

E-commerce drops health tag for beverage brands

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Context

The Indian government has issued a directive to [e-commerce](#) firms to reclassify certain drinks, including Bournvita, from the 'health drinks' category. This decision comes after the [National Commission for Protection of Child Rights \(NCPCR\)](#) concluded that the term 'health drink' is not defined under the Food Safety and Standards Act (FSSA) of 2006.

Details on news

- A landmark advisory has been issued by the Department of Commerce of India requiring all [e-commerce](#) platforms such as Amazon, Flipkart, and BigBasket to rebrand certain food products, including Bournvita, Horlicks, and Protinex.
- These beverages categories that were previously known as "health drinks" will no longer be marketed as such because there is no provision for 'health drink' under the Food and Safety Regulations laws of the country.

Background of the Directive

- The advisory, dated April 10, 2024, stems from an inquiry conducted by the [National Commission for Protection of Child Rights \(NCPCR\)](#).
- The statutory body concluded that the term 'health drink' is not defined under the

Food Safety and Standards Act (FSSA) of 2006, nor in the rules and regulations submitted by the Food Safety and Standards Authority of India (FSSAI) and Mondelez India Food.

Impact on E-commerce Platforms

- Marketplace channels such as Amazon and Flipkart, which are absent from the storage facilities, will need to direct their sellers on their channels to reserve the product category.
- This may also involve the change of technical solutions and take time to put in place.
- Sellers who are interested in modifying their products listing on these platforms will have to log into their accounts where they list their products and make their adjustments.
- For inventories-oriented large-scale enterprises such as BigBasket, it is they that bear the responsibility to implement that and thus, they should be very responsive; which is to be able to take measures to comply with the government's order.

Manufacture

- Manufacturers of these beverage brands are not expected to face significant repercussions from this directive.
- The products in question do not bear the label 'health product' on their packaging.
- However, if manufacturers possess advertisement inventories that depict these products as 'healthy' and 'nutritional,' they may be required to withdraw such advertisements

Current Status

- The industry update reports that currently, all online platforms still categorise these products as health and nutrition drinks.
- The advisory in fact started reviewing the identification of the products on e-commerce sites by principle of consistency with the definitions provided under the legislation of the nation on food safety standards.

Consumer Awareness and Protection

- The Directorate-General of [Foreign Trade](#) actions hints at the country-wide policy initiative that include protection of consumers and their ability to make well-informed choices.
- The government keeps its promise to consumers as accurate and no companies on the [e-commerce](#) platforms mislead consumers that it causes consumers rights to be observed.

Positive Aspects of the Decision

- **Consumer Empowerment:** Now, customers will be provided with clearer information for them to have no-pressure choices on the products they purchase.
- **Regulatory Compliance:** Online businesses under the e-commerce umbrella seem to be

inclined towards regulations to secure the trust of consumers, which is cardinal towards creating a healthy business environment.

- **Health Consciousness:** This revision helps consumers in taking the responsibility of their health and getting aware of the nutritional facts of the products instead of them just depending on the classification list.
- **Market Integrity:** The transition likely will compel innovations on the part of manufacturers which possibly may result in the development of new types of products which fulfil the changing needs of the health-oriented consumers.
- **Educational Opportunity:** There lurks within this an educational opportunity for the general public how they should understand food labels and to what extent the phrase 'health drink' should be taken seriously.

Conclusion

The reclassification of certain drinks on e-commerce websites is a praiseworthy action that shows dedication to consumer rights and well-being. This proactive step establishes a standard for ethical advertising and has the potential to promote healthier decisions and lifestyles. The joint effort between the government, regulatory agencies, and e-commerce platforms demonstrates a collective responsibility for a healthier society.

Source: [The Hindu](#), [The Indian Express](#)

UPSC Prelims Practice Question

Q. Which of the following is a recent development in e-commerce?

- a) Introduction of health tags for beverage brands
- b) Implementation of stricter regulations on online advertising
- c) Removal of health tags for beverage brands
- d) Expansion of delivery services for perishable goods

Ans- "c"