Central Consumer Protection Authority
Krishi Bhawan, New Delhi - 110001
Case No: CCPA-2/53/2025-CCPA

In the matter of: Misleading advertisement, unfair trade practices and use of dark patterns by Roppen Transportation Services Private Limited (operating under the brand name 'Rapido').

CORAM:

Mrs. Nidhi Khare, Chief Commissioner

Mr. Anupam Mishra, Commissioner

APPEARANCES

For Roppen Transportation Services Private Limited (Rapido):-

1. Mr. Kaustav Som, Advocate
2. Mr. Sagar Ramagondi

Date: 31.08.2026

ORDER

1. The Central Consumer Protection Authority (hereinafter referred to as 'CCPA' or 'the Authority') has been established under Section 10 of the Consumer Protection Act, 2019 (hereinafter referred to as 'the Act') to regulate matters relating to violation of consumer rights, unfair trade practices, and false or misleading advertisements prejudicial to the interest of public and consumers and to promote, protect and enforce the rights of consumers as a class. Section 18(1) of the Act provides that the Central Authority shall ensure that no false or misleading advertisement is made of any goods or services, prevent unfair trade practices and ensure that no person engages in unfair trade practices.

2. The CCPA took cognizance of a representation dated 16th May, 2025 wherein it was alleged unfair trade practices through a manipulative pre-ride tipping feature and exploitative dynamic pricing being adopted by an app-based taxi aggregator. The said representation specifically alleged that app-based taxi aggregator had introduced a feature prompting users to pay a "tip" to the driver before confirmation of the ride, on the representation that doing so would

expedite the booking process, and further alleged arbitrary and excessive pricing during peak hours in the absence of any statutory fare regulation applicable to private cab aggregators.

3. Upon receipt of the aforesaid representation, the CCPA in exercise of its powers under Sections 18 and 19 of the Consumer Protection Act, 2019 (hereinafter referred to as the "Act"), examined the concerns raised therein. In the Preliminary Inquiry Report, the CCPA observed that the practice complained of, namely, the use of pre-ride tipping prompts to influence ride confirmation, was not necessarily confined to the platform named in the representation, but appeared to be a practice of a nature that could be prevalent across ride-hailing and bike-taxi aggregator platforms operating in India. Accordingly, the CCPA examined multiple cab and bike aggregator platforms operating in the market, with a view to ascertaining whether the impugned practice, or a practice of a similar nature, was being deployed on such platforms. In the course of the said examination, the CCPA examined the Rapido platform, operated by Roppen Transportation Services Private Limited (hereinafter referred to as 'the opposite party'), and observed the following:-

i. For booking a trip on the app, a consumer is charged an upfront amount which, as per the website, includes base fare, distance and time charges, peak pricing, applicable fees, tolls and taxes.

ii. It has been observed that while booking a trip on the app, a longer waiting period is shown sometimes, which could be due to multiple factors, including non-availability of rider or traffic congestion.

iii. To avoid the longer waiting period, the app displays prompts stating "*Captains aren't accepting at Rs.60. Try adding more +10. +20, +30*" and "*Higher the price, higher the chance of getting a ride.*" This is likely to create an expectation in the mind of the consumer to add a tip in order to get a faster ride.

iv. The claim "*Guaranteed Auto in 5 mins or get Rs.50*" was also being promoted by the opposite party through social media platforms.

4. On a preliminary examination of the aforesaid observations, the CCPA was satisfied that the practices observed on the Rapido platform prima facie disclosed elements of misleading advertisement, unfair trade practice, unfair contract, and dark patterns within the meaning of the Act and the Guidelines for Prevention and Regulation of Dark Patterns, 2023. Accordingly, the

CCPA considered it appropriate to issue a Show Cause Notice to the Opposite Party, calling upon it to explain and respond to the aforesaid observations.

5. The above-mentioned practice appeared prejudicial to consumer interests, as the impugned prompts fall prima facie within the ambit of misleading advertisement and impact consumers as a class. The Screenshots of the deceptive practices examined by the authority are annexed herewith as Annexure-1. Taking cognizance of the above, and in exercise of powers under the Act, the CCPA issued a Show Cause Notice bearing F. No. CCPA-2/53/2025-CCPA dated 28th May, 2025 to the opposite party, requiring it to furnish a response along with necessary supporting documents regarding the alleged violations. The said notice alleged violation of the following provisions:-

i. Section 2(28) of the Consumer Protection Act, 2019- Misleading advertisement
ii. Section 2(46) of the Consumer Protection Act, 2019- Unfair contract
iii. Section 2(47) of the Consumer Protection Act, 2019- Unfair trade practice
iv. Guidelines for Prevention and Regulation of Dark Patterns, 2023- Clause 2(e) read with Annexure, Clause 3, Illustration (a) i.e. Confirm Shaming
v. Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022.

