Misleading Advertisements as a part of unprofessional trade practices—A critical appraisal of regulatory mechanism and Business Ethics

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Abstract

Industrialization and market competition has led to increased use of technology including advertising as a means of holding market by using strategic skills. Electronic as well as the print media is being used by the manufacturers for advertising their products. Given the enormous impact of advertisements and brand endorsements on sales volume, television advertisements have gained huge importance. While on one hand advertisements can increase brand recall of the products and hence promote its market coverage and also help consumers in their buying decisions but on the other hand it can even misguide the consumers if parity is not maintained. Undoubtedly businesses run on margins and promoting product in the market to maintain the margins is permissible as part of right to trade and occupation but at the same time one has to take into consideration the basic values and ethics of business profession and trade. This paper is an attempt to analyze misleading advertisements, their impact and critically appraise the various regulatory mechanisms to deal with deceptive advertising.

Keywords- Misleading Advertisement, Right to Trade, Unfair and Unethical business promotions, impact on target customers

INTRODUCTION

In the era of competition many manufacturers and producers are using professional techniques to make their products more popular in the market and establish a brand value of the same. Increasing the market penetration and coverage by making the product more popular in the market has a great proximity with earnings. This also ensures an increase in the bottom line for which all businesses crave for.

Since 1970s various means of communication have paved way to the course of life and have now become a part and parcel of business skills and strategies. Advertisements as a means of electronic communication have audio as well as visual impact on the viewers. Such advertisements have a lot of influence on the targeted consumers particularly teenagers and children who are easy virtue and fall preyto such

misleading advertisements. The advertisements these days even focus on the pester power of children which has a massive impact and influence on the buying decisions of parents. Influencer marketing is detrimental for children as they might not be able to assess their misleading nature (Pollack, 2021).

Business is a term which may include anything that occupies time, attentionand labor for the purpose of profit (Shukla, 2012). Advertisement through electronic means of communication such as television is considered to be very influencing as within a short span of time or within the spur of the moment, it targets lakhs of viewers as consumer. It's dismal to say that taking undue advantage of advertisements, many low quality or inferior products are made popular by using skills of advertising.

The consumer accepts and buys such products because of the impact of advertisements without ascertaining and examining the quality of the product. The consumers are exploited by producers through such misleading advertisements (Patil, 2017). The level of consumer awareness is a significant factor to determine progress of the economy of the nation which is hampered by misleading and deceptive advertisement. (Mishra, 2018).It is pertinent to say that advertisements should not affect health, wealth and safety of the individuals and nation.

An advertisement involves a number of issues such as advertisements employing unethical means, kind of professional values have to be complied with and legal and regulatory mechanism available to control such unprofessional trade practices. Right of trade and occupation is not an unrestricted right it is subject to restrictions laid under 19 (6) of constitution. The paper is an attempt to appraise and critically analyze the existing legislations to ensure consumer protection and act as future safeguards.

LITERATURE REVIEW

A lot of literature available indicates that deceptive claims and misleading advertisements have inadvertently been affecting consumers buying behaviour. The section below mentions the various findings of several authors.

Pahwa (2018) opines that a business concern builds a brand and positive image about its products in the minds of consumers through effective advertising. It is a medium for communicating its product attributes with the consumers at large. Ray (2018) believes that consumers may fall prey to making incorrect decisions in case advertising does not reveal full information about product attributes or false information. Misleading ads are in a way like deceiving customers. Anita Patil (2017) examines various aspects on how consumer's right are infringed because of misleading advertisement.

On similar lines Taruna (2016) is of the similar view that misleading information and false claims made about the product attributes may

result in customer taking wrong decisions and spending heavily over undesired products which might not even have any utility for them. Lodhi (2015) believes that misleading advertisement or depicting a product in a way which does not fulfil its attributes or making false claims may have an erroneous impact on loyalty of customers. Deceived customers may not be brand loyal. Zinman and Zitzewitz (2012) examines the contributing factors which lead to firm engaging in misleading advertising and making false claims about the products.

Report on "Law Enforcement for Misleading Advertisements in India and its Impact on Consumers Unity & Trust Society (CUTS)" Presented to German Development Corporation (2012) is an empirical analysis of the impact of misleading advertisements on consumers in India.

