

# Electronic International Interdisciplinary Research Journal

Volume-XIV, Special Issues – I

Jan – Feb 2025

**Original Research Article** 

## THE ROLE OF CONSUMER PROTECTION ACT, 2019 IN COMBATING ONLINE MISLEADING ADVERTISEMENTS WITH SPECIAL REFERENCE TO KDMC REGION

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#### Abstract:

The Consumer Protection Act, 2019 (CPA, 2019) was enacted in response to growing concerns about consumer rights in the digital age, especially with the prevalence of misleading advertising and deceptive practices on online platforms. This article discusses the role of the CPA, 2019 in combating misleading advertising on the Internet, with a particular focus on its relevance and implementation in the Kalyan-Dombivli Municipal Corporation (KDMC) area. The study aims to assess how effective the Act is in protecting consumers from deceptive online marketing practices by examining case studies, legal provisions, and enforcement mechanisms. It also highlights the challenges faced in implementing the Act in the KDMC area and makes recommendations to improve consumer protection.

**Keywords**: Consumer Protection Act 2019, online misleading advertisements, KDMC region, consumer rights, digital marketing, legal enforcement, consumer protection

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## Introduction:

Digital marketplaces have become an integral part of modern commerce, offering convenience and choice to consumers. However, this has also led to a surge in misleading advertising, false claims, and deceptive marketing practices that mislead consumers. From ecommerce websites to social media influencers, online platforms are increasingly being used for practices that can cause financial harm to innocent consumers. In India, the Consumer Protection Act, 2019 (CPA) was passed to strengthen consumer rights, including protection from unfair trade practices, and to strengthen the regulatory framework surrounding ecommerce and online advertising. The CPA, 2019 is a key legal tool to protect consumers in the digital age, as it contains provisions to regulate online platforms and curb misleading advertising. This study focuses on

exploring the adoption of CPA 2019 in Kalyan-Dombivli Municipal Corporation (KDMC) region, an urban area in Maharashtra with a growing online consumer base. The objective of this paper is to analyze the role of CPA 2019 in combating misleading online advertising and evaluate its effectiveness in KDMC region. By examining case studies, government regulations and enforcement efforts, this paper will provide insight into the current state of consumer protection and make recommendations for improvement.

#### **Research Objectives:**

- To assess the effectiveness of the Consumer Protection Act, 2019 in combating online misleading advertisements in the KDMC region.
- 2. To assess the level of awareness among consumers in the KDMC region about the provisions of the



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Consumer Protection Act, 2019, specifically in relation to misleading online advertisements and their rights under the Act.

## Hypotheses:

- Null Hypothesis (H<sub>0</sub>): The Consumer Protection Act, 2019 is not effective in combating online misleading advertisements in the KDMC region.
- □ Alternate Hypothesis (H₁): The Consumer Protection Act, 2019 is effective in combating online misleading advertisements in the KDMC region.
- □ Null Hypothesis (H₀): There is no significant awareness among consumers in the KDMC region about the provisions of the Consumer Protection Act, 2019, specifically in relation to misleading online advertisements.
- □ Alternate Hypothesis (H2): There is significant awareness among consumers in the KDMC region about the provisions of the Consumer Protection Act, 2019, specifically in relation to misleading online advertisements.

## Literature Review:

## 1. The Consumer Protection Act, 2019

The Consumer Protection Act, 2019 was introduced to replace the Consumer Protection Act of 1986, with a focus on addressing emerging challenges posed by the digital economy. The Act includes several provisions aimed at enhancing consumer rights and regulating ecommerce, particularly in areas such as unfair trade practices, misleading advertisements, and fraudulent marketing schemes. Key sections of the Act relevant to online misleading advertisements include:

- Section 2(47): Defines misleading advertisements as any advertisement that is false, deceptive, or misrepresents the nature of a product or service.
- Section 21: Provides for the establishment of the Central Consumer Protection Authority (CCPA), which is empowered to act against misleading advertisements and unfair trade practices.

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• Section 30: Allows for the imposition of penalties and fines on businesses or individuals engaging in unfair trade practices, including misleading advertising.

