

Central Consumer Protection Authority
Krishi Bhawan, New Delhi -110001
Case No: CCPA-2/32/2025-CCPA

In the matter of Misleading advertisement, unfair trade practice and violation of consumer rights by Flipkart Internet Private Limited

CORAM:

Smt. Nidhi Khare, Chief Commissioner
Sh. Anupam Mishra, Commissioner

Appearance on behalf of Flipkart Internet Private Limited

Dheeraj Nair, Advocate
Vrishtyui Sahni, Advocate
Sahir Seth, Advocate

Date: 14th January, 2026

ORDER

1. The Central Consumer Protection Authority (hereinafter referred as 'CCPA') has taken *suo-moto* cognizance against Flipkart internet private limited [hereinafter referred to as 'opposite party'] with regard to sale of walkie talkies on its official website (www.flipkart.com) and Flipkart application without the necessary disclosures as required by law.
2. In exercise of power conferred under Section 19 of the Consumer Protection Act, 2019 (hereinafter referred to as The Act, 2019), the CCPA took cognizance of the impugned advertisements, and examined that the Wireless Planning and Coordination (WPC) Wing under the Ministry of Communications and Information Technology regulates the use of walkie-talkie under the Indian Wireless Telegraphy Act, 1933. 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 that are exempted from licensing requirements.
3. It was 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) alone, are exempted from the requirement

of a license. Further, As per Ministry of Communications O.M. dated 09.09.2024 issued with an objective to promote ease of Doing Business in the telecom sector specifies that *“These ETAs shall be granted for ensuring compliance with 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. It is the sole responsibility of the ETA holders to ensure compliance with all import regulations and requirements stipulated by the DGFT”*.

4. Every E-commerce entity including opposite party, is required under Consumer Protection (E-commerce) Rules, 2020, to ensure that important information is prominently displayed and that sellers must provide accurate and complete product details. In the present case, it appeared that the opposite party and the sellers had failed to meet these obligations, thereby violating the Consumer Protection (E-commerce) Rules, 2020.

5. CCPA also took note of para 4 and 12 of the *Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022*, which, mandates that advertisements must make only truthful and honest claims, avoid misleading consumers with unsubstantiated assertions, and to ensure that any claim founded upon objectively verifiable facts is capable of being duly substantiated when so required by the Central Authority, without exaggerating the accuracy, performance, or service of the product. Also, the advertisement shall not mislead consumers by omitting restrictions, including geographic restrictions and age-limit on the availability of the goods, products or services.

6. Considering the above Rules & Regulations and consumer rights under Section 2(9) of the Act which includes 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. In the preliminary inquiry, it was observed that walkie-talkies are being sold on opposite party's website (www.flipkart.com) or on their application without compulsory and clear disclosures regarding the requirement of a wireless operating license from the concerned authority for use or compliance with applicable laws. It was further found that there were also omissions of the details required under law such as frequency range, Equipment Type Approval (ETA) certification. By omitting such

crucial information, these listings and advertisements appeared to mislead consumers into believing that the devices were legal for unrestricted use and thus appeared to compromise consumer interest.

7. CCPA further 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 fell 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 actions of the Opposite party appeared to fall within the definition of misleading advertisement and unfair trade practice under Consumer Protection Act, 2019.

8. In light of these facts, the impugned listings/advertisements appeared to be in violation of Sections 2(28), 2(47), 20 and 21 of the Act, 2019, and the Guidelines on misleading advertisement, 2022 which prohibits misleading advertisements and unfair trade practices.

9. Based on the above, CCPA issued notice dated 02.05.2025 to the opposite party. The notice specifically pointed out abovementioned issues and a sample of the product listed on the platform 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 ETAWPC certification details have been collected or verified for these products; and
- v. The number of units sold per listing from January 2023 to date.

10. In response to the notice, Opposite Party submitted its reply vide email dated 17.05.2025. The Opposite party submitted that:

- i. Flipkart is an "intermediary" under Section 2(1)(w) of the Information Technology Act, 2000 (hereinafter referred to as IT Act) and operates as a

"marketplace e-commerce entity" that merely provides a platform to facilitate transactions between third-party sellers and buyers.

