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## **Deceptive Advertisement: Corporate Accountability and the Public Law Duty Towards Consumer Rights Protection**

Author  
Shreya Chopra



# Deceptive Advertisement: Corporate Accountability and the Public Law Duty Towards Consumer Rights Protection

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## Abstract

*Deceptive advertising has emerged as a significant challenge in the modern consumer-driven economy, where corporations increasingly rely on persuasive marketing strategies across digital and traditional media. Such advertisements often mislead consumers by providing false, exaggerated, or incomplete information about products and services, thereby undermining informed decision-making and violating consumer rights. This study examines the concept of deceptive advertising within the framework of Indian consumer protection laws, particularly the Consumer Protection Act, 2019, and the role of regulatory bodies such as the Central Consumer Protection Authority (CCPA) and the Advertising Standards Council of India (ASCI). It also analyses how corporate accountability is enforced through legal and regulatory mechanisms to ensure fair trade practices and protect public interest.*

*The paper further explores the public law duty of the State in safeguarding consumer rights against misleading advertisements. It highlights judicial interpretations and regulatory interventions aimed at holding corporations accountable for unfair trade practices. The study emphasizes the need for stricter enforcement, enhanced transparency in advertising practices, and greater consumer awareness to curb deceptive marketing strategies. It concludes that effective collaboration between regulatory authorities, corporations, and civil society is essential to strengthen consumer protection and ensure ethical advertising standards in India.*

**Keywords:** *Deceptive Advertising, Consumer Protection Act 2019, Corporate Accountability, CCPA, ASCI, Misleading Advertisements, Consumer Rights, Public Law Duty, Fair Trade Practices, Regulatory Enforcement*

## Corporate Accountability in Deceptive Advertising

Corporate accountability in deceptive advertising refers to the legal, ethical, and managerial responsibility of companies to ensure that all promotional communications are truthful, transparent, and not misleading. In modern consumer markets, corporations hold significant power in shaping consumer perceptions through advertising. Therefore, they are expected to exercise a higher degree of responsibility to prevent misinformation and protect consumer interests.

Accountability in this context ensures that businesses do not exploit consumers' trust or information gaps for commercial gain.

One of the key dimensions of corporate accountability is compliance with statutory obligations under the Consumer Protection Act, 2019. The Act clearly prohibits misleading advertisements and holds manufacturers, service providers, endorsers, and advertising agencies liable for unfair trade practices. Corporations are required to substantiate all claims made in advertisements with credible evidence, failing which they may face penalties, corrective advertising orders, or even prohibition of promotional activities.

Corporate accountability also extends to internal governance mechanisms within organizations. Companies are expected to establish compliance departments, advertising review committees, and ethical guidelines to monitor marketing content before it is published. These internal controls help ensure that advertisements comply with legal standards and industry norms, thereby reducing the risk of regulatory violations and reputational damage.

### **1.1 Concept of Corporate Liability and Responsibility**

Corporate liability and responsibility in the context of deceptive advertising refer to the legal and ethical obligations imposed on companies for the statements, claims, and representations made in their promotional activities. In modern commercial systems, corporations are not only economic entities but also social actors that influence consumer behavior on a large scale. Therefore, they are expected to ensure that all advertising content is truthful, transparent, and compliant with applicable laws and regulatory standards.

Corporate liability arises when a company engages in misleading or false advertising that violates consumer rights or amounts to unfair trade practices. Under the Consumer Protection Act, 2019, manufacturers, service providers, advertisers, and endorsers can all be held responsible for deceptive advertisements. This liability may include monetary penalties, corrective advertising orders, product recalls, and restrictions on future promotional activities, depending on the severity of the violation.

The concept of corporate responsibility, on the other hand, goes beyond legal liability and focuses on ethical obligations. It requires corporations to adopt fair marketing practices, ensure accuracy in claims, and avoid exploiting consumer ignorance or vulnerability. Responsible corporate behavior involves voluntary compliance with ethical advertising standards even in situations where legal enforcement may be weak or absent. A key aspect of corporate liability is the principle of **strict accountability** in advertising. Courts and regulatory authorities often assess advertisements based on their overall impression on an average consumer rather than technical disclaimers. This means that companies cannot

escape liability by using fine print or partial disclosures if the main message of the advertisement is misleading or deceptive in nature.

