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Revitalising Cosmetic Standards & Compliance

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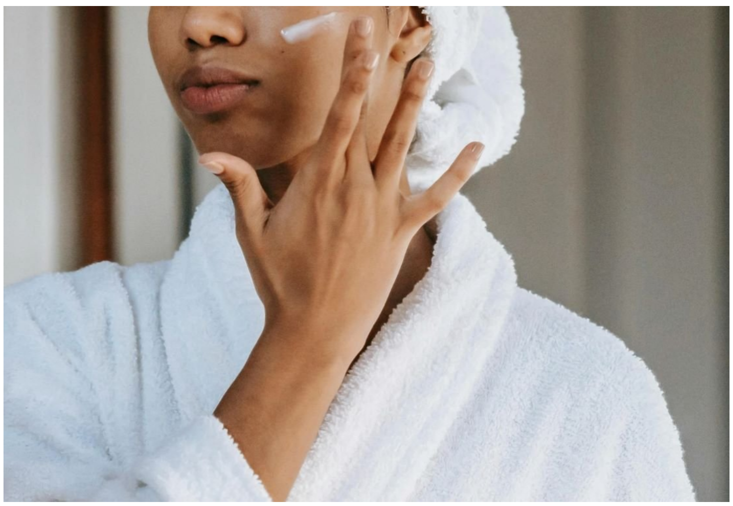
A huge craze among consumers for cosmeceuticals, by going into marketing and brand appeal, is setting a dangerous precedent. Above all, fake cosmetic products have flooded the Indian market, which are easily available online and across street markets. Keeping this in mind and to stop unscrupulous ads, the Ministry of Health and Family Welfare has officially published the Cosmetics (Amendment) Rules, 2025, which introduce a series of changes to the existing Cosmetics Rules, 2020. Experts weigh in on how this Act can be a game-changer in the cosmeceutical sector, provided strict norms are followed.



Stacks of cosmetics at medical and departmental stores remind us of the easy availability of the products. Not realising what best suits the skin, hair etc, without a proper doctor's prescription, consumers are on a buying frenzy, inclined to the marketing and brand appeal rather than thoroughly analysing product details such as ingredients or proper skin type alignment etc.

The cosmeceutical industry is an ever-growing sector backed by consumer awareness, disposable income, a preferential shift towards various products. According to the India Brand Equity Foundation, a trust established by the Department of Commerce, Ministry of Commerce and Industry, Government of India, the cosmeceuticals market generated an estimated revenue of $1.645 billion in 2024 and is projected to reach around $2.27 billion by 2030, growing at a CAGR of approximately 5.4 per cent from 2025 to 2030.

Players in the field are in a rat race to gain consumer preference. Backed by e-commerce and social media platforms, there is no backing out for this growing sector. From bigger pharma giants to smaller players, everyone wants to join the bandwagon. And these are easily available across e-commerce platforms.

With products also available on street markets, sometimes having no expiry dates mentioned or a fake one, without proper labelling, is a matter of worry that can lead to serious side effects.

Confiscation of fake cosmetics

News of fake cosmetics being confiscated is nothing new. The Gujarat Food and Drugs Control Administration (FDCA) seized fake cosmetics products in May 2025 worth Rs 71.5 lakh, which were manufactured without any government licence, from three premises in Surat, Gandhinagar and Junagadh districts of the state.

Later in a raid, the Directorate of Revenue Intelligence (DRI), Mumbai, seized counterfeit cosmetics worth Rs 6.5 crore in July 2025.

Prior to that in April 2025, the Maharashtra Food and Drugs Administration (FDA) raided a cosmetic products manufacturing firm and a marketing company in the Bhiwandi area of Thane district in Maharashtra, and seized merchandise worth Rs 3.47 lakh.

Incidents were also reported in Bhubaneshwar and in the states of Karnataka and Tamil Nadu. And the list goes on.

To counter these malpractices and bring in more awareness among the general public, the Ministry of Health and Family Welfare has officially published the Cosmetics (Amendment) Rules, 2025, which introduce a series of changes to the existing Cosmetics Rules, 2020.

What the Act says

The Cosmetics (Amendment) Rules, 2025, now provide a clear explanation for the expressions “use before” and “date of expiry”. “Use before” means use before the first day of the month mentioned on the label, while “date of expiry” means the cosmetic expires on the last day of the month.

A new rule, Rule 31A, has been inserted to formally outline the process for the cancellation or suspension of a licence. If a licensee fails to comply with any of the conditions, the State Licensing Authority may issue a show-cause notice and, after a hearing, can suspend or cancel the licence.

The changes require manufacturers of exported cosmetics to comply with destination country laws and clarify the definition of spurious cosmetics for confiscation purposes.

Dr HG Koshia, Commissioner, Food & Drugs Control Administration, Government of Gujarat, while welcoming the Cosmetics (Amendment) Rules, 2025, mentioned that tightened regulations generally aim to enhance consumer safety by ensuring cosmetics meet higher safety and quality standards. This could lead to reduced risks of adverse reactions and improved overall safety of cosmetic products available in the market.