- ii. Opposite Party does not sell, store, supply, and promote for sale any products on its platform. It is neither the seller nor manufacturer of the products bought and sold on its platform.
- iii. They emphasized on sellers' responsibility and stated that for registration the sellers accord their consent to its Sellers' Terms of Use which, *inter alia*, required that all sellers must comply with all necessary compliances and applicable laws.
- iv. Upon successful registration, the sellers are required to undergo mandatory training to ensure all products comply with applicable laws, including obtaining necessary **TEC/WPC certifications**.
- v. The Opposite party asserts that the company has lack of editorial control. Once the data fields are filled by the seller, the product goes live for sale on the platform. The information entered is displayed directly on the platform without editorial intervention by the Opposite party.
- vi. Opposite party submits that it cannot be held liable for unfair trade practices because it had no reason to believe the goods were non-compliant, especially given the declarations provided by the sellers.
- vii. The opposite party is in compliance of its due diligence obligations and that such compliances has been judicially recognized and accepted by courts across India, consequently, making it eligible for the exemption under Section 79 of the IT Act. As a category of intermediaries, the operations of the Opposite Party qualify as a marketplace E-commerce entity under Section 3(g) of the Consumer Protection (E-commerce) Rules, 2020. Rule 5 (1) (Liabilities of marketplace E-commerce entities) recognizes the applicability of Section 79 of the IT Act upon compliance of the conditions set out therein.
- viii. Upon receiving the notice, Flipkart immediately delisted all the walkie-talkie listings mentioned in the notice issued by CCPA.

- ix. On 16th May, 2025, the Opposite party issued a communication to all the "errant sellers" intimating them about the compliance concerns raised in the CCPA notice.
- x. The Opposite party has provided CCPA a list containing seller contact details, product URLs, listing IDs, and sales data from January 2023 to the present.

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

- a. In total 8708 sellers were listed in the platform and total 1,08,206 units were sold irrespective of the frequency range.
- b. 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.
- c. The opposite party has failed to provide any licensing information on its listings and Whether ETA/WPC certification details have been collected or verified for these products.

12. 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 30th May, 2025, the matter was referred for detailed investigation by the Director General (Investigation).

13. The Director General (Investigation) in its investigation report dated 01.09.2025, received by CCPA on 02.09.2025 submitted the following:

- i. Flipkart hosted listings of walkie-talkie devices that lacked mandatory disclosures regarding:
 - a) Frequency range of the devices.
 - b) Licensing regulations requirements under applicable telecom regulations
 - c) Equipment Type Approval (ETA)/WPC certification status.

The company submitted a list of sellers and product details, which revealed that several listings contained “null frequency” (meaning the frequency data was left blank by the seller at the time of listing) or frequencies outside the permissible range under the applicable exemption rules. Despite the absence of mandatory technical information disclosures, these products were permitted to go live on the platform and be sold, thereby violating consumers’ right to be informed under Section 2(9) of the Consumer Protection Act, 2019.

- ii. One of the walkie-talkie products, although marked as “unavailable” on the portal, continued to be publicly visible with consumer reviews and ratings. This shows that the product page remains live and discoverable, thereby constitutes indirect promotion and contributing to consumer confusion regarding product legality and availability. The omission of critical regulatory information and continued visibility of such listings amounts to misleading advertisement under Section 2(28) and unfair trade practice under Section 2(47) of the Consumer Protection Act, 2019.
- iii. The platform allowed listings with incomplete or inaccurate technical data, including missing frequency specifications, without triggering any internal compliance checks. The company's failure to require mandatory documentation (such as ETA/WPC certificates or valid frequency declarations) at the listing stage reveals a systemic gap in compliance with Rule 4 and Rule 5 of the Consumer Protection (E-Commerce) Rules, 2020. The absence of proactive verification mechanisms constitutes a deficiency in services under Section 2(11) of the Consumer Protection Act, 2019.
- iv. Flipkart, on 29.08.2025 stated that it is still in the process of developing internal control mechanism and no such system was operational before receiving the notice from the Central Authority. These actions being post-

facto and reactive, indicate a lack of proactive diligence on the part of the company to ensure compliance with Indian Telecom laws and Consumer Protection Act, 2019.