## **1.2 Vicarious Liability of Companies**

Vicarious liability of companies refers to the legal principle under which a corporation is held responsible for the wrongful acts or omissions committed by its employees, agents, or representatives while acting within the scope of their employment. In the context of deceptive advertising, this principle plays a crucial role in ensuring that corporations cannot escape liability by shifting responsibility to individual employees or advertising agencies. It establishes that a company, as a legal person, bears accountability for the actions undertaken on its behalf.

The foundation of vicarious liability lies in the concept of agency, where employees and agents act on behalf of the corporation. When misleading advertisements are created, approved, or disseminated by marketing teams or third-party agencies, the company is deemed to have acted through them. Therefore, any false or deceptive representation made during the course of such activities is legally attributed to the corporation itself, making it liable for consumer harm.

Under the Consumer Protection Act, 2019, liability for misleading advertisements extends not only to manufacturers and service providers but also to endorsers and advertising agencies. This broadens the scope of responsibility and ensures that corporations remain accountable for all stages of the advertising process, including content creation, approval, and publication.

Vicarious liability also ensures that corporations maintain proper internal supervision and control over their marketing activities. Companies are expected to implement compliance mechanisms, approval hierarchies, and legal review processes to ensure that advertising content does not violate legal or ethical standards. Failure to exercise adequate supervision may result in the corporation being held liable for the resulting deception.

In cases involving large corporations, advertising is often outsourced to specialized agencies. However, outsourcing does not absolve the principal company of liability. Courts have consistently held that corporations remain responsible for ensuring that third-party agencies act in compliance with legal requirements.

## **1.3 Role of Directors, Endorsers, and Influencers**

Directors, endorsers, and influencers play a crucial role in shaping modern advertising practices and significantly influence consumer decision-making. In contemporary markets, advertisements are no longer limited to traditional corporate messaging but are often driven by personalities who create trust and emotional connection with consumers. This makes their role highly significant in ensuring that advertising remains truthful and not misleading.

Company directors have a primary responsibility in approving and overseeing advertising strategies. As key decision-makers, they are expected to ensure that all marketing communications comply with legal and ethical standards. If a company engages in deceptive advertising, directors may be held accountable for their failure to exercise due diligence or proper supervision over advertising content.

Under the framework of the Consumer Protection Act, 2019, endorsers, including celebrities and influencers, are also assigned specific responsibilities. The Act requires endorsers to exercise due diligence before promoting any product or service. If they endorse misleading advertisements, they can be held liable and may face penalties, including bans on future endorsements for certain products or categories. Endorsers hold significant persuasive power over consumers due to their public image and credibility. Consumers often trust celebrity endorsements more than traditional advertisements, which increases the risk of deception if the claims are not genuine. Therefore, endorsers are expected to verify the authenticity of product claims before associating their name or image with promotional content.

Influencers on digital platforms such as social media have emerged as a powerful marketing force in recent years. Unlike traditional celebrities, influencers often create personalized content that appears authentic and relatable.

#### **1.4 Misleading Endorsements and Celebrity Accountability**

Misleading endorsements refer to advertising practices where celebrities, influencers, or public figures promote products or services in a manner that creates false, exaggerated, or unverified impressions in the minds of consumers. In modern consumer culture, endorsements significantly influence purchasing decisions because consumers tend to trust familiar personalities more than technical product information. This trust-based influence makes celebrity advertising a powerful tool, but also a potential source of deception when proper due diligence is not exercised. The concept of celebrity accountability has gained importance due to the growing role of public figures in shaping consumer behaviour. Celebrities are no longer seen merely as brand ambassadors but as active participants in the communication of product claims. When they endorse products without verifying the authenticity of claims, they may indirectly contribute to consumer deception, especially in sectors such as health, beauty, finance, and lifestyle products.

