



June 2022

Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022

To curb misleading advertisements and protect the consumers, the Central Consumer Protection Authority has issued the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 (“**Guidelines**”) on June 9, 2022. The Guidelines are applicable to (i) all advertisements; (ii) a manufacturer, service provider or trader whose goods, product or service is the subject of an advertisement, and (iii) to an advertising agency or endorser whose service is availed for the advertisement.

Highlights of the Guidelines

1. **Misleading advertisement:** The Guidelines provide benchmarks for an advertisement to be considered valid and non-misleading. One of the key criteria is that the advertisements must be honest and truthful. They must not exaggerate the information such as accuracy and scientific validity. They must not mislead the consumer about the nature or extent of the risk to security if consumers fail to purchase the advertised goods, product or service.
2. **‘Bait advertisement’¹, ‘surrogate or indirect advertisement’² and free claim advertisements:** The Guidelines have introduced definitions such as “bait advertisement” and “surrogate advertisement”. It also provides what constitutes as “free claim advertisements”.

While issuing bait advertisements, it must ensure that the goods, product or service would be made available to the consumer at the price offered in the advertisement. Surrogate advertisement is prohibited under the Guidelines. The Guidelines lay down conditions to be complied with while issuing free claims advertisements, which *inter alia* mandate that such advertisements must not claim any goods, product or service to be ‘free’ if the consumer has to pay anything other than the unavoidable cost of responding to such advertisement and collecting or paying for the delivery of such item.

3. **Advertisements targeting children or featuring children:** The Guidelines prescribe conditions for advertisements which address/target/use children. Such advertising must *inter alia* not: (a) encourage practices detrimental to children's physical health or mental wellbeing, (b) claim any health or nutritional claims or benefits without being scientifically substantiated by a recognized body, or (c) give the impression that the goods or product are better than the natural or traditional food consumed by the children.
4. **Duties of manufacturers, service providers, advertisers and advertising agencies:** Manufacturers, service providers, advertisers and advertising agencies must ensure that the content of the advertisement is capable of

¹ Advertisements in which goods, product or service is offered for sale at a low price to attract consumers.

² Advertisement for goods, product or service, whose advertising is otherwise prohibited or restricted by law, by circumventing such prohibition or restriction and portraying it to be an advertisement for other goods, product or service, the advertising of which is not prohibited or restricted by law.

substantiation. Further, an advertisement cannot contain any reference to a person, firm or institution in a manner which confers an unjustified advantage on the product so advertised.

5. **Disclaimers in advertisements:** The Guidelines provide that a disclaimer in an advertisement must not attempt to hide material information with respect to any claim made in it, the omission or absence of which is likely to make the advertisement deceptive. Further, the disclaimer must be in the same language and font as the claims made in the advertisement.
6. **Endorsement in advertisements:** Any endorsement in an advertisement must reflect a genuine opinion based on experience with the identified goods, product or service and must not be deceptive.

For more details, please contact km@jsalaw.com



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