Government of India Ministry of Consumer Affairs, Food and Public Distribution Department of Consumer Affairs

RAJYA SABHA

STARRED QUESTION NO. *163

TO BE ANSWERED ON 10.12.2024

MISLEADING AND SURROGATE ADVERTISEMENTS

*163. SHRI MANOJ KUMAR JHA:

Will the MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether Government has formulated a comprehensive strategy to regulate misleading and surrogate advertisements in the country, if so, the details thereof;
- (b) whether Government intends to release updated guidelines on misleading and surrogate advertisements, if so, the details thereof; and
- (c) the steps being taken to address advertisements that bypass existing guidelines by promoting surrogate products?

ANSWER

THE MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI PRALHAD JOSHI)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (c) OF RAJYA SABHA STARRED QUESTION NO.*163 FOR 10.12.2024 REGARDING MISLEADING AND SURROGATE ADVERTISEMENTS ASKED BY SHRI MANOJ KUMAR JHA.

With a view to modernize the framework governing the consumer protection in the new era of globalization, technologies, e-commerce markets etc. Consumer Protection Act, 1986 was repealed and Consumer Protection Act, 2019 was enacted.

Section 2(28) of the Consumer Protection Act, 2019 defines "misleading advertisement" in relation to any product or service, as an advertisement, which— (i) falsely describes such product or service; or (ii) gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service; or (iii) conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or (iv) deliberately conceals important information.

Under the provisions of the Consumer Protection Act, 2019, the Central Consumer Protection Authority which is an executive agency, came into existence on 24.07.2024. It is designed to intervene, to prevent consumer detriment arising from unfair trade practices and to initiate class action(s), including the enforcement of recalls, refunds and return of products. Its core mandate is to prevent and regulate false or misleading advertisements which are prejudicial to the public interest.

The CCPA has notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. These guidelines inter-alia provide for; (a) conditions for an advertisement to be non-misleading and valid; (b) certain stipulations in respect of bait advertisements and free claim advertisements; and, (c) duties of manufacturer, service provider, advertiser and advertising agency. According to these Guidelines, endorser includes an individual or a group or an institution making endorsement of any goods, product or service in an advertisement whose opinion, belief, finding or experience being the message which such advertisement appears to reflect. These Guidelines states that due diligence is required for endorsement of advertisements such that any endorsement in an advertisement must reflect the genuine, reasonably current opinion of the individual, group or organisation making such representation and must be based on adequate information about, or experience with, the identified goods, product or service and must not otherwise be deceptive. It clarifies that where, Indian professionals, whether resident in India or otherwise, are barred under any law for the time being in force from making endorsement in any advertisement pertaining to any profession, then, foreigner professionals of such profession shall also be not permitted to make endorsement in such advertisement.

In case of false or misleading advertisement, as per section 21(2) of the Consumer Protection Act, 2019, CCPA may impose fines on manufacturer or endorser upto Rs. 10 lakhs or Rs 50 lakhs in case of repeated violations.

Further to strengthen consumer protection, the CCPA enacted the Guidelines for Prevention and Regulation of Greenwashing and Misleading Environmental Claims, 2024 (effective 15th October 2024), mandating transparency in environmental claims, and the Guidelines for Prevention of Misleading Advertisements in the Coaching Sector, 2024 (effective 13th November 2024), addressing false claims, exaggerated success rates, and unfair practices in coaching institutes.

CCPA issued the "Guidelines for Prevention and Regulation of Dark Patterns, 2023" on 30th November 2023. These guidelines address and regulate 13 specific dark patterns identified in the ecommerce sector, aiming to prevent deceptive practices that mislead consumers.

Moreover, the Bureau of Indian Standards (BIS) introduced the framework on 'Online Consumer Reviews — Principles and Requirements for their Collection, Moderation, and Publication' on 23rd November 2022. This framework safeguards consumer interests by addressing fake and deceptive reviews in e-commerce. While the standards are voluntary, they apply to all online platforms that publish consumer reviews and are guided by principles such as integrity, accuracy, privacy, security, transparency, accessibility, and responsiveness.

As per the regulatory framework, all private TV channels are required to adhere to the Advertising Code laid down under the Cable Television Networks (Regulation) Act, 1995 and the rules framed thereunder. Rule 7(2)(viii)(A) of the Advertising code provides that 'No advertisement shall be permitted which promotes directly or indirectly production, sale or consumption of cigarettes, tobacco products, wine, alcohol, liquor or other intoxicants, with the stipulation that a product that uses a brand name or logo, of such products may be advertised on TV subject to certain conditions, including certification of the advertisement by the Central Board of Film Certification (CBFC)'.

Further, Rule 7(5) of the Advertising code provides that 'No advertisement shall contain references which are likely to lead the public to infer that the product advertised or any of its ingredients has some special or miraculous or super-natural property, which is difficult of being proved'.

The Government takes action whenever any violation of Advertisement Code is found, by way of issuance of Advisories, Warnings, Apology Scroll Orders etc. During the last three years and current year, 4 Warnings, 32 Apology Scroll Orders and 2 Off-Air Orders have been issued to private satellite TV channels for violation of Rules 7(2)(viii)(A) and 7(5) of the Advertising Code."

Drugs and Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules made thereunder encompass the provisions for prohibition of misleading advertisements and exaggerated claims of drugs and medicinal substances including Ayush medicines, which appear in the print and electronic media. State/UT Governments are empowered to enforce the provisions of Drugs & Magic Remedies (Objectionable Advertisements) Act, 1954 and Rules made thereunder.

Pharmacovigilance Centres for Ayurveda, Siddha, Unani and Homoeopathy (ASU&H) Drugs set up in different parts of the country under the Central Scheme of Ministry of Ayush are mandated to monitor and report the misleading advertisements to the respective State Regulatory Authorities. Objectionable advertisements are being reported to the respective State Licensing Authorities by Peripheral Pharmacovigilance Centres (PPvCs).

Further, Section 24(1) of the Food Safety and Standards Act, 2006 provides that no advertisement shall be made of any food which is misleading or deceiving or contravenes the provisions of this Act, the rules and regulations made thereunder.

Food Safety and Standards Authority of India (FSSAI) has notified the Food Safety and Standards (Advertising and Claims) Regulation, 2018, to address issues related to misleading claims, labelling and advertisements. These regulations are designed to ensure accurate and responsible advertising in the food industry. This regulation ensures that food-related advertisements and claims are accurate, non-deceptive, and align with food safety standards.