- v. Flipkart has invoked intermediary protections under Section 79 of the IT Act, 2000 and Rule 5(1) of the Consumer Protection (E- Commerce) Rules, 2020. However, such protections are conditional upon the exercise of due diligence and do not absolve the platform from liability where consumer harm arises from failure to implement reasonable safeguards.
- vi. The investigation finds that Flipkart's reliance on mandatory product disclosures, seller verification, and monitoring was either inadequately implemented or entirely absent at the relevant time, hence, does not meet the threshold of due diligence required under the Consumer Protection Act, 2019. Therefore, Flipkart cannot claim full exemption from liability for facilitating the sale of non- compliant products that may have legal and safety implications for consumers.
- vii. Accordingly, the company is held liable for breach of statutory obligations under the Consumer Protection Act, 2019
 - Section 2(9) - Right to be informed;
 - Section 2(11) - Deficiency;
 - Section 2(28) - Misleading advertisements;
 - Section 2(47) - Unfair trade practices.
 - 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.

14. The Investigation Report submitted by DG (Investigation) was shared with the opposite party vide letter dated 15th September, 2025 to furnish its comments, if any. Additionally, the opposite party was provided with an opportunity of hearing on 25th

September, 2025. The opposite party furnished its response to CCPA vide email on 22nd September, 2025, wherein it stated that:

- i. The Opposite party reiterates that it is a "marketplace intermediary" under Section 2(1)(w) of the IT Act, 2000, providing only a technology platform for third-party sellers and buyers. It does not manufacture, sell, or advertise the products.
- ii. The Opposite party submits that legal obligations, such as obtaining WPC/TEC certifications and giving accurate product descriptions, rest solely with the sellers. It requires sellers to declare compliance with all licensing and statutory requirements during on boarding. The company is neither liable for the information filled into the data fields by the sellers nor does the law cast such an obligation on intermediaries to do so.
- iii. The Opposite party states that current laws regulate authorised entities providing telecommunication services, operating networks, holding spectrums or possessing radio equipment, but does not introduce any obligations for intermediaries hosting third-party listings of such devices.
- iv. Hence, there can be no responsibility cast upon the Opposite party for violating the Consumers "right to be informed" under Section 2(90) of the Consumer Protection Act, 2019.
- v. The Opposite party disputes the investigation report's use of screenshots as evidence of continued listings to be visible. It clarifies that once a product is delisted, it is unavailable for purchase, and the screenshots do not prove actual availability for sale at the relevant time.
- vi. The Opposite party primarily relies on judicial precedents which has recognised that Flipkart's existing framework complies with intermediary due diligence obligations and as such entitles platforms to protection under Section 79 of the IT Act. These cases establish that as an e-commerce marketplace, Flipkart is not liable for the actions of third-party sellers unless it fails to act after receiving "actual knowledge" of a violation via a court or government order.
- vii. With respect to the report's observation that the Act, 2019 imposes independent obligations on E-Commerce entities to ensure consumers are

not mislead or exposed to unlawful products, the Opposite party respectfully submits that its role as an intermediary must be interpreted harmoniously with the statutory scheme. The Act, 2019 does not override the intermediary safe harbour framework under the IT act, 2000 but operates in parallel.

- viii. The Opposite party has consistently implemented measures to ensure that its platform does not mislead consumers through mandatory seller declarations, compliance linked on-boarding, training modules and swift takedowns of flagged listings.
- ix. Accordingly, the opposite party respectfully submits that the findings in the report do not establish liability under the Consumer protection Act, 2019. Flipkart has acted responsibly upon becoming aware of concerns, has fully cooperated with the authorities and has taken proactive steps to strengthen its compliance framework.

15. Thereafter, CCPA conducted the hearing on 25th September, 2025, wherein Mr. Dheeraj Nair, Advocate appeared on behalf of the Opposite party and made the following submissions:

- a. Delisted the product listings in May after the notice of CCPA was received.
- b. Investigation report states that the products listed in the platform are still visible in Search engine but they don't have control to remove from the external search engine.
- c. Intermediary Status: Claiming protection under Section 79 of the IT Act, 2000, which grants intermediaries immunity from liability for third-party data or content.
- d. Compliance with E-commerce Rules (2020):
 - i. It fulfils its duty by ensuring sellers make declarations required under Rule 5(2) of the E-commerce Rules i.e., Flipkart's Terms of Use.
 - ii. It cannot be held liable for 'Unfair Trade Practices' under Rule 4(3) because its role is limited to facilitate transaction between buyer and seller in its platform. It does not directly participate in the promotion or distribution of products.

