

F. No. CCPA-2/31/2025-CCPA
Central Consumer Protection Authority
Room No. 545, Krishi Bhawan, New Delhi – 110001

In the matter of: Case against Facebook Marketplace with respect to sale of walkie-talkies for alleged violation of consumer rights, misleading advertisement and unfair trade practice.

CORAM:

Smt. Nidhi Khare, Chief Commissioner

Shri. Anupam Mishra, Commissioner

Appearance on behalf of Meta Platforms Inc. (Facebook Marketplace):

Ms. Payal Kamat, India Policy Manager, Meta India

Mr. Ebaad Nawaz Khan, India Public Policy Manager, Economic Regulations, Meta India

Mr. Mike Pow, Product Manager for Facebook Marketplace (from Menlo Park, California), Meta India

Ms. Melissa Joyce, Product Counsel for Facebook Marketplace (from Menlo Park, California), Meta India

Ms. Namrata Singh, Country Counsel (India), Meta India

Date: 01.01.2026

ORDER

1. This is a suo moto case taken up by the Central Consumer Protection Authority (hereinafter referred as 'CCPA') against Meta Platforms Inc. (Facebook Marketplace) [hereinafter referred to as 'opposite party'] with regard to sale of walkie talkies on its Facebook Marketplace without the necessary disclosures.

2. Taking cognizance of the impugned advertisements, the CCPA, in exercise of powers conferred under Section 19 of the Consumer Protection Act, 2019 (hereinafter referred to as "the Act"), conducted a preliminary inquiry and examined that the use of walkie-talkies is regulated under the Indian Wireless Telegraphy Act, 1933. The

Wireless Planning and Coordination (WPC) Wing under the Ministry of Communications and Information Technology regulates the use of walkie-talkies. The Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018 provide guidelines and procedures for obtaining a walkie-talkie license, and also lists devices exempted from licensing requirements.

3. It may be noted that Rule 3 Table V of the Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018 issued vide Ministry of Communication's Notification dated 18th October 2018 prescribes that Personal Mobile Radios (PMRs) that operate in the frequency range of 446.0 – 446.2 MHz (megahertz), are exempted from the requirement of a license. All other wireless radio frequency devices, including PMRs operating outside the aforesaid frequency range, are mandatorily required to obtain Equipment Type Approval (ETA) from the Wireless Planning and Coordination (WPC) Wing to ensure regulatory compliance. These ETAs are granted for ensuring compliance with Radio Frequency (RF) regulations. Therefore, ETA holders must obtain No Objection Certificate or other clearances (if applicable) from the Directorate General of Foreign Trade (DGFT) before importing the equipment.

4. Considering the above Rules & Regulations and consumer rights as defined under Section 2(9) of the Act which include the right to be informed about the standard and genuineness of goods and services, the right to be protected against the marketing of good, products which are hazardous to life and property and the right to consumer awareness, it was found that walkie-talkies are being sold on opposite party's website (<https://www.facebook.com/marketplace>) without compulsory and clear disclosures regarding the requirement of a wireless operating license or compliance with applicable laws. Facebook and its sellers were found to be not providing details regarding the operating frequency range of the walkie-talkies, making it difficult for consumers to determine whether the product falls under the license-exempt or license-required category. The product listings for walkie-talkies do not specify whether the device requires a license from the concerned authority for use. By omitting such crucial

information, these listings appeared to mislead consumers into believing that the devices are legal for unrestricted use.

5. CCPA prima facie observed that opposite party did not provide details regarding the operating frequency range of the walkie-talkies, making it difficult for consumers to determine whether the product falls under the license-exempt or license-required category. Through such product listing and advertisements, opposite party was attracting consumers to purchase these products while concealing essential information, thereby manipulating informed decision-making. The action appeared to fall within the definition of a misleading advertisement and unfair trade practice under Consumer Protection Act, 2019.

6. It may be noted that, as per the E-commerce Rules, every e-commerce entity including the opposite party, is required to ensure that important information is prominently displayed and that sellers provide accurate and complete product details. In the present case, it appeared that opposite party and the sellers have failed to meet these obligations, thereby violating the Consumer Protection (E-commerce) Rules, 2020.

7. In light of these facts, and keeping in view Sections 2(28), 2(47) and 21 of the Act, which prohibit misleading advertisements and unfair trade practices, the CCPA took cognizance of the violations. CCPA also took note of Guidelines 4 and 12 of the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022. These Guidelines mandate that advertisements must make only truthful and honest claims, avoid misleading consumers with unsubstantiated assertions, and ensure that any claim based on objectively verifiable facts can be substantiated when required by the Central Authority, without exaggerating the accuracy, performance, or service of the product. The impugned listing/advertisement appeared to be in violation of abovementioned provisions of the Act.

8. Accordingly, CCPA issued a notice dated 02.05.2025 to the opposite party. The notice specifically pointed out abovementioned issues and a sample of the screenshot

of the advertisement of the impugned product was also enclosed as an annexure to the said notice for their reference and response. An opportunity to furnish response within 15 days of the issuance of notice was given to the opposite party to substantiate its claims, along with the following information:

- i. Name and contact details of each seller;
- ii. Product URLs and listing IDs of the walkie-talkie devices;
- iii. Details of frequency specifications and any licensing information displayed on the listings;
- iv. Whether ETA/WPC certification details have been collected or verified for these products; and
- v. The number of units sold per listing from January 2023 to date.

9. In response to the notice, a reply dated 17.05.2025 was received via email wherein the company stated that the Facebook Service, including the Marketplace feature, is operated and controlled by Meta, a company incorporated under the laws of Delaware, United States of America, and not by Facebook India Online Services Private Limited, which merely forwarded the notice. Meta identified itself as an intermediary under Section 2(1)(w) of the Information Technology Act, 2000. It was further stated that, Meta has taken action to remove 39 out of the 40 listings identified in the notice, noting that one listing did not pertain to a walkie-talkie, and has disclosed user data to the extent available with Meta associated with the creators of all 40 listings. Meta submitted that Facebook Marketplace is a feature intended for private sale or trade among users and not for use by commercial sellers, and that Meta does not have visibility over or facilitate transactions concluded outside the platform. It was also highlighted that users on Marketplace are bound by Meta's Commerce Policies and Community Standards, which prohibit misleading products or offers and require compliance with applicable laws, and that Meta provides reporting tools for users to flag violations, with remedial actions including rejection, blocking, suspension, or termination of accounts.