(2011)WaheedAkhter A.S believes that customer loyalty can be achieved through promising advertising. Customers tend to go for repeated purchases and become brand loyal as soon as the company establishes trust with the customers. Harris (2009) is of the opinion that consumers may even be fooled because they have certain implicit understanding about certain terms, symbols and expressions which have been wrongly used by companies. S.A. Butt, Haseeb Ahmed and Hafiz Zeeshan (2009) emphasize how ethical values of business and profession are getting importance as part of maintaining standards of profession hence ethics of business are essential for very existence and sustenance business .The researcher givesanoverall idea about compliance of ethics in business.

Shanahan & Hopkins (2007) is of the view that misleading claims as done through advertising are not out rightly false but are manipulative. Skurnik et al. (2005) opines that the most important decision a consumer makes before product purchase is making a choice on the credibility of information given the enormous information available and floated about the product attributes by a business concern.

D.P.S Verma (2001) in his paper provides details of legislative frame work more

particularly how misleading adverting amounts to unfair trade practice .Byrd-Bredbenner et al. (2001) tried to examine the impact of regulatory measures on the content of advertisement. Pechmann (1996) in his study examines that companies use erroneous inferences so as to fool the customers.

Carson *et al* (1985) in their paper deal with various issues of misleading advertisement along with definition of deceptive advertisement. It also highlights about moral and legal intricacies involved in deceptive advertising .Paper gives detail account of deceptive advertisement and its overall effect on consumer.

In addition to this, the book of V.N.Shukla on "Constitution of India" – 12th edition is significant to know constitutional and jurisprudential aspect of freedom of trade and profession. The various provisions and cases are referred in the book having great bearing with freedom of business. The jurisprudential aspect of advertising as a "part of freedom of speech and expression" is also aptly referred by the author in his book.

Methodology Employed:

The present paper is an attempt to find out theeffect of advertisements on consumer decision making. The paper thoroughly analyses the impact of misleading advertisements on consumer purchases and throws light on the various legislations governing misleading advertisements. The Paper substantiates an argument that an advertisement has a great impact on consumer's decision making to buy the product. Similarly an attempt has been made to evaluate consumer protection Act 2019 and other allied provisions of law. The paper also evaluates the efficacy of existing legislations in

controlling misleading advertisements. In a nutshell, the present paper not only checks the efficacy of the law to control misleading advertisements but it also checks proximity of such misleading advertisements with impact on consumer.

For the present paper authors have used a blend of doctrinal and non-doctrinal research. In addition to extensive survey of literature, data was also collected from the various stakeholders to know the ground realities. Structured questionnaire was used for collecting data from 120 respondents along with informal interactions with several brand endorsers from Marathi Film Industry so as to elicit out their viewpoints on the same. The authors have used Convenience Sampling for the purpose of study and analysis. Descriptive statistics, charting tools and chi square test have been applied to arrive at some conclusive results. The paper is based on the following hypothesis:

Hypothesis:

H0:Source of advertisement has a significant impact on consumer purchase decisions.

Ha: There is no significant impact of source of advertisement on consumer purchase decision

H0: Advertisement features have a significant impact on their persuasive power.

Ha: There is no significant impact of advertisement features on persuasive power.

H0: There is a significant relation between exaggerated claims/misleading claims and selection of inferior goods.

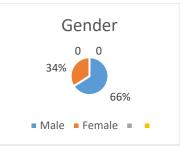
Ha: There is no significant relation between exaggerated claims and selection of inferior goods.

ANALYSIS OF DATA

The following information has been elicited from the responses of the survey questionnaire:

Gender:

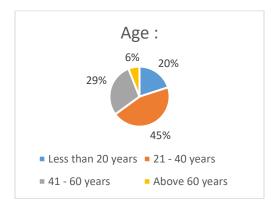
Male	66 per cent
Female	34 per cent
Total	100 per cent



It has been observed that out of the total respondents surveyed about male respondents accounted for 66% and females were 34%.

Age:

17800					
Age	Percentage of				
rige	respondents				
Less than 20 years	20				
21 - 40 years	45				
41 - 60 years	29				
Above 60 years	6				
Total	100				

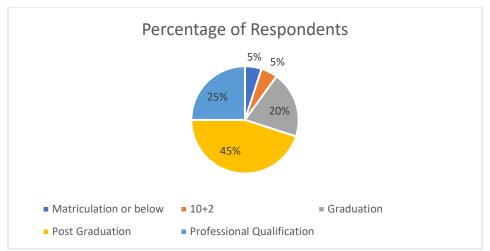


It has been observed that 20% respondents were of the age of less than 20 years, 45% were

between 21 to 40 years, 29% between 41 to 60 years and 6% more than 60 years of age.