Under the Consumer Protection Act, 2019, endorsers are legally required to exercise due diligence before promoting any product or service. This includes verifying that the claims made in advertisements are truthful and substantiated. If an endorsement is found to be misleading, the endorser can be held liable along with the manufacturer or advertiser, reflecting a significant shift in legal accountability in India's advertising framework.

The Act further empowers the Central Consumer Protection Authority to impose penalties on celebrities and influencers who engage in or support misleading advertisements. These penalties may include fines and restrictions on endorsing specific products for a defined period. This regulatory mechanism ensures that celebrity influence is exercised responsibly and does not mislead vulnerable consumers. Misleading endorsements often occur when celebrities rely solely on contractual arrangements without independently verifying product claims. In such cases, their endorsement may unintentionally misrepresent the product's effectiveness or safety.

### **1.5 Ethical Corporate Governance Practices**

Ethical corporate governance practices refer to the system of rules, principles, and processes by which companies are directed and controlled in a manner that ensures transparency, accountability, fairness, and responsibility. In the context of deceptive advertising, ethical governance plays a vital role in preventing misleading promotional practices and ensuring that corporate communication aligns with legal standards and consumer protection principles. It goes beyond mere compliance and focuses on fostering a culture of integrity within organizations.

One of the fundamental aspects of ethical corporate governance is **transparency in advertising practices**. Companies are expected to ensure that all claims made in advertisements are truthful, verifiable, and not exaggerated. Transparency also includes clear disclosure of terms, conditions, and limitations associated with products or services. This helps prevent consumers from being misled and promotes informed decision-making in the marketplace.

Another important principle is **accountability within corporate structures**. Boards of directors and senior management are responsible for overseeing advertising strategies and ensuring compliance with legal requirements under the Consumer Protection Act, 2019. Ethical governance requires that decision-makers actively monitor marketing campaigns and establish internal review mechanisms to prevent deceptive advertisements from being published.

### **Enforcement Mechanisms and Judicial Response**

Enforcement mechanisms in cases of deceptive advertising refer to the institutional, administrative, and legal frameworks designed to detect, prevent, and penalise misleading promotional practices. In India, these mechanisms operate through a combination of statutory authorities, consumer forums, and judicial intervention. The primary objective is to ensure that corporations comply with advertising standards and that consumers are protected from unfair trade practices in the marketplace.

A key enforcement authority is the Central Consumer Protection Authority, which has been established under the Consumer Protection Act, 2019. The CCPA is empowered to investigate misleading advertisements, issue directions for discontinuation or modification, impose penalties, and even prohibit endorsers from promoting specific products. This proactive regulatory role strengthens enforcement by allowing swift action without requiring prolonged litigation.

Consumer grievance redressal forums also form an important part of enforcement mechanisms. The three-tier system comprising District, State, and National Consumer Disputes Redressal Commissions provides consumers with a structured platform to seek compensation for harm caused by deceptive advertisements. These forums ensure accessible justice and reduce the burden on traditional civil courts.

Self-regulatory mechanisms, particularly those operated by the Advertising Standards Council of India, complement statutory enforcement. ASCI reviews complaints related to misleading advertisements and recommends corrective action, such as withdrawal or modification of advertisements. Although its decisions are not legally binding, they often influence regulatory action and industry compliance.

Judicial response plays a crucial role in interpreting and strengthening advertising laws. Courts in India have consistently held that advertisements must be evaluated based on the impression they create on an average consumer.

This principle ensures that companies cannot escape liability through technical disclaimers or fine-print conditions that contradict the main message of the advertisement.

Judiciary has also emphasized that deceptive advertising constitutes an unfair trade practice and violates consumer rights. Courts have directed companies to issue corrective advertisements, compensate affected consumers, and refrain from engaging in misleading promotional activities. These remedies serve both compensatory and deterrent functions in consumer protection law.

