

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

LOK SABHA
UNSTARRED QUESTION NO. 970
TO BE ANSWERED ON 08.02.2023

STUDY OF EARNINGS OF INFLUENCERS

970. SHRI MANISH TEWARI:

Will the Minister of **CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION** उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्री be pleased to state:

- (a) whether it is a fact that the new guidelines on endorsements by influencers entails fines from Rs. 10 Lakh to as high as Rs. 50 Lakh;
- (b) if so, the details thereof including the number of influencers/online content creators earning more than Rs. 10 lakh a year;
- (c) whether the Government undertook any study or research to ascertain the earnings of influencers/online content creators, if so, the details thereof and if not, the reasons therefor;
- (d) whether these guidelines are also applicable to those who endorse low value items and may not have the revenue to pay such hefty fines, if so, the details thereof; and
- (e) whether any impact assessment of the Guidelines on smaller content creators was undertaken before issuing the said Guidelines, if so, the details thereof and if not, the reasons therefor?

ANSWER

उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(साध्वी निरंजन ज्योति)

THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SADHVI NIRANJAN JYOTI)

(a) to (e) : In exercise of the powers conferred by Section 18 of the Consumer Protection Act, 2019, the Central Consumer Protection Authority has notified Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 on 9th June 2022, with the objective to curb misleading advertisements and protect the consumers, who may be exploited or affected by such advertisements. 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 state 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.