10. In view of the above, the CCPA examined the opposite party's reply and found that:

- i. These listings falsely imply that such products are lawfully available for sale, without disclosing their restricted nature or applicable licensing requirements, thereby misleading consumers as to the legality and safety of the goods. Furthermore, the platform's failure to exercise due diligence in verifying the legality of such listings contravenes the obligations imposed under the Consumer Protection (E-Commerce) Rules, 2020. Such conduct not only undermines consumer rights but also raises serious concerns about the platform's compliance with regulatory standards.
- ii. A large number of walkie talkies were sold on the opposite party's platform through various sellers. However, the opposite party failed to comply with the specific direction issued in the Notice requiring disclosure of the details of the sellers involved in listing such products. Thus, opposite party failed to provide the following:
 - a. Name and contact details of each seller;
 - b. Product URLs and listing IDs of the walkie-talkie devices;
 - c. Details of frequency specifications and any licensing information displayed on the listings;
 - d. Whether ETA/WPC certification details have been collected or verified for these products; and
 - e. The number of units sold per listing from January 2023 to date (for all the listings)

11. Thus, keeping in mind the above observations and as per Section-19 of Consumer Protection Act, 2019, CCPA was satisfied that there exists *prima facie* case of violation of consumer rights, misleading advertisement and unfair trade practice read with Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 and Consumer Protection (E-commerce) Rules, 2020. Therefore, vide letter dated 09.06.2025, the matter was referred for detailed investigation by the Director General (Investigation).

12. The Director General (Investigation) in its investigation report dated 18.08.2025 submitted the following:

- i. Meta India (Facebook), prior to issuance of the show cause notice, permitted the listing of walkie-talkie devices on its platform without mandatory disclosures regarding :
 - a. Licensing requirements under the Indian Telegraph Act, 1885 and Wireless Telegraphy Act, 1933
 - b. Frequency range and spectrum compliance
 - c. Equipment Type Approval (ETA) and Wireless Planning & Coordination (WPC) certification status.

The omission of such material information constitutes a violation of consumer rights under Sections 2(9), 2(11), 2(28), and 2(47) of the Consumer Protection Act, 2019, and reflects a failure to ensure lawful and informed product promotion.

- ii. Following the issuance of the show cause notice, Meta India delisted 39 sellers of walkie-talkie devices from its platform. The company furnished the identity and contact details of these sellers to the Investigation Authority. However:
 - a. The delisting action appears to have been undertaken in a reactive manner, without any prior demonstration of due diligence or verification of compliance with the applicable regulatory or procedural requirements.
 - b. The company failed to establish that these sellers were on boarded through a process that included regulatory scrutiny of product legality or certification status.

Violations committed prior to issuance of the Show Cause Notice by the Company along with communication are annexed herewith as Annexure-A.

- iii. As an intermediary under the Information Technology Act, 2000, Meta is obligated to exercise due diligence under Rule 3(1)(b) of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021. The persistence of unlawful listings, despite prior notice and claimed remedial action, reflects a deficiency in Meta's compliance with its duty to make reasonable efforts to prevent the hosting or transmission of content that violates applicable law.
- iv. Meta India contended that Facebook Marketplace is a user-to-user listing feature and not an "e-commerce entity" or "marketplace e-commerce entity" under the Consumer Protection (E-commerce) Rules, 2020. However, the Investigation Authority finds:

- a. The platform facilitates listing, discovery, and buyer-seller interaction, thereby falling within the functional scope of Rule 3(b) and Rule 3(g).
- b. Meta India is therefore subject to obligations under Rule 5, including seller verification, product information disclosures, and prevention of misleading advertisements.
- c. Rule 5 of the E-commerce Rules requires marketplace entities to obtain and display seller details, including legal compliance declarations.
- d. In the context of wireless devices, due diligence must include verification of ETA/WPC certification and frequency compliance norms. The absence of such mechanisms reflects systemic failure in platform governance and exposes consumers to regulatory risk.

v. While Meta India eventually provided details of the 39 delisted sellers, its initial response to the show cause notice was incomplete and lacked:

- a. Listing URLs and product identifiers
- b. Frequency specifications and licensing disclosures
- c. Sales volume and transaction data for the hosted and advertised devices

Such omissions impeded the investigatory process and reflected non-compliance with regulatory expectations. The listings displayed on the company portal as on 15.08.2025, advertising walkie-talkies without the necessary information, were annexed as Annexure-B to the Investigation Report.

vi. Despite Meta's stated interventions including weekly sweeps, machine learning-based detection, and removal of flagged listings, walkie-talkie devices continue to be listed and/or sold on Facebook Marketplace without disclosure of Wireless Planning and Coordination (WPC)/ Equipment Type Approval (ETA) certifications or license details, as mandated under applicable regulatory frameworks. This indicates a failure to ensure effective and sustained compliance with product-level legal requirements.

vii. While Meta has implemented certain restrictions to deter commercial activity such as capping listings, disabling multi-quantity options, and removing "In-Stock" tags, these measures have not demonstrably prevented the recurrence of non-compliant listings. The continued presence of illegal walkie-talkie listings suggests that the platform's enforcement mechanisms, including automated

detection and user reporting tools, are insufficient in addressing high-risk product categories.