In several cases, courts have addressed the growing influence of digital advertising and influencer marketing. Judicial observations highlight the need for stricter scrutiny of online promotional content, particularly where disclosures of paid partnerships are not clearly made. This aligns with regulatory provisions under the Consumer Protection (E-Commerce) Rules, 2020, which aim to ensure transparency in digital advertising.

The judiciary has also reinforced the liability of endorsers and celebrities in deceptive advertising cases. Courts have observed that influential personalities must exercise due diligence before endorsing products, as their promotions significantly impact consumer trust and decision-making. This judicial stance has been further strengthened by statutory provisions under the Consumer Protection Act.

Penalties and remedies under enforcement mechanisms include monetary fines, product recalls, corrective advertisements, and restrictions on future advertising activities. These measures are designed to deter corporations from engaging in misleading practices and to restore consumer confidence in the marketplace.

In conclusion, enforcement mechanisms and judicial response together form a robust framework for addressing deceptive advertising in India. While regulatory authorities like the CCPA ensure proactive enforcement, the judiciary provides interpretative clarity and corrective remedies. Their combined efforts, supported by laws such as the Consumer Protection Act, 2019, ensure stronger corporate accountability and effective consumer protection.

## **2.1 Role of Regulatory Authorities**

The role of regulatory authorities in addressing deceptive advertisement is central to ensuring corporate accountability and safeguarding consumer rights under public law. In India, the regulatory framework is designed to prevent unfair trade practices, misrepresentation, and misleading promotional strategies that can harm consumers economically and psychologically. Regulatory bodies act as guardians of market fairness by establishing standards for advertising content, monitoring compliance, and taking corrective action against violations. Their intervention is crucial in balancing corporate freedom of speech in commercial advertising with the public interest in truthful information. Without such oversight, the advertising ecosystem would become vulnerable to manipulation, thereby undermining consumer trust and market integrity.

One of the primary regulatory authorities in India dealing with deceptive advertising is the Advertising Standards Council of India (ASCI). Although ASCI is a self-regulatory body, it plays a significant quasi-regulatory role by setting ethical standards for advertisements and reviewing complaints from consumers and competitors. ASCI's Code for Self-Regulation requires advertisements to be honest, not misleading, and substantiated with evidence. When violations are identified, ASCI can recommend withdrawal or modification of advertisements. While its decisions are not legally binding in the strict sense, they are widely respected and often supported by statutory regulators, thereby making ASCI an influential institution in maintaining advertising discipline.

Statutory regulatory control is primarily exercised by the Central Consumer Protection Authority (CCPA) under the Consumer Protection Act, 2019. The CCPA has been granted extensive powers to investigate, recall misleading advertisements, impose penalties, and prohibit endorsers from making false claims. Unlike self-regulatory mechanisms, the CCPA operates with enforceable legal authority, making it a strong deterrent against deceptive corporate practices. It ensures that companies

engaging in unfair trade practices are held legally accountable and that consumers are protected from exploitation.

When consumer welfare is compromised. Judicial pronouncements strengthen regulatory enforcement by ensuring that corporations cannot escape liability through technical loopholes or jurisdictional challenges. This synergy between judiciary and regulatory bodies enhances the effectiveness of consumer protection mechanisms.

Coordination among multiple regulatory bodies is essential for addressing the multidimensional nature of deceptive advertising. Since advertisements span across sectors such as food, finance, health, and digital media, no single authority can effectively regulate all aspects independently. Inter-agency cooperation ensures that violations are addressed comprehensively and consistently. For instance, a misleading health product advertisement may involve both FSSAI and CCPA intervention, demonstrating the need for integrated regulatory action.

Despite the existence of strong regulatory institutions, challenges remain in enforcement due to rapid digitalization, cross-border advertising, and evolving marketing techniques. Influencer marketing, native advertising, and algorithmic promotions often blur the line between genuine content and commercial messaging. Regulatory authorities must continuously update their frameworks to address these emerging challenges. Capacity constraints, limited awareness among consumers, and delays in enforcement also weaken the overall effectiveness of regulatory mechanisms.

