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PRODUCT LIABILITY UNDER CONSUMER LAW IN INDIA

~Shreya S

ABSTRACT

Product liability is an important aspect of consumer protection that imposes responsibilities on producers and retailers regarding any harm caused due to the defective nature of their products. The Consumer Protection Act, 2019 has established a comprehensive regime of product liability in India through the definition of liability, identification of liable parties, and remedies for consumers facing losses due to defective goods. Liability could be established for the following reasons: manufacture defects, design defects, breach of warranty, and lack of warning and instructions. Product liability operates on the basis of certain principles of negligence, strict liability, and consumer welfare. Consumers can claim damages on the basis of defective products.

INTRODUCTION

In today's fast-moving marketplace, most of us buy products without ever seeing how they are made. We purchase packaged food, medicines, vehicles, cosmetics, electrical appliances, and countless other goods with the belief that they are safe for use. This trust is essential for a functioning economy. However, when a product turns out to be defective and causes injury, illness, or property damage, the law steps in to protect the consumer. The legal mechanism that provides such protection is known as product liability.

In India, product liability is clearly recognized under Chapter VI of the Consumer Protection Act, 2019. This legislation brought a major shift in consumer law. Unlike the earlier 1986 law, the 2019 Act specifically defines product liability, identifies who can be held responsible, sets

out the grounds on which liability arises, and also lists available defences. This structured framework has significantly strengthened consumer rights in India.

MEANING AND SCOPE OF PRODUCT LIABILITY

Product liability refers to the legal responsibility of a manufacturer or seller to compensate a consumer for harm caused by a defective product. The Act defines it as the obligation of a product manufacturer or seller to provide compensation when a defective product results in harm. A product liability action is therefore a claim made by a consumer seeking such compensation.

The word “harm” under the Act has a wide meaning. It includes personal injury, illness, death, damage to property, and even mental agony or emotional suffering. This broad definition ensures that compensation is not limited only to physical injuries. For instance, if a defective electric appliance causes a fire in a house, the owner may claim for property damage as well as mental distress suffered due to the incident.

LEGAL PRINCIPLES BEHIND PRODUCT LIABILITY

Although product liability is now codified in statute, its roots lie in established legal principles such as negligence, strict liability, and breach of warranty.

Negligence refers to the failure to take reasonable care. Manufacturers are expected to ensure that their products are properly designed, safely manufactured, and accompanied by adequate instructions and warnings. If they fail to take reasonable precautions and a consumer suffers harm as a result, liability may arise.

The modern concept of negligence in product cases developed from the famous English decision in *Donoghue v Stevenson*. In that case, a woman became ill after drinking ginger beer that allegedly contained a decomposed snail. The court held that a manufacturer owes a duty of care to the ultimate consumer, even in the absence of a direct contract. This principle transformed consumer protection law worldwide.

Another important concept is strict liability. Under this principle, a consumer does not always have to prove that the manufacturer was careless. If a product is defective and causes harm during normal and intended use, the manufacturer may still be held responsible. This idea is

influenced by the English case of *Rylands v Fletcher*, where liability was imposed without proof of negligence when a dangerous substance escaped and caused damage.

Breach of warranty is another foundation. When a seller or manufacturer makes a promise about a product's quality or safety either expressly through advertisements or impliedly by law and the product fails to meet that promise, liability may arise. For example, if a water purifier is marketed as removing harmful bacteria but fails to do so and causes illness, it may amount to a breach of warranty.

LIABILITY UNDER THE CONSUMER PROTECTION ACT, 2019

The Act clearly specifies when a manufacturer can be held liable. A product manufacturer is responsible if the product contains a manufacturing defect, suffers from a design defect, deviates from manufacturing specifications, does not conform to an express warranty, or lacks proper instructions and warnings. Even if the product is sold through distributors or retailers, the manufacturer cannot avoid responsibility.

Product sellers, including retailers and in certain situations e-commerce platforms, can also be held liable. A seller may be responsible if they exercised substantial control over the design or manufacturing process, altered the product in a way that caused harm, failed to exercise reasonable care in handling or maintaining the product, or gave independent warranties about it. This ensures that responsibility is not shifted unfairly onto consumers.