- viii. The sale or promotion of uncertified communication equipment such as walkie-talkies poses a direct risk to consumer safety and national spectrum integrity. Meta's failure to prevent such listings facilitates regulatory evasion and undermines the objectives of the Consumer Protection Act, 2019, particularly with respect to preventing unfair trade practices and misleading advertisements.
- ix. The platform's failure to ensure lawful product information compromises consumer safety and violates the statutory mandate under Section 2(9) and Section 2(47).

Conclusion: Based on the facts examined, submissions reviewed, and findings recorded, the Investigation Authority concluded that:

- i. Meta India (Facebook) permitted the listing of walkie-talkie devices on its platform without mandatory disclosures regarding licensing requirements, frequency compliance, and ETA/WPC certification, thereby violating consumer rights under the Consumer Protection Act, 2019.
- ii. The company's post-notice action to delist 39 sellers does not absolve its prior failure to implement adequate due diligence mechanisms or prevent the dissemination of misleading product claims.
- iii. Meta constitutes a breach of Rule 3(1)(b) of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, for failure to exercise due diligence in preventing unlawful content;
- iv. Meta India's assertion that Facebook Marketplace is not an "e-commerce entity" or "marketplace e-commerce entity" is not tenable in light of the platform's facilitative role in enabling buyer-seller interaction. Accordingly, the entity is subject to obligations under the Consumer Protection (E-commerce) Rules, 2020.
- v. Meta India failed to furnish complete and timely information as required under the show cause notice, thereby impeding the investigatory process and undermining regulatory oversight.
- vi. Additionally, Meta India's conduct is in violation of the Guidelines for the Prevention and Regulation of Illegal Listing and Sale of Radio Equipment

Including Walkie Talkies on E-commerce Platforms, 2025, which mandate proactive measures to prevent the sale of unauthorized radio communication devices.

In view of the above, a case of violation of consumer rights, misleading advertisement, deficiency in services, and unfair trade practices under the Consumer Protection Act, 2019 was established.

13. The Investigation Report submitted by DG (Investigation) was shared with the opposite party vide letter dated 23.09.2025 to furnish its comments. Additionally, the opposite party was provided with an opportunity of hearing on 07.10.2025. However, the opposite party failed to provide their written comments before the hearing.

14. Thereafter, CCPA conducted a hearing on 07.10.2025, wherein Ms. Payal Kamat, Mr. Ebaad Nawaz Khan, Mr. Mike Pow, Ms. Melissa Joyce and Ms. Namrata Singh appeared on behalf of the opposite party. During the hearing, Ms. Payal Kamat, Public Policy Manager, expressed Meta's gratitude to the Hon'ble Authority for the opportunity to present its position and reiterated its commitment to cooperate fully with the CCPA. She submitted that Meta had already taken significant steps after receipt of the show cause notice, including the removal of flagged listings and additional proactive enforcement measures.

15. Mr. Mike Pow, Product Manager, Facebook Marketplace, presented the technical measures undertaken to prevent recurrence of such listings. He stated that upon receipt of the Authority's first notice, Meta had:

- i. Removed 39 out of 40 flagged listings and provided available user data;
- ii. Conducted a proactive sweep removing 656 additional walkie-talkie listings globally, managed by Meta's Global Response Operations Team;
- iii. Upon receiving the DG Investigation Report dated 23.09.2025, Meta removed 15 additional identified listings and engaged over 20 engineers to strengthen its internal systems.

16. He further elaborated that Meta had implemented three additional India-specific measures:

- i. Machine-learning based detection to identify and automatically block listings using image and keyword analysis, including non-English content and misspellings;
- ii. A Help Centre article published in India explicitly stating that the sale of walkie-talkies is prohibited on Marketplace;
- iii. A search restriction and warning message whereby users attempting to search “walkie-talkie” receive zero results and a warning on the regulated nature of such devices.

17. The Authority noted that despite these actions, the platform had permitted the listing of products regulated by law, which cannot be treated as personal or casual sales. It was observed that the definition of “e-commerce entity” under Section 2(17) of the Consumer Protection Act, 2019 read with Rule 2 of the Consumer Protection (E-Commerce) Rules, 2020, encompasses digital platforms facilitating buying or selling of goods or services, regardless of whether such transactions are between individuals or commercial sellers. The Authority, therefore, held that Facebook Marketplace qualifies as a marketplace e-commerce entity within the meaning of the Act and Rules and that Meta’s reliance on the proviso to Rule 2 (exempting activities of natural persons in personal capacity) is untenable.

18. The Authority further observed that walkie-talkies are regulated devices, requiring either exemption under the 2018 Rules or a license under the Indian Telegraph Act, 1885 and Wireless Telegraphy Act, 1933. Listing such devices without mandatory disclosures regarding frequency range or licensing obligations constitutes a misleading advertisement under Section 2(28) and an unfair trade practice under Section 2(47) of the Consumer Protection Act, 2019.

19. The Authority emphasized that Meta, being a technologically advanced entity, possesses adequate tools and resources to detect and prevent the listing of prohibited or regulated products. The company must exercise due diligence to ensure that such listings do not recur and that consumer safety is not compromised.

20. The company sought additional time to submit:

- i. detailed information regarding the 40 flagged listings, the 656 additional listings, and the 15 listings identified later, including details of sellers; and
- ii. its comprehensive written comments on the DG Investigation Report.