In conclusion, regulatory authorities play a foundational role in ensuring corporate accountability in cases of deceptive advertising. Their combined efforts create a multi-layered protection system that includes self-regulation, statutory enforcement, sector-specific oversight, and judicial supervision. These institutions collectively uphold the principles of transparency, fairness, and consumer welfare in the marketplace. Strengthening their coordination, enforcement capacity, and adaptability is essential for building a trustworthy advertising ecosystem that aligns with the public law duty of consumer rights protection.

## **2.2 Complaint Mechanisms for Consumers**

Complaint mechanisms for consumers play a vital role in ensuring effective enforcement of laws relating to deceptive advertisements and in strengthening corporate accountability. These mechanisms provide a structured pathway through which consumers can report grievances, seek redressal, and obtain compensation for losses suffered due to misleading or unfair trade practices. In the context of deceptive advertising, complaint systems act as the first line of defence, enabling early detection and correction of violations before they cause widespread harm. They also

reinforce the public law duty of the State to protect consumer rights by ensuring accessible and efficient grievance redressal systems.

One of the most important complaint mechanisms available to consumers in India is the three-tier structure under the Consumer Protection Act, 2019. This includes the District Consumer Disputes Redressal Commission, the State Consumer Disputes Redressal Commission, and the National Consumer Disputes Redressal Commission (NCDRC). Consumers can file complaints against manufacturers, advertisers, service providers, or endorsers for misleading advertisements or unfair trade practices. These forums are designed to provide speedy and cost-effective justice, allowing individuals to seek compensation, product replacement, refund, or corrective advertising orders.

In addition to consumer commissions, the Central Consumer Protection Authority (CCPA) also provides a direct complaint mechanism. Consumers can report deceptive advertisements through the CCPA's online portals or helplines. The authority has the power to investigate complaints, initiate suo motu action, order the recall of misleading advertisements, and impose penalties on violators. This mechanism is particularly significant because it allows regulatory intervention even without a formal court proceeding, thereby making enforcement more proactive and efficient. The Advertising Standards Council of India (ASCI) also serves as an important platform for consumer complaints regarding misleading advertisements. Consumers can easily file complaints online, and ASCI reviews them under its Code for Self-Regulation in Advertising.

Although ASCI is not a statutory body, its decisions carry strong persuasive value and are often voluntarily complied with by companies and media platforms. It acts as a quick grievance redressal mechanism that complements statutory enforcement agencies.

Digital platforms and e-commerce websites have also introduced in-built complaint systems to address deceptive advertising claims. Consumers can directly report misleading product listings, fake reviews, or exaggerated claims through grievance officers appointed under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. These platforms are legally required to acknowledge complaints within a stipulated time and take corrective action, including removal of content or suspension of sellers.

Sector-specific regulators such as the Food Safety and Standards Authority of India (FSSAI), the Securities and Exchange Board of India (SEBI), and the Insurance Regulatory and Development Authority of India (IRDAI) also provide complaint redressal systems. Consumers can file grievances through dedicated portals such as FSSAI's Food Safety Connect App or SEBI's SCORES platform. These

mechanisms are essential because deceptive advertisements often occur in specialized sectors like food, finance, insurance, and health products, where technical knowledge is required for proper assessment.

Another significant complaint mechanism is the National Consumer Helpline (NCH), which acts as a single-point contact for consumers across India. Through toll-free numbers, online portals, and mobile applications, consumers can register complaints related to misleading advertisements and receive guidance on legal remedies. The NCH also facilitates mediation between consumers and companies, often resolving disputes without formal litigation, thereby reducing the burden on consumer courts.

Judicial remedies also form an indirect but powerful complaint mechanism. Consumers can approach High Courts or the Supreme Court under writ jurisdiction in cases involving violation of fundamental rights or large-scale public deception. Public Interest Litigations (PILs) have been particularly effective in addressing misleading advertisements that affect a large section of society.

