

**GOVERNMENT OF INDIA  
MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
DEPARTMENT OF CONSUMER AFFAIRS**

**RAJYA SABHA  
UNSTARRED QUESTION No. 2923  
TO BE ANSWERED ON 19.08.2025**

**REGULATORY ACTION AGAINST UNFAIR TRADE PRACTICES**

2923. SHRI AMAR PAL MAURYA  
(OIH)

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) the concept of greenwashing and the reasons for it being a major concern for consumers, whether any action has been initiated by the Central Consumer Protection Authority (CCPA) to address claims related to greenwashing, the details thereof;
- (b) whether the Central Consumer Protection Authority (CCPA) has taken cognizance of such misleading or surrogate advertisements that violate the Consumer Protection Act, 2019;
- (c) if so, the details of action taken by CCPA against such fake advertisements during the last three years; and
- (d) whether the Ministry has taken any action against misleading advertisements?

**ANSWER**

THE MINISTER OF STATE, CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
(SHRI B. L. VERMA)

(a) to (d) : 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 Consumer Protection Act, 1986 was repealed and Consumer Protection Act, 2019 was enacted.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.

"Unfair trade practice" [Section 2(47) of the Consumer Protection Act, 2019] encompasses deceptive methods such as misrepresenting product standards, falsely advertising old goods as new, claiming unverified sponsorship or benefits, offering misleading warranties, misrepresenting prices, or disparaging competitors' goods or services. These provisions ensure accountability, transparency and fairness, safeguarding consumer interests in a dynamic marketplace.

Under the provisions of the Consumer Protection Act, 2019, the Central Consumer Protection Authority (CCPA), an executive agency, came into existence on 24.07.2020. It is designed to intervene for preventing 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 Central Consumer Protection Authority (CCPA) of India has issued the "Guidelines for Prevention and Regulation of Greenwashing or Misleading Environmental Claims, 2024," on 15th October 2024, aimed at curbing deceptive marketing practices related to environmental sustainability. These guidelines, developed through a consultative process involving academia, practitioners, activists and industry representatives, address the rising prevalence of unsubstantiated claims such as "eco-friendly," "natural," and "sustainable" in advertisements. By defining key terms like "greenwashing" and "environmental claims," the guidelines establish a clear regulatory framework to ensure transparency and accountability in corporate communications.

The primary purpose of these guidelines is to protect consumers from misleading advertisements that exploit environmental concerns, thereby fostering a trustworthy marketplace. They mandate that companies substantiate their environmental assertions with credible evidence, such as third-party certifications or scientific data and provide adequate disclosures to avoid vague or exaggerated claims. Ultimately, the guidelines seek to harmonize business initiatives with genuine environmental responsibility, encouraging manufacturers and service providers to adopt sustainable practices without stifling innovation. By prohibiting greenwashing, they not only safeguard consumers from deception but also promote fair competition among businesses, ensuring that authentic eco-friendly efforts are recognized and rewarded. Furthermore, the guidelines contribute to broader societal goals by diverting attention toward meaningful environmental actions, enhancing consumer trust and supporting India's commitment to sustainable development. In doing so, they play a crucial role in building a transparent economy that aligns corporate practices with public interest and global environmental standards.

The CCPA has also notified the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June, 2022. The guidelines define key terms such as "bait advertisement," "surrogate advertisement," and "free claim advertisements," while placing special emphasis on protecting children from manipulative advertising. As per the Guidelines, surrogate advertisement refers to an advertisement for goods, products, or services, whose advertising is otherwise prohibited or restricted by law, made in the guise of promoting another product whose advertising is not prohibited. As per Section 6 of the Guidelines, it expressly prohibit surrogate or indirect advertisements which have the effect of promoting directly or indirectly any restricted or prohibited goods, products, or services. It is further provided that no such advertisement shall be made for a brand or company using the same name, logo, colour, layout or presentation associated with restricted goods, if it has the effect of promoting such goods. 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. To enforce compliance, the guidelines outline strict penalties for violations.

As per Section 21(2) of the Consumer Protection Act, 2019, in case of false or misleading advertisement, the CCPA may impose penalty on manufacturer or endorser up to Rs. 10 lakhs and Rs. 50 lakhs in case of repeated violations.

Action has already been taken by the CCPA against various entities including e-commerce platforms for affecting consumers, as a class, for violation of consumer rights, false and misleading advertisements and unfair trade practices as defined under the Consumer Protection Act, 2019. CCPA has taken actions to regulate matters affecting class of consumers with reference to the violation of consumer rights, misleading advertisement and unfair trade practices as defined under the Consumer Protection Act, 2019. Various directions were issued including discontinuation or modification of the advertisements besides imposition of penalties to protect the rights of consumers as a class and a penalty amount of ₹ 1,08,85,000 has been realized so far.

Action has also been taken against the sale of domestic pressure cookers that do not meet compulsory BIS standards on e-commerce platforms. Additionally, as per CCPA's directions, travel companies have refunded Rs. 1,454 Crores to consumers for cancelled flights due to the Covid-19 lockdown. CCPA has also mandated that these companies update their websites with clear instructions and status updates on refund claims related to cancelled tickets. Further, 13,118 listings of car seat belt alarm stopper clips have been delisted from major e-commerce platforms based on the Orders passed by CCPA to delist all such products which violate consumer rights and are unfair trade practice under the Consumer Protection Act, 2019 as the sale or marketing of said product compromises with the life and safety of consumer by stopping alarm beep when not wearing seat belts. Also, subsequent to CCPA's intervention, an e-commerce platform discontinued the practice of automatically adding Rs. 1 per ticket towards charity contribution in the ticket (a form of Basket Sneaking dark pattern), in the form of pre-tick format (a form of forced consent dark pattern). An airline modified the manner in which it used to offer insurance at the time of purchase of tickets (a form of confirm shaming dark pattern).

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