21. The opposite party in furtherance of the directions given during the hearing, shared the presentation, that they made during the hearing via email dated 07.10.25. The presentation furnished the following details:

- i. That upon receipt of the notice issued in May 2025, the opposite party removed 39 out of the 40 walkie-talkie listings identified by the CCPA and furnished user data relating to all the said listings.
- ii. That, as part of ongoing proactive sweeps conducted by its Global Response Operations team, an additional 656 walkie-talkie listings were removed between May 2025 and September 2025.
- iii. That upon receipt of the Investigation Report in September 2025, the opposite party immediately removed 15 additional walkie-talkie listings specifically flagged by the CCPA.
- iv. That subsequent to the Investigation Report, it implemented enhanced enforcement measures, including deployment of machine-learning tools for identification of walkie-talkie listings, analysis of listing images in addition to keywords, and use of an extended keyword list incorporating phonetic variants and misspellings.
- v. That it published an India-specific Help Centre article clearly informing users that listing of walkie-talkies and certain radio equipment is prohibited on Facebook Marketplace in India.
- vi. That it instituted search-level restrictions such that when users in India attempt to search for walkie-talkies on Facebook Marketplace, a warning message is displayed stating that such listings are prohibited and no such listings are shown in the search results, with users being redirected to the relevant Help Centre guidance.
- vii. That Facebook Marketplace is designed and intended solely for individual-to-individual interaction by natural persons acting in their personal capacity and is not meant for businesses or commercial sellers, as per the proviso to Rule 2(1) of the Consumer Protection (E-Commerce) Rules, 2020.

- viii. That Facebook Marketplace does not provide or enable features typically associated with e-commerce platforms, such as add-to-cart, checkout, payment processing, shipment or delivery, or on-platform facilitation of sale and purchase, and that any transaction, if at all, occurs entirely outside the platform.
- ix. That multiple safeguards are in place to discourage commercial activity on Facebook Marketplace in India, including restrictions on multi-quantity listings, labelling of listings as "in stock", excessive listings per user, repeated web domains, business-oriented keywords, cross-border selling, and listings with excessive promotional indicators.
- x. That Facebook Marketplace operates as an intermediary under the Information Technology Act, 2000, and complies with the due diligence obligations under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, including acting on unlawful content upon receipt of actual knowledge and informing users of its terms, policies, and applicable legal requirements.

22. In continuation of the above, the opposite party, vide email dated 17.10.2025, furnished its response to CCPA regarding its response to the investigation report, wherein it stated that:

- i. It reiterated that the Facebook service, including the Facebook Marketplace feature, is operated and controlled by Meta Platforms, Inc., and not by Meta India, and that Meta Platforms, Inc. is incorporated under the laws of the United States of America.
- ii. It submitted that Facebook Marketplace is a peer-to-peer feature intended only to connect individual users for private sale or exchange of goods and is not designed or permitted for use by businesses or commercial sellers in India.
- iii. It contended that Facebook Marketplace in India does not support checkout, payments, shipping, order confirmation, or transaction tracking, and that any payment or delivery takes place entirely outside the Facebook platform, without Meta's involvement or visibility.
- iv. It stated that upon receipt of the notice dated 02.05.2025, it voluntarily removed 39 out of 40 walkie-talkie listings identified by the CCPA and subsequently

removed all listings referred to in the Investigation Report, in addition to proactively monitoring several hundred similar listings.

- v. It submitted that, following the Investigation Report, it strengthened its detection and enforcement mechanisms by deploying automated, machine-learning-based tools to identify and remove walkie-talkie listings, including through keyword analysis, image recognition, and multilingual detection.
- vi. It stated that it published India-specific Help Centre pages clearly informing users that the listing of walkie-talkies and certain radio equipments are prohibited on Facebook Marketplace in India and that users are responsible for complying with applicable Indian laws.
- vii. It submitted that it implemented search-level restrictions such that users searching for walkie-talkies on Facebook Marketplace in India are shown a prohibition message and redirected to the relevant Help Centre guidance.
- viii. It contended that it has disclosed all user data available with it in relation to the identified listings and that any perceived delay in sharing information arose due to technical issues, which were promptly addressed through re-submission and physical delivery of documents.
- ix. It asserted that, as an intermediary under the Information Technology Act, 2000, it is not required to proactively monitor content and is entitled to safe harbour under Section 79 of the said Act, subject to compliance with takedown obligations upon receipt of valid directions.
- x. It denied that it qualifies as an “e-commerce entity” or “marketplace e-commerce entity” under the Consumer Protection (E-Commerce) Rules, 2020, and contended that the said Rules are inapplicable to Facebook Marketplace in India.

23. In continuation of the written submissions, the opposite party, represented by Shardul Amarchand Mangaldas & Co., vide email dated 17.10.2025, shared the data relating to the creators of all 40 listings identified in CCPA's notice dated May 2, 2025.

24. In furtherance of all the above submissions, the opposite party was furnished another opportunity of hearing on 17.12.2025 vide email dated 11.12.2025. CCPA conducted a hearing on 17.12.2025, wherein Ms. Payal Kamat, Mr. Ebaad Nawaz

Khan, Mr. Mike Pow, Ms. Melissa Joyce and Ms. Namrata Singh appeared on behalf of the opposite party. During the hearing, the CCPA apprised the representatives of the opposite party that the proceedings arose from the continued listing of walkie-talkie devices on Facebook Marketplace, including those devices operating beyond the frequency ranges permitted under applicable Indian laws. The Commission noted that such devices are regulated in nature and that their online availability, without adherence to statutory requirements, raises serious concerns from the perspective of consumer rights, safety, and regulatory compliance.

25. The representatives of the opposite party acknowledged receipt of the notice and submitted that, following the intervention of the Central Consumer Protection Authority, a total of 710 walkie-talkie listings had been taken down and user data relating to 711 listings had been furnished to the Authority. It was submitted that the opposite party had undertaken a review of the listings identified during the investigation and had removed such listings from the platform.

26. The opposite party further submitted that, in response to the concerns raised by CCPA, it had strengthened its internal enforcement framework. These measures included enhanced detection through machine-learning tools, expansion of keyword and phonetic-variant identification to prevent circumvention by sellers, and deployment of image-based analysis to identify prohibited listings. It was also stated that a Help Centre article had been published to inform users that radio equipment, including walkie-talkies, is regulated under Indian law and cannot be listed on Marketplace, and that such information is available in multiple Indian languages to ensure wider user awareness.