Courts often direct regulatory authorities to take action, thereby strengthening enforcement mechanisms. Despite the availability of multiple complaint mechanisms, challenges such as lack of awareness, procedural delays, and digital illiteracy limit their effectiveness. Many consumers are unaware of their rights or find the complaint process complex and time-consuming. Moreover, enforcement gaps and overlapping jurisdiction between authorities sometimes create confusion and delay resolution. These issues highlight the need for better coordination, simplification of procedures, and increased public awareness campaigns.

In conclusion, complaint mechanisms for consumers form the backbone of the consumer protection framework against deceptive advertising. They ensure that consumers are not passive victims but active participants in enforcing accountability. By combining judicial, statutory, regulatory, and digital grievance systems, India has developed a multi-layered complaint structure. Strengthening accessibility, efficiency, and awareness of these mechanisms is essential to ensure effective protection of consumer rights and to uphold corporate accountability in advertising practices.

### **2.3 Judicial Activism in Consumer Protection**

Judicial activism has played a transformative role in strengthening consumer protection in India, particularly in cases involving deceptive advertisements and unfair trade practices. Courts have moved beyond their traditional adjudicatory function to actively interpret laws in a manner that expands consumer rights and ensures corporate accountability. In the context of deceptive advertising, judicial activism has helped fill legislative gaps, strengthen enforcement mechanisms, and

ensure that consumers are protected from misleading corporate practices that may not always be adequately addressed by statutory regulators alone. One of the most significant contributions of judicial activism is the expansive interpretation of fundamental rights under the Constitution of India. The judiciary has linked consumer rights with Article 21 (Right to Life and Personal Liberty), interpreting it to include the right to health, safety, and accurate information.

Misleading advertisements, particularly in sectors such as healthcare, food, and financial services, have been held to violate these fundamental rights. This constitutional approach elevates consumer protection from a mere statutory right to a fundamental right, thereby increasing the responsibility of both the State and corporations.

The Supreme Court and High Courts have also actively intervened in cases involving false or exaggerated claims in advertisements. Through Public Interest Litigations (PILs), the judiciary has addressed issues affecting large groups of consumers who may not individually approach courts. In several landmark judgments, courts have directed companies to issue corrective advertisements, imposed penalties, and restrained misleading promotional campaigns. This proactive approach ensures that consumer welfare is not compromised by corporate negligence or intentional deception.

Judicial activism has also strengthened the regulatory framework by ensuring accountability of endorsers, including celebrities and influencers. Courts have emphasized that public figures who endorse products have a duty to verify the authenticity of claims made in advertisements. This has led to the development of the principle of “endorser liability,” where endorsers can be held responsible for misleading advertisements if due diligence is not exercised. This judicial stance has significantly improved transparency and responsibility in modern advertising practices.

Another important aspect of judicial activism is the encouragement of corrective advertising as a remedy. Courts have increasingly ordered companies to publish clarifications or corrections in cases where misleading advertisements have influenced consumer decisions. This not only compensates for the harm caused but also restores public trust in the marketplace. Such remedies go beyond monetary compensation and focus on rectifying misinformation, which is crucial in advertising-related disputes. The judiciary has also played a critical role in strengthening the functioning of regulatory bodies such as the Central Consumer Protection Authority (CCPA) and the Advertising Standards Council of India (ASCI). Courts have directed these authorities to act promptly in cases of deceptive advertising and have, at times, issued guidelines to ensure better enforcement.

This judicial oversight ensures that regulatory agencies do not remain passive but actively discharge their statutory duties. Judicial activism has further contributed to the development of consumer-friendly procedural principles. Courts have emphasized the need for simplified procedures, speedy trials, and reduced litigation costs in consumer disputes. This approach recognizes the unequal power dynamics between corporations and individual consumers, ensuring that justice is accessible and not hindered by procedural complexities. The judiciary has consistently promoted the idea that consumer protection law must serve a remedial and welfare-oriented purpose.