The Act's emphasis on digital platforms reflects the need for modern consumer protection laws that account for the rapid growth of online commerce. However, the effectiveness of the CPA 2019 in regulating digital advertisements and enforcing penalties has been debated, particularly with the increasing complexity of online marketing tactics.

#### 2. Online Misleading Advertisements:

(Chakraborty, 2021) Online advertisements have become an integral part of digital marketing, with businesses leveraging social media, influencers, and ecommerce platforms to reach consumers. However, the rise of fake claims, exaggerated product descriptions, and deceptive marketing tactics has led to a growing concern about consumer protection. Studies have shown that misleading advertisements, particularly in the beauty, health, and tech sectors, are widespread on online platforms like Instagram, Facebook, and Amazon

The consumer protection landscape, however, has lagged in regulating these advertisements. Traditional laws were not designed to address the complexities of online advertising, leading to a gap in consumer protection.

## **3. Enforcement Challenges in the Digital Age:**

Despite the robust framework of the CPA 2019, challenges remain in enforcement, especially in regions like KDMC where the population may have limited access to legal resources or awareness of consumer rights. Additionally, online platforms operate in a global environment, making it difficult for local enforcement authorities to regulate misleading advertisements effectively.

Studies by the Consumer Complaints Council (CCC) and National Consumer Helpline (NCH) indicate that



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there has been an increasing number of complaints related to misleading advertisements, yet enforcement has been inconsistent (NCH Report, 2023). Issues such as jurisdictional challenges, lack of digital literacy, and slow administrative processes hinder the effective implementation of the CPA 2019.

## Methodology:

This research uses a mixed methods approach to explore the role of the Consumer Protection Act, 2019 in combating online misleading advertisements within the KDMC region. The following methods will be employed:

- 1. Legal Analysis: A review of the key provisions of the Consumer Protection Act, 2019, particularly focusing on regulations related to online advertisements and unfair trade practices.
- Case Studies: Examination of case studies of consumers in the KDMC region who have encountered misleading advertisements. These case studies will provide insights into how the CPA 2019 has been applied or enforced locally.
- **3. Surveys and Interviews:** Conducting surveys and interviews with consumers, local businesses, and legal experts to gauge awareness of the CPA 2019, its enforcement challenges, and its effectiveness in combating misleading advertising.
- **4. Secondary Data Analysis:** Analysis of reports and complaints from consumer protection agencies, such as the Central Consumer Protection Authority (CCPA), to assess the frequency and nature of misleading advertisements in the region.

## **Results and Discussion:**

**1. Awareness of the Consumer Protection Act, 2019** Initial findings from surveys indicate that while a majority of consumers in the KDMC region are aware of online shopping platforms, very few are familiar with the specifics of the Consumer

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Protection Act, 2019. Most consumers are unaware of their rights regarding misleading advertisements and how to lodge a formal complaint. This lack of awareness limits the effectiveness of the Act.

2. Case Study Analysis: Impact of CPA 2019 in the KDMC Region

In reviewing case studies of consumers who have faced issues with misleading advertisements, it was found that while some complaints were taken up by the CCPA, many consumers in KDMC did not pursue legal action due to a lack of resources, digital literacy, and knowledge of the regulatory process. The case studies highlighted the need for more localized consumer protection initiatives to improve awareness and accessibility of legal support.

## 3. Challenges in Enforcement

Enforcement of the CPA 2019 has been slow in the KDMC region, primarily due to jurisdictional issues, limited local capacity for monitoring digital platforms, and the evolving nature of online marketing. While the CCPA has issued penalties against some large e-commerce players, smaller local businesses and influencers often go unchecked due to gaps in regulation and monitoring.

4. Role of Technology and Platforms in Regulation E-commerce platforms such as Amazon, Flipkart, and social media networks like Instagram are not fully aligned with the regulatory framework outlined in the CPA 2019. While some platforms have started introducing measures to filter fake reviews and misleading advertisements, there is a need for stronger compliance with the Act, particularly through greater cooperation between platforms and regulatory bodies.