27. At the instance of the CCPA, a live demonstration was provided during the hearing, via screen-sharing mode, to illustrate the functioning of the newly implemented safeguards. The demonstration showed that searches for walkie-talkies and related terms resulted in zero listings, accompanied by warnings and redirection to the relevant Help Centre article, and that such listings were not displayed across the Android application, iOS application, and web interface of Facebook Marketplace.

28. While taking note of the submissions and measures outlined by the opposite party, the CCPA expressed concern that prohibited listings, hosting and advertisements had continued to appear even after issuance of notice and during the course of investigation. The CCPA observed that effective due diligence by a digital marketplace requires proactive and systemic safeguards, and that reliance solely on seller compliance or post-facto action may undermine consumer confidence and expose consumers to legal and safety risks. In response, the opposite party submitted that seller-level enforcement is governed by an internal strike-based mechanism and that account-level restrictions, including deactivation of access to Marketplace, may extend across Meta platforms.

However, it may be noted that a strike system operates post-violation and presupposes repeated infractions, whereas the listings, hosting and advertisements of regulated radio equipment without mandatory disclosures or approvals is impermissible at the threshold. Consumers cannot reasonably be expected to assess technical compliance relating to frequency bands or licensing requirements, and any enforcement framework that depends on user reporting or subsequent strikes risks shifting the burden of compliance onto consumers. The continued appearance of such listings even after issuance of notice demonstrates that, in the absence of robust ex-ante safeguards, a strike-based mechanism by itself is insufficient to meet the standard of diligence expected from a digital marketplace of the scale and reach of the opposite party. Further, such mechanisms do not conclusively eliminate the risk of re-listing, as the same seller may potentially re-enter the platform using alternate credentials, thereby undermining the effectiveness of account-level enforcement.

29. For the purposes of the present proceedings, it is clarified that references to "listings" on Facebook Marketplace are to be understood as including the hosting and publication of product-related information amounting to advertising activity. Under the Consumer Protection Act, 2019, any digital dissemination of information that promotes, offers, or invites consumers to purchase goods constitutes advertising directed at consumers. Simultaneously, the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 recognise that intermediaries host, display and make available third-party commercial communications on their platforms. Accordingly,

where a structured digital platform enables the public display and discovery of goods, with the objective of attracting potential buyers, such listings assume the legal character of advertisements hosted and published through an intermediary system. The use of the term “listing” in this Order therefore includes its nature as an advertisement hosted on its platform.

30. It may be mentioned that Section- 2(28) of the Act defines “misleading advertisement” in relation to any product or service means an advertisement, which—

- i. falsely describes such product or service; or
- ii. gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service; or
- iii. conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or
- iv. deliberately conceals important information.

31. From a plain reading of the above provisions of the Act, it is evident that any advertisement must adhere to the following principles:-

- i. It should present a truthful and honest representation of facts.
- ii. Any assertions or guarantees made in the advertisement must be supported by credible and authentic evidence, studies, or materials.
- iii. Must not engage in unfair trade practices as defined under Section 2(47) of the Act. Specifically:
- iv. It should not make false or misleading claims regarding the necessity or usefulness of any goods or services [Section 2(47) (f)].
- v. It should not adopt any unfair trade practice as defined under Section 2(47) of the Act, including making a materially misleading warranty, guarantee, or promise, or one that has no reasonable prospect of being carried out [Section 2(47)(h)].
- vi. Important information must be disclosed in a clear, prominent, and hard to miss manner to ensure that no critical details are concealed from consumers.

32. It may also be mentioned that Section- 2(16) of the Act defines "e-commerce" as "*buying or selling of goods or services including digital products over digital or electronic network*".

Further, Rule 3(g) of The Consumer Protection (E-Commerce) Rules, 2020, defines "marketplace e-commerce entity" means *an e-commerce entity which provides an information technology platform on a digital or electronic network to facilitate transactions between buyers and sellers*;

Furthermore, Rule 5 of the above-mentioned Rules provides for the "Liabilities of marketplace e-commerce entities as: –

(1) A marketplace e-commerce entity which seeks to avail the exemption from liability under sub-section (1) of section 79 of the Information Technology Act, 2000 (21 of 2000) shall comply with sub-sections (2) and (3) of that section, including the provisions of the Information Technology (Intermediary Guidelines) Rules, 2011.

(3) Every marketplace e-commerce entity shall provide the following information in a clear and accessible manner, displayed prominently to its users at the appropriate place on its platform:

(a) details about the sellers offering goods and services, including the name of their business, whether registered or not, their geographic address, customer care number, any rating or other aggregated feedback about such seller, and any other information necessary for enabling consumers to make informed decisions at the pre- purchase stage

33. From a plain reading of the above Rules, it is clear that the said platform falls within the very scope of the Consumer Protection Act, 2019 and the Consumer Protection (E-Commerce) Rules, 2020. The opposite party's contention that Facebook Marketplace falls outside the scope of the Consumer Protection Act, 2019 or the Consumer Protection (E-commerce) Rules, 2020, merely on the ground that transactions are characterised as user-to-user and payments occur outside the platform, does not carry much weight. The statutory definition of "e-commerce" under the Act is deliberately broad and encompasses the buying or selling of goods over a

digital network, irrespective of the mode of payment or checkout functionality. The Marketplace enables listing, hosting, categorisation, discovery, and facilitation of transactions between buyers and sellers, thereby playing an active role in the sale process. Further, the exemption relating to activities of natural persons in personal capacity cannot be invoked where repeated listings, hostings and advertisements of regulated goods are facilitated on the platform. CCPA is of the view that regulatory obligations under consumer law must be determined by the functional role and consumer impact of the platform, and cannot be avoided by platform design choices or self-characterisation.

34. The Authority is not persuaded by the reliance placed on the proviso relating to activities of natural persons carried out in a personal capacity. The said proviso is in the nature of a narrow exception and applies only to isolated, non-commercial transactions not undertaken on a regular or systematic basis. The repeated listing, hosting and advertisements and availability of regulated walkie-talkie devices on the platform, including during the course of investigation, cannot be characterised as casual personal activity. Further, the nature of the goods involved, being regulated radio equipment, by itself warrants a higher threshold of scrutiny and cannot be equated with occasional household consumer goods' sales. The Authority is of the view that the proviso cannot be invoked to exclude platform-level due diligence obligations where the functional facilitation of such listings, hostings and advertisements result in consumer exposure to regulated and non-compliant products.