In addition, courts have played an important role in addressing emerging challenges in digital advertising. With the rise of social media influencers, targeted ads, and algorithm-based marketing, deceptive practices have become more sophisticated. Judicial interventions have helped extend traditional principles of consumer protection to the digital ecosystem, ensuring that online advertisements are also subject to scrutiny and accountability. This adaptability reflects the judiciary's responsiveness to technological change.

Despite its positive impact, judicial activism also faces certain limitations, such as delays in enforcement, overburdened courts, and occasional overlap with executive functions. However, these limitations do not diminish its overall significance in strengthening consumer protection. Instead, they highlight the need for better coordination between judiciary, legislature, and regulatory authorities to ensure a more efficient system of consumer rights enforcement.

In conclusion, judicial activism has been a cornerstone in advancing consumer protection against deceptive advertisements in India. By expanding constitutional interpretation, strengthening regulatory accountability, and providing effective remedies, the judiciary has ensured that corporate entities are held responsible for misleading practices. This proactive judicial approach reinforces the public law duty of protecting consumer rights and contributes significantly to building a fair, transparent, and accountable advertising ecosystem.

## **2.4 Penalties, Compensation, and Remedies**

Penalties, compensation, and remedies form the core enforcement structure in addressing deceptive advertisements and ensuring corporate accountability under Indian consumer protection law. These legal consequences are designed not only to punish wrongful conduct but also to deter future violations and restore consumers to the position they would have been in had the deception not occurred. In the framework of public law duty towards consumer rights protection, these mechanisms act as both corrective and preventive tools that uphold fairness in the marketplace.

One of the primary forms of penalty under the Consumer Protection Act, 2019 is the imposition of monetary fines on manufacturers, service providers, and endorsers who engage in misleading advertisements. The Central Consumer Protection Authority (CCPA) is empowered to impose penalties of up to ₹10 lakh for the first offence and up to ₹50 lakh for subsequent offences. This strong penal framework reflects a shift from symbolic punishment to substantial financial deterrence, ensuring that corporations do not treat misleading advertising as a cost of doing business.

This reduces the overall deterrent effect of the legal framework and highlights the need for more accessible and efficient grievance redressal mechanisms. In conclusion, penalties, compensation, and remedies form an integrated enforcement system that ensures accountability in cases of deceptive advertising. They balance punishment, deterrence, and restitution, thereby protecting consumer interests while maintaining market integrity. Strengthening enforcement efficiency and ensuring timely relief is essential to uphold the public law duty of consumer protection and to promote ethical corporate behavior in advertising practices.

## **2.5 Challenges in Enforcement of Advertising Laws**

The enforcement of advertising laws in India, particularly in cases of deceptive advertisements, faces several structural, procedural, and technological challenges. Despite the existence of a robust legal framework under the Consumer Protection Act, 2019, sectoral regulations, and judicial oversight, effective implementation remains inconsistent. These challenges weaken corporate accountability and hinder the full realisation of the public law duty towards consumer rights protection. As advertising practices evolve rapidly, enforcement mechanisms often struggle to keep pace with emerging forms of deception.

One of the primary challenges is the rapid growth of digital and social media advertising. Unlike traditional media, digital platforms operate in a highly dynamic and decentralized environment, where advertisements can be targeted, personalized, and quickly altered or removed. Influencer marketing, sponsored content, and algorithm-driven promotions make it difficult for regulators to identify and monitor deceptive practices in real time. This technological complexity creates enforcement gaps that are frequently exploited by corporations and online advertisers. Another significant issue is jurisdictional ambiguity and overlapping authority among regulatory bodies. Multiple agencies such as the Central Consumer Protection Authority (CCPA), Advertising Standards Council of India (ASCI), Securities and Exchange Board of India (SEBI), Food Safety and Standards Authority of India (FSSAI), and the Ministry of Information and Broadcasting (MIB) all regulate different aspects of advertising.