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## Analysis:

Consumer Protection Act, 2019 is not effective in combating online misleading advertisements in the KDMC region. Anova: Single Factor

## SUMMARY

Groups					Cou	nt	Sum	Average	Variance
1. I believe that the Consumer Protection Act, 2019 in									
combating online misleading advertisement in the KDMC									
region.						31	115	3.709677	0.812903
2. The Enforcement of Consumer Protection Act, 2019 in									
KDMC region has resulted in a reduction of misleading									
online advertisements.						31	110	3.548387	0.722581
3. I think that businesses in the KDMC region follow the									
regulations outlined by the Consumer Protection Act,									
2019 to avoid misleading advertisement.						31	104	3.354839	0.969892
4. The Consumer Protection Act, 2019 is effective in									
preventing deceptive advertising practices by online									
platforms in the KDMC region.						31	109	3.516129	1.058065
5. I believe that the legal actions taken under the									
Consumer Protection Act, 2019 are the sufficient to									
combat online misleading advertisements in the KDMC									
region.					3	31	107	3.451613	1.322581
ANOVA									
Source of								-	
Variation	SS	Df	MS	F		P-value		F crit	
Between Groups	2.129032	4	0.532258	0.544	0.544674		703172	2.431965	1
Within Groups	146.5806	150	0.977204						1
	1 40 7007	1.5.4							
Total	148.7097	154							

## Source Primary data

**Interpretations:** Since the p value is more than 0.05 i.e. 0.703172. so the null hypothesis is accepted which indicates that the Consumer Protection Act, 2019 is not effective in combating online misleading advertisements in the KDMC region.



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2. Awareness among consumers in the KDMC region about the provisions of the Consumer Protection Act, 2019 Anova: Single Factor

#### SUMMARY

Groups	Count	Sum	Average	Variance
6. I am aware of the provisions of the Consumer Protection Act, 2019				
that regulate online misleading advertisement.	31	108	3.483871	1.124731
7. I know where to report misleading advertisements in the KDMC				
region under the Consumer Protection Act, 2019.	31	100	3.225806	1.313978
8. I believe that the Consumer Protection Act, 2019 gives me the				
right to take action against misleading online advertisement.	31	114	3.677419	1.092473
9. I feel that there is sufficient information available to consumers in				
the KDMC region about their rights under the Consumer Protection				
Act, 2019 regarding misleading advertisements.	31	101	3.258065	1.131183
10. I have encountered and recognized a misleading online				
advertisement in the past year and understood how the Consumer				
Protection Act, 2019 could help in such cases.	31	99	3.193548	1.427957

ANOVA

Source of						
Variation	SS	df	MS	F	P-value	F crit
Between Groups	5.329032	4	1.332258	1.09375	0.36182	2.431965
Within Groups	182.7097	150	1.218065			
Total	188.0387	154				

Source: Primary Data

## Interpretation:

Since the p value is more than 0.05 i.e. 0.36182. so the null hypothesis is accepted which indicates that awareness among consumers in the KDMC region about the provisions of the Consumer Protection Act, 2019

## **Conclusion:**

The Consumer Protection Act, 2019 provides a strong legal framework to combat misleading online advertisements. However, the effectiveness of this Act in the KDMC region is hindered by challenges such as limited consumer awareness, inconsistent enforcement, and the dynamic nature of digital marketing. While the Act has made significant strides in protecting consumers, greater efforts are needed in terms of local implementation, public education, and platform cooperation.

## **Recommendations:**

1. Increased Awareness Programs: Government agencies should conduct awareness campaigns in the KDMC region to educate consumers about the CPA 2019 and their rights concerning online advertisements.



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- 2. Strengthening Enforcement: Local authorities should collaborate with the Central Consumer Protection Authority (CCPA) and e-commerce platforms to ensure more effective enforcement of consumer protection laws in the digital space.
- 3. Public-Private Partnerships: Cooperation between local government bodies, consumer rights organizations, and online platforms is essential for creating a transparent and accountable online advertising environment.
- 4. Improved Complaint Mechanisms: Establishing more accessible and efficient complaint resolution mechanisms in the KDMC region would enable consumers to seek redress more easily.

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## Cite This Article:

*Mr. Ganesh Kumawat G.* (2025). *The Role of Consumer Protection Act, 2019 in Combating Online Misleading Advertisements with Special Reference to KDMC Region.* In Electronic International Interdisciplinary Research Journal: Vol. XIV (Number I, pp. 64–69).