

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

**LOK SABHA
UNSTARRED QUESTION NO. 3257
TO BE ANSWERED ON 16.03.2021**

MISLEADING ADVERTISEMENTS

3257. DR. KRISHNA PAL SINGH YADAV:
(OIH)

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

- (a) whether the Government plans to bring strict provisions in the extant Consumer Protection Laws in order to deal with misleading advertisements and to fix the liabilities on endorsers/celebrities;
- (b) if so, the details thereof;
- (c) whether the Government defines the term 'endorsement' in the Consumer Protection Laws and if so, the details thereof;
- (d) whether the Government has classified the definition related to misleading, false and objectionable advertisements under the provision 2(41) (f) and if so, the details thereof;
- (e) whether the Government proposes to give advertisement code proposed by the Advertisement Standard Council some legal edge so that the misleading advertisers are compelled to run reformative advertisements, if so, the details thereof; and
- (f) whether the Government proposes to include some punitive measures in the advertisement code in order to fulfil consumer interests and if so, the details thereof?

ANSWER

**उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण राज्य मंत्री
(श्री दानवे रावसाहेब दादाराव)**

**THE MINISTER OF STATE
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
(SHRI DANVE RAOSAHEB DADARAO)**

(a) & (b) : The Consumer Protection Act, 2019 provides for establishment of a Central Consumer Protection Authority (CCPA) to regulate matters, inter alia, relating to false or misleading advertisements which are prejudicial to the interests of public and consumers as a class. The CCPA can issue directions to the trader or manufacturer or endorser or advertiser or publisher, as the case may be, to discontinue such advertisement or to modify the same and may also prohibit the endorser of a false or misleading advertisement from making endorsement of any product or service. The Consumer Protection Act, 2019 provides for imposition of penalty by the CCPA on a manufacturer or endorser in respect of such false or misleading advertisement. The Act also provides for imprisonment and penalty by a competent court on any manufacturer or service provider, causing a false or misleading advertisement.

(c) : Section 2(18) of the Consumer Protection Act, 2019 defines endorsement in relation to an advertisement, as (i) any message, verbal statement, demonstration; or (ii) depiction of the name, signature, likeness or other identifiable personal characteristics of an individual; or (iii) depiction of the name or seal of any institution or organisation, which makes the consumer to believe that it reflects the opinion, finding or experience of the person making such endorsement.

(d) : Section 2(28) 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. As per section 2(47) of Consumer Protection Act, 2019, making a false or misleading representation concerning the need for, or the usefulness of, any goods or services is treated as unfair trade practice.

(e) & (f) : The Advertising Standards Council of India, a non-government body, had developed a code for self-regulation in advertising in the absence of any legal framework. With the notification of the Consumer Protection Act, 2019, the Central Consumer Protection Authority (CCPA) has already been established to regulate matters, inter alia, relating to false or misleading advertisements. The CCPA can impose penalty up to rupees ten lakh on manufacturer or endorser of misleading advertisement or any person found to publish or is a party to publication of misleading advertisement and for every subsequent contravention by a manufacturer or endorser up to rupees fifty lakh. It can also prohibit an endorser of a false or misleading advertisement from making endorsement of any product or service for a period which may extend to one year and for every subsequent contravention, for a period which may extend to three years.