Qualification:

Qualification.					
Qualification:	Percentage of				
	Respondents				
Matriculation or below	5 %				
10+2	5 %				
Graduation	20 %				
Post-Graduation	45 %				
Professional	25 %				
Qualification					
Total	100%				

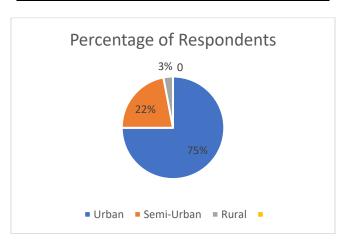


It has been observed that out of the total respondents 5% of the respondents had below matriculation qualification, 5% were 10 plus 2,

20% were graduates , 45% were post graduates and 25% had professional qualification.

Locality:

20000000					
Locality:	Percentage of Respondents				
Urban	75 %				
Semi-Urban	22 %				
Rural	3 %				
Total	100%				

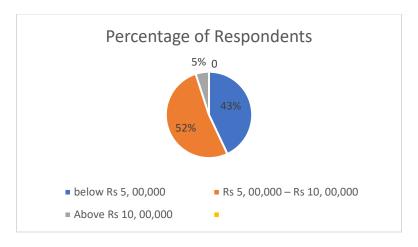


It can be observed from the responses collected that 75% of the population was from urban

areas, 22% were from Semi Urban areas and 3% of the respondents belonged to rural areas.

Annual Family Income:

Annual Family Income:	Percentage	of
	Respondents	
below Rs5 Lakh	43%	
Rs 5 Lakh – Rs 10 Lakh	52%	
Rs 10 Lakh and above	5%	
Total	100%	



It has been observed that out of the total respondents about 43% of respondents were having a family income of less than 5 Lakhs, 52% of the respondents had an annual income of 5 lakh to 10 Lakh and 5% of the respondents had

an annual income of more than 10 Lakhs.

Source of Advertisement and its impact on consumer purchase decisions:

On applying chi2 test on the responses received the following observation has been made:

Source of	Tick					
Advertisement		Ei	Oi - E1	(Oi-Ei)2	Chi x^2	S.V.
Television Ads	86	17.14286	68.85714	4741.306		
Newspaper	72	17.14286	54.85714	3009.306		
Magazines	50	17.14286	32.85714	1079.592		
Radio	12	17.14286	-5.14286	26.44898		
Friends and	35					
Relatives		17.14286	17.85714	318.8776		
Shopkeepers	60	17.14286	42.85714	1836.735		
Others	16	17.14286	-1.14286	1.306122		
Total				11013.57	642.4583	0

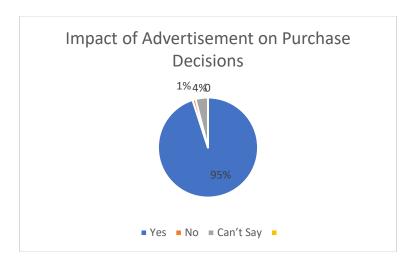
0.00

Interpretation: It has been observed that the calculated value is less than the table value which is 1.635 (at 95% confidence level and degree of freedom of 6), hence H0 – is accepted and alternate hypothesis is rejected.

Finding: H1: Source of advertisement has a significant impact on consumer purchase decisions

Impact of Advertisement on Purchase Decisions:

Impact of Advertisement on	Percentage of
Purchase Decisions	Respondents
Yes	95%
No	1%
Can't Say	4%
Total	100%



What features of the advertisements in different media appeal to you?

On applying chi square test on the responses received the following observations have been made:

	No. of Respondent					
Advertisement Features		Ei	Oi - E1	(Oi-Ei)2	Chi x^2	S.V.
The Music	4	15	-11	121		
The Song	4	15				
The Composition	1	15				
The Color of the product	1	15				
Product attributes highlighted	48	15	33	1089		
The Free/Special Offers	22	15	7	49		
The Theme And Story Of The Ad	9	15	-6	36		
The Celebrity Endorsing the Product	31	15	16	256		
Total	120			1551	103.4	