35. Further, it is pertinent to note that the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, under the Information Technology Act, 2000, cast specific duties and obligations upon intermediaries, including social media intermediaries and significant social media intermediaries. Rule 2(v) defines a "significant social media intermediary" as a social media intermediary having millions of registered users in India above the threshold notified by the Central Government, while Rule 2(w) defines a "social media intermediary" as an intermediary which primarily enables online interaction between users and allows creation, uploading and dissemination of information. Further, Rule 3(1) mandates that every intermediary shall exercise due diligence while discharging its functions, including making reasonable efforts to ensure that unlawful or misleading information is not

hosted or published on its platform, and promptly removing such unlawful information upon receiving actual knowledge. In addition, Rule 4 imposes enhanced obligations upon significant social media intermediaries, including appointment of a Chief Compliance Officer responsible for ensuring compliance with the Act and Rules, establishment of robust grievance redressal and reporting mechanisms, and proactive deployment of technological measures to identify and restrict unlawful content, commensurate with user safety, transparency, and accountability.

36. In the present case, Facebook Marketplace operates as a feature of the Facebook platform, which is a significant social media intermediary within the meaning of the aforesaid Rules. Accordingly, Meta is required to exercise heightened due diligence to prevent the hosting, publication, promotion, or facilitation of unlawful or misleading content, particularly where such content relates to regulated radio-communication devices requiring statutory approvals/licences under Indian law. The continued availability of walkie-talkie listings, hostings and advertisements on Facebook Marketplace without disclosure of mandatory regulatory information, notwithstanding prior notice and ongoing proceedings, indicates a failure to implement adequate safeguards expected of an intermediary of such scale and technological capacity. The obligations under Rules 3 and 4 extend beyond mere passive hosting and require the intermediary to maintain a responsible governance framework so as to prevent recurrence of unlawful listings, hostings and advertisements and to protect consumer rights. Therefore, Meta's assertions that it functions merely as an intermediary cannot dilute its statutory duty to ensure due diligence, user safety, and compliance with Indian law, particularly when unlawful commercial content has been repeatedly allowed to appear and remain accessible on its platform.

37. It is important to mention that Department of Telecommunication's Spectrum Management on Online Sale or Purchase of Wireless Sets and Equipments which can be accessed via below link <https://dot.gov.in/spectrummanagement/online-sale-or-purchase-wireless-sets-and-equipments> states the following:-

"ii) It is the responsibility of these intermediaries to follow certain due diligence guidelines as stated in the Information Technology (Intermediaries guidelines) Rules,

2011, which includes signing of "User Agreement" for access or usage of the intermediary's computer resource by any person (Sellers and Purchasers under the referred context). These IT rules clearly indicate the typical aspects this "User Agreement" should address including the need for compliance of any laws by these sellers and the purchasers.

iii) *In the instant case, there is a need for the Dealer Possession License (DPL) under the relevant provisions of the Indian Wireless Telegraphy Act 1933 by the seller for wireless equipment if it is in the licensed bands or "Equipment Type Approval (ETA)" if it is in the de-licensed band. The purchaser needs to obtain "frequency authorization/agreement in principle letter" from WPC Wing, DoT under Indian Telegraph Act 1885 before purchasing any equipment in the licensed bands and subsequently wireless operating license for the same after submitting required documents and spectrum charges/ fees. Therefore, the on-line intermediaries need to ensure that these statutory requirements are fulfilled.*

4. *Therefore, it is reiterated that if there is any licensing/ statutory requirement on telecom equipment being sold or purchased, it will be the responsibility of those selling it or purchasing it, as well as of the online intermediaries facilitating such sale and purchase, that the relevant statutes of the Government are not violated."*

38. The CCPA has carefully examined the submissions made by the opposite party through emails dated 17.05.2025, 07.10.2025, 17.10.2025 and 23.10.2025, the oral submissions made during the hearing held on 07.10.2025 and 17.12.2025, and the Investigation Report dated 18.08.2025. Upon consideration, the following findings are recorded:

- i. The opposite party hosted and advertised walkie-talkie devices on its platform without providing mandatory disclosures relating to:
 - a. Licensing requirements under the Indian Telegraph Act, 1885 and the Wireless Telegraphy Act, 1933;
 - b. Frequency range and spectrum compliance;
 - c. Equipment Type Approval (ETA) and Wireless Planning & Coordination (WPC) certification status.

- ii. The omission of such material information constitutes a violation of consumer rights under Sections 2(9), 2(11), 2(28), and 2(47) of the Consumer Protection Act, 2019, and reflects a failure to ensure lawful and well-informed product promotion.
- iii. A number of walkie-talkies were purchased by consumers through the opposite party's platform, without any disclosure of frequency specifications, licensing requirements, or ETA/WPC certification. No evidence has been submitted to establish that these devices possessed the requisite ETA certification. The opposite party also failed to provide the number of units sold by them.
- iv. The walkie-talkie devices listed, hosted, advertised and sold on the platform were operating on radio frequency bands without adequate disclosure regarding the specific frequency range utilised, including whether such frequencies fell within or exceeded the limits permissible under law. Such omission constitutes a violation of Rule 3 of the "Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018". ETA certification is mandatory for any person listing, manufacturing, or selling wireless equipment in India, as it ensures consumer safety and adherence to the authorized frequency spectrum. Therefore, ETA constitutes essential information that must be disclosed by both the platform and the seller. The opposite party thus deliberately concealed crucial information from consumers.
- v. Accordingly, the listing, hosting and advertising of walkie-talkies on the opposite party's platform without disclosing ETA (WPC) certification amounts to a violation of the provisions of the Consumer Protection Act, 2019 relating to unfair trade practice and misleading advertisements.
- vi. Section 2(9) of the Consumer Protection Act, 2019 recognizes the consumer's right to be informed, and mandates that e-commerce entities disclose all material information necessary to safeguard consumers against unfair trade practices.