6. It is pertinent to note that the Show Cause Notice dated 28th May, 2025 covered two broad grounds of alleged violations. The first ground pertained to the use of deceptive tipping prompts and dark patterns on the Rapido platform, as elaborated above. The second ground pertained to the opposite party's claim *"Guaranteed Auto in 5 mins or get Rs.50"* being promoted through its social media platforms. In so far as the second ground is concerned, the CCPA had already examined the said claim in a separate proceeding bearing Case No. CCPA-2/35/2024-CCPA and passed a final order dated 20th August, 2025, wherein following directions were issued:-

a) "Discontinue the misleading advertisements with immediate effect.
b) 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 publishing misleading advertisement and unfair trade practice.*
c) The opposite party shall ensure that any consumer who availed the "AUTO IN 5 MIN OR GET ₹50" offer and did not receive the promised ₹50 compensation shall be reimbursed the said amount in full without any further delay or condition."

7. Thereafter, the opposite party challenged the said order dated 20th August, 2025 before Hon'ble Karnataka High Court via W.P. No. 29156 OF 2025 and the matter is pending before the Hon'ble Court. Accordingly, the present order is confined to the remaining ground, namely, the use of manipulative tipping prompts and dark patterns on the Rapido platform.

8. In response to the Show Cause Notice, the opposite party submitted its reply dated 25th June, 2025, wherein it made the following submissions:-

i. The opposite party submitted that it has been fully compliant with all applicable laws, including the Act, the Dark Patterns Guidelines and the Advertisement Guidelines, and denied any violation thereof with respect to the instances identified in the notice. The opposite party also requested a copy of the underlying complaint dated 16th May, 2025, contending that the same was necessary to assess the genuineness of the allegations and whether an affected party existed at all.

ii. The opposite party furnished a brief background of its business, submitting that it was incorporated on 05.01.2015, operates under the brand name 'Rapido', and is primarily engaged in facilitating transportation and parcel delivery services provided by third-party service providers ('Captains') to customers across major Indian cities, through its website and mobile applications (collectively, the 'Rapido Platform'), offering three modes of transportation, namely bikes, auto rickshaws and cabs. The opposite party stated that it facilitates completion of approximately 3.5 million rides in a single day, and that it operates in a highly competitive sector with several substitutable platforms available to consumers.

iii. As regards the pricing model, the opposite party submitted that for cab and auto rides, it follows a 'zero-commission' Software-as-a-Service (SaaS) model, under which Captains pay a fixed subscription fee to the opposite party, and the entire fare is paid by the customer directly to the Captain, with no portion thereof being retained by the opposite party. For bike rides, the opposite party submitted that it follows a commission-based model, charging a convenience fee to customers as a small fraction of the total ride charge.

iv. The opposite party explained the sequence of the booking process on its platform: first, the customer enters the source and destination; thereafter, the customer is shown available modes of transport along with a 'suggested' fare generated by the opposite party's proprietary algorithm, which it characterised as guidance only and not a binding mandate for autos and cabs. At this stage, for autos and cabs, the customer is given the option to set a fare, including a fare lower than the suggested fare, and it is at this stage that the prompt "Higher the price, higher the chance of getting a ride" ('Prompt 1') is displayed. Thereafter, once a fare is set, the platform's algorithm attempts to match the customer with an available Captain, subject to the Captain's independent discretion to accept or reject the request.

v. The opposite party submitted that where a ride request remains unaccepted for the time being, the prompt "Captains aren't accepting at ₹[X]. Try adding..." ('Prompt 2') may appear, offering the customer an option, but not an obligation, to enhance the effective fare offered to Captains. The opposite party emphasised that Prompt 2 does not appear for every ride, but only where a request has not been accepted within a certain time, and that this demonstrates the prompts are not artificially or randomly generated to the customer's disadvantage.

vi. The opposite party further submitted that acting on Prompt 2 is not mandatory, and that the underlying algorithm continues to operate and generate potential Captain matches irrespective of whether the customer increases the fare; consequently, in its submission, customers frequently secure a ride at the original fare without ever acting on Prompt 2, and only a fraction of total ride requests result in Prompt 2 being displayed at all, which, in the opposite party's submission, is itself demonstrative that the prompt is triggered by genuine Captain non-acceptance and not arbitrarily.