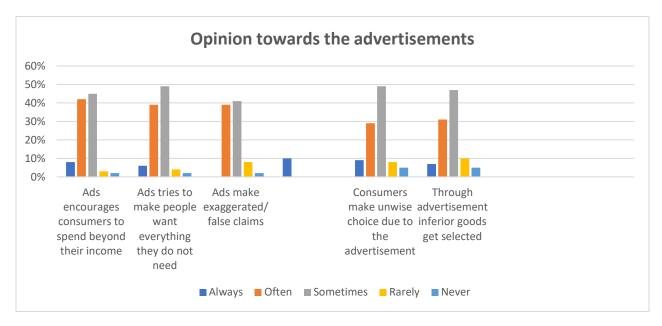
Interpretation: The calculated value is less than the table value which is 2.167 at 95% confidence and degree of freedom of 6, hence H0- is accepted and alternate hypothesis is rejected.

Finding: H2:Advertisement features have a significant impact on their persuasive power.

Opinion towards the advertisements of products:

Statements	Always	Often	Sometimes	Rarely	Never	Total
Ads encourages consumers to spend beyond their income	8%	42%	45%	3%	2%	100%
Ads tries to make people want everything they do not need	6%	39%	49%	4%	2%	100%
Ads make exaggerated/ false claims	10%	39%	41%	8%	2%	100%

Consumers make unwise choice due to the advertisement	9%	29%	49%	8%	5%	100%
Through advertisement inferior goods get selected	7%	31%	47%	10%	5%	100%



It has been observed that a majority of customers get impacted to some extent and make wrong choices of inferior products in the influence of misleading advertisements.

Have you ever been impacted by the misleading claims of any advertisement?

Impacted by the	Percentage of
misleading claims	Respondents
Yes	69%
No	31%

It has been observed that about 69% of the respondents have been impacted by misleading claims while 31% feel that product features and attributes are significantly important.

Do you think Indian Legislative framework has sufficient provisions for consumer protection in case of deception by misleading advertisement?

Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Total
33%%	42%	5%	12%	8%	100%

The legislative framework for protection of consumer from misleading advertisement: A critical appraisal

Consumerism is the backbone of business profession and it is a center point of business strategy. Through advertisement attempts are being made to mislead the consumer who ultimately sustains financial loss and mental agony. There is aplethora of legislations which protect the interest of consumer however most of these legislations are not free from many infirmities which inconsequentially leads to inefficacy in implementation. The legislative framework comprises of specific legislations such as Consumer Protection Act and supporting legislations which safeguard the interest of

consumers. The legislative framework on protection of consumers from misleading advertisement is as follows:

Constitution of India, 1950 and United Nations guidelines on consumer protection, 1985- The Guiding measures

The Constitution of India incorporates the philosophy of Consumerism in various provisions of Directive Principles (Article 19, 38, 39, 42, 43, 46, 47). These provisions have been enacted to ensure people welfare by the adaption of socialism in India. Hostile economy with economic concentration is completely rejected and distributions of resources, promoting and securing economic interest are at core of the acceptance of Constitutional jurisprudence.

The constitution of India also ensures public health and safety. Moreover, the philosophy of consumerism is enumerated in Article 46 and 47 of our Constitution. The concept of justice is deeply rooted in structure and functioning of Indian Constitution which includes protection from injustice or fraud in private or public places.

The constitutional jurisprudence is also in tune with the International scenario. The Nations guidelines on consumer protection, 1985, policy enacted to encourage ethical conduct in business both in manufacturing and services. The ultimate objective of policy is to curb abusive practices at national and international level by enterprises with active role of government. (Nations, 2016). The policy basically aims to have fair and honest practices at every stage of the business. Such practices should not harm consumers specifically the vulnerable ones. The policy sets norms for having adequate infrastructure for redressal mechanism with inclusive approach of socialism i.e. distribution of resources in terms of sustainable consumption (Nations, 2016).

The Guideline has a complete chapter IV on adopting good practices in business. The chapter restrains to have illegal, unethical and deceptive practices. Disclosure and Transparency in advertising is emphasized to

avoid misleading information regarding quality and services relating to product.

Adaption of these guiding measures is necessary for protection of mass people and industry too. The fair competition is end result of such ethical practices which will benefit all the stakeholders and help in the overall growth of the economy.

Expression of ideas through misleading advertisement

Everybody is allowed to express their ideas under Article 19(a) of the Constitution of India. One can have their own advertisements through print and electronic media to popularize their products. Popularizing one's own product by spending huge chunks on celebrity endorsements is fine but it should not be done at the cost of health of people. In a way audio visual impact of advertisement restrict the choice of the consumer. A number of consumers are more influenced by the advertisements rather than their own choice. There are many things which come within the ambit of misleading advertisements.