- vii. The Consumer Protection (E-commerce) Rules, 2020 impose a duty on e-commerce entities to disclose, in a clear and accessible manner, all information necessary to enable consumers to make informed decisions at the pre-purchase stage, and to ensure such information is prominently displayed.
- viii. Platforms such as the opposite party cannot function merely as passive intermediaries. E-commerce entities are required to take reasonable steps to prevent the listing, hosting and advertising and sale of prohibited or non-compliant products, as well as other illegal activities on their platform.
- ix. The opposite party is not merely a passive facilitator; it exercises substantial control over the products listed, hosted and advertised on its platform. While it may contend that it is not the direct seller of the impugned devices, it nonetheless has a legal duty to ensure that such products are not offered for sale or permitted to be listed, hosted and advertised without mandatory disclosures and compliance with applicable laws. This responsibility arises particularly because the opposite party provides an organised platform for hosting, listings and advertisements, thereby playing a facilitative role in enabling and effectuating buyer-seller interactions. The opposite party failed to take timely and appropriate action to prevent the sale of non-compliant products. It is further observed that the opposite party delisted the impugned products from its platform only after the issuance of the CCPA notice, indicating that no due diligence or proactive measures were taken prior to regulatory intervention.
- x. A critical aspect of the matter concerns the protection of consumers who may have been misled into purchasing the impugned products under confusion and deception.
- xi. It is important to note that consumers rely heavily on online descriptions, specifications, and images while shopping on e-commerce platforms, as they do not have physical access to the product. The sale of walkie-talkies that did not comply with mandatory legal requirements amounts to misleading consumers

and exposing them to potential regulatory risks and national security implications.

xii. The DoT public advisory reproduced in abovementioned para 36 explicitly places responsibility on intermediaries to ensure that sellers and purchasers comply with statutory requirements. Opposite party's failure to verify or display ETA and licensing information constitutes non-compliance with the advisory and demonstrates disregard for regulatory obligations.

39. (a) Section- 2(28) of the Consumer protection Act, 2019 defines "misleading advertisement" in relation to any product or service, means an advertisement, which—

- v. falsely describes such product or service; or
- vi. gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service; or
- vii. conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or
- viii. deliberately conceals important information;

(b) From a bare reading of the above provisions of the Act, any advertisement should: -

- i. Contain truthful & honest representation of facts,
- ii. Have assertions, guarantees only when backed by underlying credible and authentic material, study etc.
- iii. Not indulge in unfair trade practice as defined in Section 2(47) of the Act. It should be free from false representation that the goods/services are of particular standard, quality [(section 2(47) (a)] and should not make false or misleading representation concerning the need for or usefulness of any goods or services [(section 2(47) (f)] of the Act with respect to unfair trade practice.
- iv. Disclose the important information in such a manner that they are clear, prominent, and extremely hard to miss for viewers/consumers to not conceal important information.

(c) Further section 2(47) of the Consumer Protection Act 2019 states that:

"unfair trade practice means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provisions of any service, adopts any unfair method or unfair or deceptive practice (d) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have".

The aforementioned provisions clearly establish the right of consumer to be informed, which also includes right to be protected from withholding of important information.

40. (a) As already noted, the product under examination is a sensitive device and has a bearing on national security. The opposite party had to carry out the due diligence as required by the Information Technology (Intermediaries Guidelines) Rules, 2011. However, the gravity of the violation is further compounded by an implied misleading representation that the product may not need licensing. It is further observed that the walkie-talkies listed, hosted and displayed on the platform were advertised as offering high-range communication, indicating potential operation on frequency bands not exempted under the applicable Rules, and are hosted and advertised without the mandatory disclosures required under law. This misrepresentation has pushed unsuspecting consumers towards the risks of legal troubles for use of unapproved products. The action of the opposite party has seriously undermined consumer interest as well as national security.

(b) When asked about the strike system, the opposite party submitted that "the deactivation of the seller account is governed by a strike system," under which "the strikes are Meta initiated as well as user initiated," and that Meta "does proactively enforce against our policies and try and detect when users have violated our policies and our terms." It was further clarified that "if they hit a certain number of strikes ... then we prohibit them from using Facebook Marketplace or in some circumstances, even using any Meta product." It has been further noted that the opposite party has not taken any legal action against the sellers for misusing the platform other than imposing an internal strike-based mechanism which does not conclusively eliminate the risk of re-

listing, as the same seller may potentially re-enter the platform using alternate credentials.

In response to a query regarding enforcement, the platform submitted that “the deactivation of the seller account is governed by a strike system,” under which “the strikes are Meta initiated as well as user initiated,” and that Meta “does proactively enforce against our policies and try and detect when users have violated our policies and our terms.” It was clarified that “if they hit a certain number of strikes … then we prohibit them from using Facebook Marketplace or in some circumstances, even using any Meta product.”

(c) Therefore, the opposite party has violated the following provisions of the Consumer Protection Act 2019:-

- a. Section 2(28) (i)- Falsely describes such product or service
- b. Section 2(28)(ii)- gives a false guarantee to, or is likely to mislead the consumers as to the nature, substance, quantity or quality of such product or service
- c. Section 2(28)(iii) - Unfair Trade Practice (conveys an express or implied representation which, if made by the manufacturer or seller or service provider thereof, would constitute an unfair trade practice; or)
- d. Section 2(28)(iv) – Deliberately conceals important information
- e. Section 2(47)- Unfair Trade Practice (Clause (d) of said Section representing that the goods have approval) by failing to disclose that it did not have approval
- f. The Consumer Protection (E-commerce) Rules, 2020
- g. Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022.