He added, “Tightened regulations under the Cosmetics (Amendment) Rules, 2025, may require cosmetic manufacturers to enhance compliance with safety and quality standards. This could lead to increased operational costs due to stricter testing, documentation, and labeling requirements, but may also improve product safety and consumer trust.”

Advocating the need for The Cosmetics (Amendment) Rules, 2025, **Nikkhil K Masurkar, CEO, Entod Pharmaceuticals** mentions, “The Act marks a turning point for India’s cosmetics industry, introducing stricter compliance that is set to reshape manufacturing and market practices. One of the most immediate implications is the requirement for more exhaustive documentation and, in some cases, updated licensing norms. Manufacturers will need to maintain detailed records, comply with expanded safety testing, and adhere to stricter labelling and quality control standards.”

On one hand, when experts are opining about the need for The Cosmetics (Amendment) Rules, 2025, there are assumptions about the challenges with smaller players in the industry.

The likely challenges

Amendments are set to bring about a significant operational and documentation challenge for cosmetic brands, particularly those that have traditionally relied on paper-based systems or minimal compliance oversight. Under the new rules, manufacturers must digitise their record-keeping processes with exhaustive batch-wise documentation of raw materials, intermediates, and final products.

Records are required to be maintained for a minimum of three years or six months beyond the product's expiry date, whichever is longer, and made readily accessible for audits or surprise inspections. For many brands, this means a complete overhaul of existing workflows, investment in IT systems, and training of personnel to manage digital protocols efficiently.

Sukhbir Singh Chimni, Managing Director, Ceuticoz, says, "The tightened regulations will certainly introduce additional operational and documentation requirements for cosmetic brands in India. Manufacturers will need to strengthen their quality management systems, maintain comprehensive records of formulations, raw material traceability, safety assessments, and testing protocols. This will require investment not only in infrastructure and technology but also in skilled regulatory and compliance teams."

The new Act will also ensure labelling that mandates complete ingredient disclosure, expiry dates backed by validated stability studies, batch traceability, allergen warnings, and accurate product classification (cosmetic, medicinal, or Ayurvedic). Manufacturers will have to ensure that record-keeping includes raw material origin logs, manufacturing and quality control documentation, product stability, and microbiological test results etc.

Business impact

It is expected that tightening cosmetic regulations will have both positive and negative effects on businesses. On the one hand, costs of compliance will increase because the regulations will call for more testing, certification, and documentation, which may consume profit margins.

Experts are of the opinion that a few of the smaller players may have to shut down business if matching the new standards remains a challenge. This will lead to the survival of only high-quality products in the market.

While talking about the business impact, **Abhilash K Ramesh, Executive Director, Kairali Ayurvedic Group** opines, "In the near term, this will increase compliance costs, product validation timelines, and regulatory overhead. However, over the medium to long term, it enhances consumer confidence, reduces reputational risk, and opens doors to global partnerships. As Indian cosmetics align with international safety and efficacy benchmarks, Indian brands can become more competitive in export markets, particularly in Southeast Asia, the Middle East, and Europe."

Consumer safety

Consumer safety is of paramount importance while using these products easily. While agreeing to consumer safety, **Rishi Agrawal, CEO and Co-founder, TeamLease Regtech** says, "Centralising testing under the Central Cosmetics Laboratory improves analytical rigour and consistency, while batch-wise traceability enables quicker identification of defective or non-compliant products. Explicit provisions for the seizure and destruction of spurious cosmetics empower regulators to act decisively against counterfeit goods, addressing a persistent industry challenge. The removal of courier-based sample dispatch further safeguards evidentiary integrity, ensuring reliable enforcement. Clearer shelf-life labelling will also help reduce misuse of expired products, collectively enhancing safety and boosting consumer confidence in the Indian cosmetics market."

Would it Deter Unscrupulous & Safeguard?

Manufacturing of fake cosmetic products is rampant across the lanes and bylanes of India. Raids being conducted to confiscate various fake cosmetics are a welcome move by the FDAs of various states. However, these raids stand minuscule compared to the rampant manufacturing of fake products.

The amendment represents a significant step forward in enhancing consumer safety in India’s cosmetics sector. For the first time, batch-wise documentation and raw material traceability will allow manufacturers and regulators to track quality at every stage of production. This ensures that substandard or adulterated products can be quickly identified, isolated, and recalled from the market, limiting consumer exposure to harmful formulations.

By making digital records mandatory and centralising oversight through the Central Drugs Laboratory, authorities gain stronger monitoring tools for enforcing uniform safety standards nationwide.

The revised Act 2025 is a welcome move. But, how far will it help to save consumer interest from fake products remains a question. Consumer safety and awareness should be manifold by various agencies.

Also, smaller players manufacturing cosmetics should follow the stringent rules rather than shutting their shops for good.

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