More particularly material facts about the product are deliberately hidden and deceptive information is given. These advertisements are subject to "condition apply" however those conditions are not shown explicitly. A nondisclosure of material fact amounts to deception. It includes false, incorrect statement or concealing information or misrepresenting of information in terms of quantity, quality and ingredients of the product or hiding material information. Misleading advertisement is morally objectionable (Thomas Carson, 1985, Vol 2). Such advertisements are telecasted through telecom channels by investing lot of money by the manufactures. There are many parameters in respect of determining misleading advertisement such as quantity, taste, services, characters of product etc. In advertising low quality product, sometimes lots of deceptive tactics are employed in such a manner which violates rights of consumers.

Evasive and fake claims are usually made about color freshness, quality and quantity of product as mentioned in the packaging which varies with actual quality of product. Such fraudulent and

exaggerated claims can be termed as misleading claims. Such practices are usually used in edible oils, cosmetics, dairy and milk products etc. Due to increase in competition fake claims are made and considered as a part of marketing strategy it actually shows deterioration of professional ethics. In such misleading advertisements consumers are targeted which causes financial distress, health hazards and mental agony. In such profit making intention poor consumers are made victims who are put at the mercy of such profit making manufacturers.

The consumers are influenced by the electronic media and more particularly advertisement of various products like medicine, health care tonics, hair oil, shampoos, soaps are being telecasted on various channels with misleading and high claims but as a consumer we need to take care and employ proper precautions while relying onclaims regarding quality of such goods. The skill of advertising is one thing but employing false and misleading claims and tactics to promote ones product involves violations of the rights of the consumer as unfair trade practice. It is equally applicable to many cosmetic and consumer products or medicines and other goods produced or manufactured by the various industries. Some products which are unsafe, unhygienic as well as which have greater impact on the health of the consumer need to be advertised properly because the consumer in general while purchasing a particular product relies more on advertisement rather than the quality of the product. Consumer without verifying the quality and quantity of the product go for purchasing it and this result into a greater health hazard to him as a consumer.

The skin creams, hair oils are claimed to have magical results and as a consequences consumers are hypnotized by these products. As a consumer one should be very alert and vigilant while evaluating and trusting about the quality of the product and the false claims made by the advertisements because we have a tendency to purchase a product of the typical brands. These brands are made popular in the market through skills and strategy of profession and advertisement is a part of it. Undoubtedly advertising as a part of expression and freedom

has been ensured as a fundamental right under part III of the constitution of India it confers the rights to everyone including the manufacturers or the producers to advertise their products in the market by any audio or visual impact by means of electronic communication, by means of telecommunication or by means of print media. In a way advertisement is a unique blend of strategy as well as skill wherein such creativity is part and parcel of freedom of expression and freedom of trade under article 19 of our constitution.

Legislative and Regulatory Mechanism for Prevention of Misleading Advertisement in India

Relevant provisions I.P.C. and consumer safety form adulteration of food and drinks

I.P.C. under section 272 to 276 protects consumer from adulteration of food and drinks. Section272 similarly section 274 of I.P.C prohibits sale of such adulterated drugs and take care of consumer.

Many advertisements are there wherein actresses and models are shown in indecent manner for appealing purpose targeting to specific age group of customers. As per Section 3 and 4 (Indecent Representation of women Act, 1986) obscenity and indecent representation is prohibited, hence any advertisement which shows indecent representation of women is violation of it.

The second important aspect of advertisements is that there are certain regulatory authorities who control indecent and misleading advertisements. The business. occupation and trade needs to adhere with certain professional ethics and values of trade instead of such unprofessional unscrupulous tactics. With an intent to control such misleading advertisement there are plethora of legislations enacted by parliament having great bearing to control and regulate misleading advertisements. There are certain direct provisions of laws which regulate such objectionable advertisements. The laws also protect the interest of consumer who becomes victim of such misleading advertisements.

The Prevention of Food Adulteration Act, 1955

This Act was later on enacted in 1955 which prohibits manufacturing, selling or storing to sale or distribution of any adulterated food. Act also prohibits selling of misbranded food and sale of food which is prohibited by law. Duty is casted on publicanalyst to analyze sample food sent for analysis(Kapoor, 2005). The adulterated; unsafe, unhygienic food products directly cause adverse effects on health of the consumer. The consumer purchases these products and substance which are made popular in market through advertisements.