## **Conclusion**

The issue of deceptive advertising presents a significant challenge to consumer protection frameworks in India and raises important questions regarding corporate accountability and the public law duty towards safeguarding consumer rights. Advertising, while being an essential tool for market communication and economic growth, has increasingly become a medium through which consumers are misled through exaggerated claims, false endorsements, and manipulative marketing strategies. This undermines the fundamental principles of fairness, transparency, and informed choice in a consumer-driven economy.

The study of regulatory authorities, complaint mechanisms, judicial activism, and enforcement tools demonstrates that India has developed a comprehensive legal and institutional framework to address deceptive advertisements. Bodies such as the Central Consumer Protection Authority (CCPA), Advertising Standards Council of India (ASCI), SEBI, FSSAI, and other sectoral regulators play a vital role in monitoring and controlling misleading advertisements. Judicial interventions have further strengthened this framework by expanding constitutional interpretations and ensuring corporate responsibility through landmark judgments and Public Interest Litigations.

However, despite the existence of a robust legal structure, enforcement remains inconsistent due to several practical challenges such as digital advertising complexities, jurisdictional overlaps, delays in adjudication, limited consumer awareness, and evidentiary difficulties. The rapid evolution of influencer marketing and algorithm-driven advertising has further complicated regulatory oversight, making traditional enforcement mechanisms less effective. These gaps highlight the need for continuous reform and modernisation of regulatory approaches.

Overall, while India has made significant progress in developing a multi-layered consumer protection system, the effectiveness of these mechanisms depends largely on coordination among institutions, proactive enforcement, and awareness among consumers. Strengthening the implementation framework is essential to ensure that consumer rights are not merely theoretical but practically enforceable in the face of evolving deceptive advertising practices.

## Recommendations

1. **Strengthening Regulatory Coordination**- Establish a unified coordination mechanism among CCPA, ASCI, SEBI, FSSAI, and MIB to avoid overlapping jurisdiction and ensure faster response to deceptive advertising complaints.
2. **Enhanced Digital Monitoring Systems** - Develop advanced AI-based monitoring tools to detect misleading advertisements on social media, OTT platforms, and e-commerce websites in real time.
3. **Stricter Liability for Influencers and Endorsers** - Impose clearer and stricter legal obligations on celebrities, influencers, and brand ambassadors to verify product claims before endorsement.
4. **Fast-Track Adjudication of Complaints** - Create dedicated fast-track consumer courts or digital tribunals to handle deceptive advertisement cases efficiently and reduce delays.
5. **Improved Consumer Awareness Campaigns** - Conduct nationwide awareness programs to educate consumers about their rights, complaint mechanisms, and risks of misleading advertisements.

## Scope for Future Research

The issue of deceptive advertising is dynamic and continuously evolving, thereby creating significant scope for future academic and policy-oriented research. One of the primary areas for further study is the effectiveness of existing legal frameworks such as the Consumer Protection Act, 2019 in addressing emerging forms of misleading advertisements. Future research can critically evaluate whether the current provisions are sufficient to tackle modern advertising techniques, particularly those used in digital and cross-border markets.

Another important area for future research is the role and effectiveness of regulatory authorities like the Central Consumer Protection Authority and the Advertising Standards Council of India. Empirical studies can be conducted to assess their performance, efficiency, and impact on reducing deceptive advertising practices. Comparative research with regulatory bodies in other jurisdictions can also provide valuable insights into improving India's regulatory framework.

The growing influence of digital media presents a vast scope for research, particularly in understanding how deceptive advertising operates on social media platforms, e-commerce websites, and influencer marketing channels. Future studies can explore the challenges of regulating algorithm-driven advertisements, personalized marketing, and cross-border digital campaigns. This area is especially important as traditional legal approaches may not be fully equipped to deal with these technological advancements.

Research can also focus on the accountability of endorsers, influencers, and celebrities in deceptive advertising. While legal provisions have begun to address this issue, there is limited empirical data on how effectively these provisions are enforced. Future studies can analyze the extent of due diligence exercised by endorsers and examine the impact of stricter liability norms on advertising practices and consumer trust.

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