- e. It has an algorithm for listing regulated products, and the responsibility to obtain a license rests solely with the seller. The platform's duty under the relevant Act is limited to ensuring basic information such as seller name or product description is displayed.
- f. The Opposite party further submits that they are not an inventory based model which places the primary responsibility for the product's legality and quality on the seller.
- g. Its BIG BILLION DAY promotion was explained as an initiative to encourage sellers to offer discounts, and was not a direct promotion of its own goods.

16. With reference to the directions given during the hearing, vide email dated 29th September, 2025, the Opposite Party submitted a note along with the Judgement of Hon'ble Delhi High Court in Flipkart Internet Pvt. Ltd. vs. State (NCT of Delhi) and Hon'ble Allahabad High Court in Flipkart Internet Pvt. Ltd. vs. State of Uttar Pradesh wherein they have taken the plea that in its current business model as an E-commerce marketplace, Flipkart squarely falls within the statutory definition of an intermediary under Section 2(1) (w) of the IT Act, 2000.

17. Subsequently, the CCPA also shared the letter dated 10th may, 2016 issued by Ministry of Communications and IT on 10th May, 2016, which can be accessed via below link <https://dot.gov.in/spectrummanagement/online-sale-or-purchase-wireless-sets-and-equipments> which states that:

“3. In this regard, the on-line/ e-commerce companies may further note 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"*
- 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."*

18. With regard to the above, the opposite party submitted its reply vide 18th October, 2025, which stated the following:

- i. At the outset, Flipkart respectfully submits that it operates as an 'intermediary' within the meaning of Section 2(1)(w) of the Information Technology Act, 2000 ("IT Act").
- ii. The Flipkart platform merely facilitates online transactions between independent third party sellers and buyers through a technology interface.
- iii. Flipkart neither manufactures nor sells any goods on its own account, nor does it advertise or endorse any-products listed by sellers
- iv. As such, Flipkart squarely falls under the definition of an "intermediary" under the IT Act.
- v. The Company has consistently adhered to all due-diligence requirements prescribed under the IT Act and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, and continues to operate in full compliance with the obligations applicable to intermediaries.
- vi. In response to the concerns raised in the Letter regarding an intermediary's due diligence obligations, Flipkart clarifies that its 'Seller Terms of Use' (also referred to as the 'User Agreement') expressly mandate that every seller on the platform must comply with all applicable laws, rules, and regulations.

- vii. Sellers are required to undergo mandatory on boarding and compliance training modules, which, *inter alia*, educate them on product listing policies, restricted categories, and prohibited items under applicable law.
- viii. These obligations specifically include obtaining all requisite statutory licences, approvals, and certifications, such as WPC and TEC approvals, prior to listing or offering any product for sale.
- ix. For on boarding, each prospective seller must register on the Flipkart platform and expressly accept and consent to the Flipkart Seller Terms of Use, which, *inter alia*, obligate full compliance with all applicable statutory requirements, quality standards, and certification norms.
- x. Once registered, the seller must conduct all operations on the platform strictly in accordance with the Flipkart compliance framework and the trainings imparted. The obligation to adhere to such compliance standards and the legal responsibility for the truth and accuracy of the sellers' declarations rest exclusively with the sellers themselves.
- xi. Once the seller populates these data fields, the listing is published on the Flipkart' Platform automatically on an "as is" basis. The data entered by the seller is displayed directly to prospective buyers without any editorial modification or interference by Flipkart.
- xii. The 'Buyers' are specifically advised to independently verify the bona fides of sellers, exercise due care and judgment before purchase, and obtain all necessary authorizations or approvals required for the lawful use of the products purchased.
- xiii. Flipkart has already voluntarily delisted all listings of walkie-talkies or similar equipment that could potentially contravene statutory certification or licensing requirements, as a precautionary and good-faith measure.

19. Based on the above reply a hearing was scheduled on 28th November, 2025 however, the company could not appear for the hearing. Consequently, another opportunity of hearing was granted on 09th December, 2025.

20. During the hearing on 09th December, 2025, Ms. Vishrutyi Sahni and Mr. Sahir Seth, Advocate represented the Opposite Party and submitted that various Judgement of the High Court recognized position of Flipkart as an intermediary. The Flipkart terms

of use specifically cast obligation upon seller. It further submitted that where the act specifically requires an intermediary to comply with certain regulations then in those places we have our checks and balances in place. The Indian Wireless or Telegraphy Act, 1933 did not specifically require an intermediary to undertake any compliances. The Opposite party was directed to submit written submissions before the next date of hearing i.e., 19th December, 2025.

