumer safety:** Sale of non-compliant toys, electrical equipment and other regulated products can expose consumers to safety risks.
4. **Platform accountability:** The distinction between marketplace intermediaries and inventory-based sellers raises questions about the extent of platform responsibility.

5. **Enforcement difficulties:** Large numbers of sellers, cross-border supply chains and changing online listings make regulatory monitoring challenging.

Regulatory approach:

India's Consumer Protection (E-Commerce) Rules, 2020 require e-commerce entities to fulfil specified obligations. The BIS framework and applicable Quality Control Orders regulate product conformity. Clear disclosure of seller identities, verification mechanisms, grievance redressal and cooperation with enforcement authorities can strengthen compliance.

Conclusion: India's regulatory framework must distinguish the responsibilities of manufacturers, sellers and marketplace platforms while ensuring that intermediary status does not become a route for evading consumer-protection obligations.

BECOME IAS
AI POWERED UPSC PREP