The Drug and Cosmetic Act 1940

Many advertisements of cosmetic products make tall claims like particular cream whiten the skin within two or three weeks or particular drug cures incurable diseases. Such advertisements are hammered through print and electronic media. The consumer blindly believing on the advertisements buy such products and become a victim of misleading drug and cosmetic products (D.M. Jadhav, 2014).

Aggressive promotion of such products through the advertisements or through print and electronic media have resulted heavy demand of such products and people buy these products with fancy prices believing that the products have the special quality. Cosmetic products with therapeutic claim must be scientifically proven safe and effective for its claim before they are allowed to be marketed. Drug and Cosmetic Act 1940 and Rules 1945 which covers the sale manufacture and import of and labeling of cosmetic in order to have a reasonable safety for cosmetic products.

Exaggerated and fake claim and misleading label claims especially with fairness cream, is one area where urgent regulatory intervention is called for (Nanda, 2006). The consumer should be aware about the adverse effects of such products and hence before buying they must ensure about the quality and genuineness of such products.

The production and sale of drugs and cosmetic products of substandard nature is

prohibited under Drug and Cosmetic Act 1940-. The Act protects the consumer from misbranded drugs and cosmetics with Penalty for manufacture and seller. Section 17 gives inclusive understanding of misbranded drugs and cosmetics with Section 17 (A) (adulterated drug), Section 17 (B) (spurious drug), Section 17 (C) (misbranded cosmetics) Section 17 (D) (spurious cosmetics) and Section 17 (adulterated cosmetic). Such manufacture and sale of substandard, misbranded, adulterated or spurious drug and cosmetic is prohibited under section 18 of the Act. The penalty for manufacturer, sale of drugs in contravention of chapter IV is provided in section 27, 27 (A) and section 30 of the Act.

Advertisements are the major channel of communication and challenge too in order to create awareness. The various advertisements of perfumes, deodorants, bathing sops, face creams make promotion of their products by making unreal and less objective claims. It's clear that advertisement agencies have ignored the consideration of Consumer protection by making tall claims. In fact, such companies are making huge revenues out of these convincing promotions to mass people. There is no legal check to such misleading advertisements though it is misguiding to customers.

Drugs and Magic Remedies (Objectionable Advertisements) Act 1954

There are many misleading advertisements shown through electronic media. Even health care sector is also not an exception to such advertisements. Excessive and fake claims are made like curing diseases, weight loss or weight gain, skin fairness, similarly various products and energy drinks claims about making children stronger and taller after regular consumption of particular drink. Surprisingly prominent actor and actresses are involved in advertising such products. These advertisements are not backed by any authentic proof or evidence to prove their claims, still many stars from film industry advertise the product and hence they are also responsible for misleading consumer..The drug and Magic Remedies (Objectionable Advertisements) Act is one more legislation which prohibits misleading

advertisement of drugs estimated with magic remedies.

The validity of drug and magic remedies (objectionable advertisement) Act, 1954 was challenged. The Act was enacted with intent to control the advertisement of drugs in certain cases and to prohibit the advertisement for certain purpose of remedies alleged to possess magic qualities. (Hamdard Dawakhana v. Union of India, 1995).

As many drugs advertised with magic effects which cure remedies on patient. In a way, this Act prohibits misleading advertisement of drugs which shows of magic remedies or qualities. The validity of Act was challenged on account of violation of various fundamental rights .The supreme court while seeking equilibrium held that every advertisement meant for promotion of business doesn't not turn as a part of 19 (a) hence restrictions thereon can be imposed in public interest.

The Consumer Protection (Amended) Act, 2019

The Consumer Protection (Amended) Act, 2019 is one more comprehensive attempt which provides strong mechanism and proper remedy (Inge Graef, 2020, Cambridge University Press). This Strict Liability is a much needed step for consumer welfare in India. The Consumer Protection (Amended) Act, 2019 is a recent positive development which has winded the aspect of consumer protection in India.

The Product Liability is one of key contemporary elements to impose liability on advertisers in case of misleading advertisements. An action will be initiated against Manufacturer or seller in case of any unfair trade practices.