At the same time, the Act provides certain defences. A seller may not be liable if the product was misused after sale, if the consumer ignored clear warnings, or if the harm resulted from intoxication. These defences are narrowly applied so that genuine victims are not denied relief.

PROCEDURE AND PRACTICAL WORKING

When a defective product causes harm, the consumer can approach the appropriate Consumer Disputes Redressal Commission District, State, or National depending on the value of the claim. The complainant must show that the product was defective, that the defect existed at the time of sale, and that the defect directly caused the harm suffered.

Evidence plays a crucial role. Medical records, expert opinions, product manuals, warranty documents, bills, and laboratory reports may all be used to establish liability. If the Commission

finds that the claim is valid, it may order compensation, replacement of the product, refund of the purchase price, or even punitive damages in appropriate cases. The purpose is not only to compensate the victim but also to discourage careless manufacturing practices.

JUDICIAL APPROACH IN INDIA

Indian courts have consistently supported consumer protection. In *Indian Medical Association v V.P. Shantha*, the Supreme Court expanded the scope of consumer law to include medical services, strengthening the idea that consumers must be protected against harm caused by both goods and services.

Similarly, in *Spring Meadows Hospital v Harjol Ahluwalia*, the Court awarded compensation for medical negligence resulting in serious injury. Although these cases deal with services, they reflect the broader judicial commitment to accountability and consumer welfare.

REAL-LIFE EXAMPLES

Product liability issues can arise in many everyday situations. If a car's braking system fails due to a design defect and causes an accident, the manufacturer may be held responsible. Globally, automobile companies such as Ford Motor Company have faced claims for defects affecting vehicle safety.

Similarly, if packaged food is contaminated and leads to food poisoning, or if a mobile phone battery explodes during normal use, the affected consumer may seek compensation. Cosmetic products causing severe allergic reactions due to undisclosed ingredients may also attract liability. These examples show that product liability law applies to a wide range of goods, including those sold through online platforms.

IMPORTANCE OF PRODUCT LIABILITY LAW

The product liability act is significant in today's world because consumers depend wholly on the competency and integrity of the manufacturer. Big companies have expertise, manufacturing capability, and money, whereas consumers do not have adequate skills to ensure that they purchase products that are safe.

If there were no strict rules on liabilities, companies would cut costs at the expense of lowering the standards of their products to earn more money.

Product liability law also acts as a deterrent to negligence and recklessness on the part of businesses. The manufacturers, wholesalers, retailers, and marketers exercise extra care while developing and marketing their products due to the fear of being held liable for any injuries or damages that occur due to defects in the product.

Consumer protection is yet another significant role played by product liability laws. Many consumers get physically injured, their property gets damaged, or their finances get ruined, while some even lose their lives due to defects in products. Product liability law provides a viable solution by helping victims get compensation for their losses.

Moreover, the concept of product liability encourages openness and accountability in the conduct of business affairs. It is always advisable for firms to be open about possible hazards, provide appropriate usage instructions, and remove faulty products from circulation once potential dangers are found.

The world market system today involves many products crossing various national borders prior to their distribution to consumers. Robust product liability regimes set up standards of liability that encourage producers across the globe to adopt stringent safety standards. Additionally, they help create healthy competition among firms.

The issue of product liability is especially significant for industries like pharmaceutical, automotive, medical equipment, food products, electronic products, and products for children because of the high stakes involved. The enforcement of liability laws in these industries is therefore essential to the wellbeing of the general public.

Finally, product liability is necessary to achieve fairness in the market place. It boosts the trust of consumers in the market, fosters fair and responsible business practices, and protects the consumer from any harm caused by defective products.

CONCLUSION

Product liability under the Consumer Protection Act, 2019 represents a comprehensive and modern approach to safeguarding consumer interests in India. By clearly defining liability, identifying responsible parties, and outlining available remedies and defences, the law creates a balanced framework that protects consumers while ensuring fairness to businesses.

In a world dominated by mass production and digital commerce, such legal protection is essential. Product liability ensures that when defective goods cause harm, justice is not merely

theoretical but practically accessible. It strengthens public trust in commerce and upholds the fundamental principle that those who place products in the market must stand behind their safety and quality.