41. The CCPA is empowered under Section- 21 of the Consumer Protection Act, 2019 to issue directions to the advertiser of false or misleading advertisement to discontinue or modify the advertisement and if necessary, it may, by order, impose a penalty which may extend to ten lakh rupees and for every subsequent contravention may extend to fifty lakh rupees. Further, Section 21 (7) of the above Act prescribes that following may be regarded while determining the penalty against false or misleading advertisement:-

- a) the population and the area impacted or affected by such offence;
- b) the frequency and duration of such offence;
- c) the vulnerability of the class of persons likely to be adversely affected by such offence.

42. CCPA also examined the violations of the opposite party in light of the penal provision under section 21(2) of the Act .

- a. The approach of the opposite party to consider itself as an intermediary and relying on the safe harbour under section 79 of IT Act 2000 is not in the best interest of consumers and public in general. Rule 3, Table V of the Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018, issued vide Notification of the Ministry of Communications dated 18th October 2018, stipulates that Personal Mobile Radios (PMRs) operating within the frequency band of 446.0–446.2 MHz are exempt from the requirement of obtaining a licence. However, all other wireless radio frequency devices, including walkie-talkies operating beyond the aforesaid frequency range, are mandatorily required to secure Equipment Type Approval (ETA) from the Wireless Planning and Coordination (WPC) Wing, in order to ensure conformity with the applicable regulatory framework. The grant of ETA is intended to ensure compliance with the prescribed Radio Frequency (RF) norms. Accordingly, ETA holders are further required to obtain a No-Objection Certificate or other requisite clearances, as applicable, from the Directorate General of Foreign Trade (DGFT) prior to import of such equipment.
- b. The statutory prescription of a fixed and limited frequency band for licence-exempt Personal Mobile Radios is premised upon regulatory considerations of spectrum management, consumer safety, and national security. The underlying intent is to confine unregulated radio communication to low-power, short-range civilian usage like hotel or resort staff coordination, which does not interfere with licensed spectrum users, including public safety agencies, defence communications, emergency services and commercial telecom operators. By restricting licence-free operation to a narrow frequency range and prescribed technical parameters, the law seeks to minimise the risk of harmful radio interference, prevent misuse for

unlawful or clandestine communications, and ensure traceability and regulatory oversight in respect of higher-risk devices. Thus, the exemption operates as a narrow and carefully-calibrated exception within an otherwise regulated spectrum framework, striking a balance between consumer convenience and the imperatives of national security and orderly spectrum utilisation.

- c. In this context, the Consumer Protection Act, 2019 places paramount importance on the consumer's right to be informed and protected against practices that pose potential safety risks. Where radio communication devices operating beyond the licence-exempt band are marketed or made available without adequate disclosure of licensing requirements, frequency parameters or compliance status, consumers are deprived of the ability to make an informed purchasing decision. Such omission not only exposes consumers to the risk of inadvertent violation of law but also to possible interference-related hazards and disruption of essential communications. The absence of accurate and complete information therefore constitutes a serious consumer detriment within the meaning of the Act.
- d. The proviso of the Consumer Protection (E-commerce) Rules, 2020 which excludes from the scope of the Rules any activity carried out by a natural person in a purely personal capacity, and not as part of a regular or systematic commercial activity, is intended to exempt isolated, casual or private dealings between individual buyers and sellers. The said proviso cannot, however, be construed as extending to an entity which operates an organised and structured digital platform enabling systematic listing, discovery and promotion of goods and services for consideration. Facebook Marketplace is a platform architected and administered by the opposite party for the facilitation of such transactions on a regular and ongoing basis, and therefore falls outside the protective ambit of this proviso.
- e. The approach of the opposite party towards due diligence is seen to be weak as despite its due diligence the marketing of restricted products continued to appear after the issuance of the SCN by the CCPA. Moreover, the intermediary approach to the matter led to inadequate measures as the evidences had indicated. Further, the opposite party's reliance on its status as an intermediary is materially weakened by the fact that subsequent to receipt of notice, the platform demonstrably undertook remedial measures in respect of the impugned listings.

This evidences that the opposite party possessed both the technical capability and administrative control to prevent or regulate such listings even prior to regulatory intervention. Accordingly, the intermediary defence cannot be invoked to negate responsibility for failure to exercise due diligence at the relevant time.

Therefore, the conduct of the opposite party attracts the applicability of Section 21(7) of the Consumer Protection Act, 2019. Section 10 of the Consumer Protection Act mandates the CCPA to regulate matters prejudicial to the interest of public and consumer as a class. The manner of operation of the platform, the intermediary approach to the matter involving national interest is not in public interest in general and consumer interest in particular.

In light of the above, CCPA finds it necessary to impose penalty on the party for dissemination of misleading and non-compliant advertisements on a platform with significant consumer outreach and failure of inadequate monitoring of its online market place creating detriments to public and consumer interest.

43. In view of the above, under Section- 20, 21 read with Section 10 of the Consumer Protection Act 2019, CCPA hereby issues the following directions:-

- a) In light of the nature of the violations detailed in the foregoing paragraphs, it is necessary that the opposite party is directed to Pay a penalty of **₹10,00,000/-** for indulging in misleading advertisement and unfair trade practice.
- b) The opposite party shall ensure that in future no walkie-talkies or any product requiring statutory approval/certification is listed, hosted, advertised or sold on its platform without full compliance with applicable laws and mandatory disclosures.
- c) The opposite party shall periodically carry out self-audit of its platform so that such violations of law through deceptive listings/ hostings and advertisements are not prevalent. It shall further publish certificate of such self-audit on their website in public and consumer interest.
- d) Submit a compliance report of the directions (a) & (b) above within 15 days of receipt of the Order.

The above order and directions are passed in exercise of the powers conferred upon CCPA under section 10, 20, read with section 21 of the Consumer Protection Act 2019.



Nidhi Khare
Chief Commissioner



Anupam Mishra
Commissioner