The harm relating to Product Liability is exhaustive in application as it includes physical, mental, property and any other reason as deem fit as derived in Sec 2(22). The definition of misleading advertisement as provided in Sec 2 (28) is comprehensive. The core of such advertisements are discussed in the definitions i.e. false description of product or service, false guarantee, misrepresentation amounts to an

unfair trade practice if crucial information about product is concealed deliberately.

In the near past a dangerous trend has proliferated wherein the product manufacturers and service providers grouping with different stake holders such as advertising agencies, artists, film actors, celebrities, print and electronic media are engaged in influencing out of proportion the minds of innocent consumers to buy their products and avail their services, through deceptive ads and misleading endorsement of so called celebrities. The volume of such ads in the regional media is very high. The main targets of these advertisers are health care, personal care and education sector. Product Liability will be effective to restrain such endorsement which will equally held liable to the celebrities. This is one effective step in newly amended legislation keep in mind consumerism is at center point.

The legislative framework in India has many laws to control such misleading advertisements. The Consumer Protection Act of 2019 protects interest of consumers wherein such kind of advertisements comes within ambit of unfair trade practices. Under section 17 of the Act, a person can go to the office Collector of district or Regional Office of commissioner or the Central Authority in respect of these advertisements wherein the consumers are becoming victims. In such advertisements, deceptive claims are made for advertising products pharmaceutical regarding drugs, products which claim to cure even incurable diseases like HIV, cancer etc. Food adulteration is also being covered under the ambit of food and safety standard Act. As far as misleading advertisements are concerned it is an offence under Indian penal code because through misleading low quality products which are health hazards is advertised and sold in the market. It protects the consumer from adverse market strategy and it further regulates distribution and supply of goods and prevents manipulative tactics.

Conclusion and Recommendation

Economic Democracy holds paramount importance for India. But given the lack of

awareness and resources protection of financial rights and economic interests has become limited to privileged few.

The Constitution of India strives to protect economic democracy at its core. But the subsequent developments are more related to protection of fundamental rights. Though economic interest is an essential part of fundamental rights but failed to get enough attention by Legislature and Judiciary and stakeholders too. Misleading advertisements is one of the byproduct of such legislative and judicial passivism which is hampering democratic socialism in India.

The adaption of chapter IV of Nations guidelines on consumer protection, 1985is less at domestic level. The laws are available prima facie for unlawful activities but not to deal with misrepresentations which cause equal harm to customers.

Law helps to those people who are alert, those who are well aware about their rights and as a consumer it is responsibility of every one to take every care while buying any product because as a consumer everyone has the right to know about the quality of the product, right to information about the product also to protect from any health hazardous consequences arising out of that product. Excessive chemicals and preservative are used in the product which may lead to severe health consequences and as a consumer everyone has the right to know quality and ingredients of the product rather than the labeling and branding of the product.

The non-doctrinal research came with strong findings that majority of customersare affected by misleading advertisements in due course as they resort to making wrong choices. This finding was observed irrespective of the age and income of various stakeholders. It was found that the brand ambassadors did not take keen interest in knowing the actual efficacy and legality of the product which ultimately hampers end customers. The research study has conclusive remarks that source of advertisement does have a significant impact on the consumer purchase decisions also it was observed that

feature of advertisements have a significant impact on their persuasive power.

Redressal mechanism is always a cause of concern to justice delivery mechanism in India. Though Consumer Protection Act, 2019 intends to make quick decisions, there is a greater challenge for all councils and agencies to protect consumers along with creating awareness among customers.

Conclusion and suggestions:

Undoubtedly we have various laws which directly and indirectly protect the interest of consumers from misleading advertisements through print and electronic media. Such advertisements need to be regulatedthrough existing laws in letterand spirit. Ethics in every profession has great relevance and that needs to be followed for consumer's safety and security. These laws can be implemented with better supporting mechanism and support of common man as a consumer. The research findings are suggestive of certain recommendations which include application of Strict Liability on the enterprises, advertising agencies and brand ambassadors in case of misleading advertisements, application of criminal liability on the person designated as the law prescribed and ensuring that unethical ways advertisements should be deemed as unlawful practices. Also it is recommended that to ensure consumer welfare certain alternate dispute Mechanisms should also be in place to strengthenredressal of consumer grievances. It is suggested that remedy should be given than mere compensation in case of misleading advertisements. Also consumer literacy should be increased in rural areas specifically through counselors who should be appointed in Redressal Forums.

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