21. The opposite party submitted their written response along with a note on proactive steps taken by Flipkart which was shared with the DG (Investigation) during the course of Investigation. It stated that:

- i. Flipkart asserts it is a marketplace intermediary under **Section 2 (1) (w)** of the IT Act, 2000. It maintains that it only provides a technology platform and does not sell, store, or promote products itself.
- ii. All product-level regulatory compliance (including possession of WPC/ETA certifications, TEC Approvals, and any licensing requirements referenced in the Ministry's 2016 letter) is contractually and operationally placed on independent third party sellers under the Flipkart Seller Terms of Use.
- iii. Flipkart neither handles nor stocks goods and does not advertise or alter the content of listings. Accordingly, the responsibility for ensuring that only compliant wireless equipment is listed rests solely with sellers, consistent with the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 ("Intermediary Guidelines") and the Consumer Protection (E Commerce) Rules, 2020 ("E-Commerce Rules, 2020").
- iv. Flipkart continues to remain fully compliant with statutory due-diligence obligations and has cooperated throughout these proceedings. Flipkart clarifies that its 'Seller Terms of Use' expressly mandates that every seller on the platform must comply with all applicable laws, rules, and regulations.
- v. Moreover, Rule 3(1)(d) of the Intermediary Rules explicitly mandate that intermediaries, are obligated to take appropriate action upon receiving 'actual knowledge' in the form of an 'order by a court' or a government notification. This principle was clearly established in *Shreya Singhal v. Union of India, (2015) 5 SCC 1*, wherein it was held that an intermediary

such as Flipkart cannot undertake the role of adjudicating the legality of the content or monitor every upload for potential legal violations. The obligation of an intermediary gets triggered only when there is an order from Court or binding notification from a Government Authority identifying specific content as violating applicable law and for the intermediary to take necessary action.

- vi. While certain legislations in India explicitly cast obligations on intermediaries (for example, the Food Safety and Standards Act, 2006 and the Legal Metrology Act, 2009), the Wireless Telegraphy Act, 1933 and the Rules framed thereunder never imposed any such requirement on intermediaries.
- vii. Existing Compliance Framework and Ongoing Safeguards includes seller declaration, training, system level safeguards, post listing monitoring mechanisms, delisting of non-compliant products immediately upon receipt of notice, communication to sellers, punitive action, pro-active steps such as strengthens listing stage controls, updates training modules.
- viii. The CCPA has failed to appreciate the Section 79 argument in any of the other judgements. [It is likely] That the “Terms of Use” of other e-commerce entities do not explicitly provide for specific reference to compliance with the Indian Wireless Telegraphy Act, the Indian Telegraph Act and Rules, and MTCTE/WPC norms (and make a generic reference to the requirement of compliance with applicable law).
- ix. Therefore, the allegations made out in the Notice cannot be maintained against Flipkart as it neither plays any role in the trade practices of the sellers, nor in the information (misleading or otherwise) displayed in respect of the goods or articles listed on its platform.

22. Again the hearing was scheduled on 19th December, 2025 Ms. Vishrutyi Sahni and Mr. Sahir Seth represented the Opposite Party and reiterates that Flipkart is an intermediary and is in compliance of with its due diligence obligation as an intermediary under the IT Act and its Rules. Moreover, reiterated from the written submission that how the CCPA orders in other proceedings regarding sale of walkie-talkies online is distinguished from Flipkart.

23. 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

24. Section 2 (47) of the Act, 2019 defines “unfair Trade Practice”

“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”.

25. From 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.

26. 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*".

27. 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*;

28. Further, Rule 4 (3) of The Consumer Protection (E-Commerce) Rules, 2020, says no E-commerce entity shall adopt any unfair trade practice, whether in the course of business on its platform or otherwise.

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.*

29. From a plain reading of the above Rule, 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 Flipkart is a Marketplace e-commerce entity and falls outside the scope of the Consumer Protection Act, 2019 or the Consumer Protection (E-commerce) Rules, 2020, merely on the ground that the platform facilitates online transactions between third party sellers and buyers through a technology interface is untenable. Moreover, Flipkart neither manufactures nor sells any goods on its own account nor does it advertise or endorse any products listed by sellers.

30. The statutory definition of "e-commerce" under the Act, 2019 is deliberately broad and encompasses the buying or selling of goods over a digital network, including marketplace e-commerce entity. The Marketplace enables listing, hosting, categorization, discovery, and facilitation of transactions between buyers and sellers, thereby playing an active role in the sale process. 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.

31. The CCPA has carefully examined the submissions made by the opposite party through including the oral submissions made during the hearing and the Investigation Report dated 07.10.2025. Upon consideration, the following findings are recorded:

- i. The opposite party listed, 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. The opposite party, in its reply dated 17th May, 2025 had submitted an excel sheet as Annexure-B wherein it provided the seller details, details of frequency specifications, products URLs and the number of units sold from January, 2023

through their own platform. The extracts of the data is given below for ready reference:

Total sellers listed	Total units sold	
8708	1,08,206	
	Exact exempted frequency range mentioned (446-446.2)	Frequency range mentioned- null or the frequency range mentioned is not exactly the exempted range
	42,275	65,931

- iv. No evidence was submitted to establish that these devices possessed the requisite ETA/WPC certification.
- v. The 65,931 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, including whether such frequencies fell within or exceeded the limits permissible under law. Such omission constitutes a violation of Rule 3 read with Rule 5 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 E-commerce entity and the seller. The opposite party thus deliberately concealed crucial information from consumers, thereby violating Section 2(9) of the Consumer Protection Act, 2019.
- vi. Accordingly, the listing, hosting and advertisement of walkie-talkies on the opposite party's e-commerce 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.
- vii. The Act, 2019 also mandates that e-commerce entities disclose all material information necessary to safeguard consumers against unfair trade practices.
- viii. 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.

- ix. 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 and sale of prohibited or non-compliant products, as well as other illegal activities on their platform.
- x. The opposite party is not merely a passive facilitator; it exercises substantial control over the products listed 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 without mandatory disclosures and compliance with applicable laws. This responsibility arises particularly in view of the commission and revenue earned by the opposite party from the sale of such products.
- xi. 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 proactive measures were taken prior to regulatory intervention.
- xii. The DoT public advisory issued in the year 2016 (*supra para 18*) explicitly places responsibility on intermediaries to ensure that sellers and purchasers comply with statutory requirements. Opposite party's failure to take any proactive steps since 2016 to verify or display ETA and licensing information constitutes non-compliance with the advisory and demonstrates disregard for regulatory obligations.
- xiii. 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.
- xiv. 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. Moreover, the consumers rely on the platform of the Opposite party because of its goodwill and large presence in the market. The sale of walkie-talkies that did not comply with mandatory

legal requirements amounts to misleading consumers exposing them to potential regulatory risks and national security implications.

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

32. The Consumer Protection Act, 2019 upholds the right of consumers to make informed decisions. Misrepresentation of facts or concealing important information in product listing interferes with this right. By presenting an untrue, incomplete and misleading claim, the opposite party has engaged in unfair trade practices, warranting corrective measures. Therefore, CCPA is satisfied that opposite party has engaged in unfair trade practice, false and misleading advertisement as envisaged under the Act and therefore CCPA is of the opinion that it is necessary to impose a penalty in consumer interest.

33. 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.

34. It may be noted that opposite party operates as an e-commerce platform engaged in listing and facilitating sale of various consumer goods across India through online mode. The platform is accessible nationwide through its website, thereby enabling consumers from different States and Union Territories to access and purchase the listed products. Accordingly, it is evident that the activities of the opposite party have a substantial consumer reach and market presence, and any misleading or non-compliant listing on such a platform has the potential to affect a large number of consumers. Therefore, the conduct of the opposite party attracts the applicability of Section 21(7) of the Consumer Protection Act, 2019, necessitating imposition of penalty for dissemination of misleading and non-compliant advertisements on a platform with significant consumer outreach.

35. As already noted, the product under examination is a sensitive device and has a bearing on national security. The opposite party has 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 and are listed 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.

36. 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 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 are not prevalent. It shall further publish certificate of such self-audit on their website in consumer interest.
- d) Submit a compliance report of the directions (a) & (b) above within 15 days of receipt of the Order.



Nidhi Khare
Chief Commissioner



Anupam Mishra
Commissioner