vii. The opposite party characterised the interplay of Prompt 1 and Prompt 2 as analogous to an open, real-time negotiation between the customer and the Captain, comparable to an offline customer orally negotiating a fare with a service provider and being free to revise his offer if declined, and submitted that this feature favourably enables an online customer to bargain in a manner comparable to an offline transaction, without being disadvantaged for availing an online service.

viii. On the allegation of misleading advertisement and creation of customer expectation, the opposite party submitted that no expectation is created in the mind of the customer, since its Terms and Conditions ('Rapido T&Cs') disclose, in terms, that the customer may quote an offer price to Captains, that Captains retain the option to accept or reject such price, that any fare range displayed by the platform is an estimate provided for guidance only based on market rates, that the opposite party gives no guarantee or warranty as to the accuracy or reliability of such displayed price, and that information and recommendations provided on the platform are for general informational purposes only and do not constitute advice.

ix. On the allegation of unfair contract under Section 2(46) of the Act, the opposite party submitted that its contract, being the Rapido T&Cs, does not impose any unreasonable charge, obligation or condition placing the customer at a disadvantage, since the customer retains the option to offer a fare lower than the suggested fare, Prompt 2 is only a recommendation displayed in specific circumstances, and it is entirely the customer's choice whether to act upon it; on various occasions, in the opposite party's submission, a ride is confirmed at the originally offered price without the customer ever acting on Prompt 2. The opposite party also relied upon the terms and conditions applicable to Captains, which reserve to Captains complete discretion to accept or reject a booking irrespective of any increase in price offered by the customer.

x. On the allegation of unfair trade practice under Section 2(47) of the Act, the opposite party denied indulging in any manipulation or coercion to create an artificial surge, and characterised the display of the prompts as merely an 'aid' to assist customers in making an informed decision, involving no disadvantage or penalty on a customer who chooses to ignore them.

xi. Specifically as regards the allegation of 'Confirm Shaming' under Clause 2(e) read with Clause 3 of Annexure 1 to the Dark Patterns Guidelines, 2023, the opposite party denied that the prompts create any fear, shame, ridicule or guilt in the mind of the customer so as to nudge him to act in a particular way. The opposite party submitted that the prompts merely convey a factual, real-world statement, namely, that Captains are not presently accepting the ride at the stated price, that the matching algorithm continues to search for a willing Captain irrespective of the customer's response to the prompt, that the customer's access to the service is not excluded at any stage, and that, in these circumstances, there arises no occasion for fear of losing out on the service, or of any shame or ridicule, within the meaning of the said Clause.

xii. As regards the second ground concerning the "Guaranteed Auto in 5 mins or get Rs.50" campaign ('Guarantee Campaign'), the opposite party submitted that under this campaign, it undertakes to make best efforts to connect a customer with a Captain within five minutes, subject to factors including time and Captain availability, and that where a Captain is not appointed within five minutes, the opposite party credits up to 50 Rapido Coins (each equivalent to ₹1) to the customer's wallet. The opposite party submitted that the applicability of the campaign, being subject to the Guarantee Campaign Terms and Conditions, is expressly disclosed across all media, banners and advertisements, and that it has honoured the said guarantee, having credited Rapido Coins ranging from approximately ₹9,48,309 to ₹1,61,99,395 per month to eligible customers between December 2023 and January 2025. On this basis, the opposite party denied that any ingredient of "misleading advertisement" under Section 2(28) of the Act, or of "unfair trade practice" under Section 2(47) of the Act, was made out in relation to the Guarantee Campaign.

xiii. The opposite party enclosed, in support of its reply, the Terms and Conditions applicable to users (bikes, and autos/cabs), the Terms and Conditions applicable to Captains (bikes, and autos/cabs), and the Terms and Conditions applicable to the Guarantee Campaign.

9. Thereafter, the CCPA conducted a hearing on 04th July, 2025 wherein Mr. Sagar Ramagondi appeared on behalf of the opposite party and sought an adjournment on account of unavailability of main counsel.

10. In view of the above, CCPA conducted another hearing on 18th July, 2025 wherein Mr. Kaustav Som, Advocate appeared on behalf of the opposite party and made the following submissions:-

i. The opposite party request for a copy of the complaint dated 16th May, 2025, on the ground that the same had not been shared with it, and that it was necessary for the opposite party to review the complaint in order to assess whether the allegations therein were genuine and whether there was an affected party at all.

ii. On the substantive aspect of the pre-ride tipping prompts, the opposite party submitted that Rapido operates as a Software-as-a-Service (SaaS) platform and a pure facilitator between consumers (passengers) and captains (drivers), and that Rapido derives no monetary benefit from the tip as the entire tip amount goes to the captain. It was contended that the tipping prompt is entirely voluntary, that the app continues to operate and match rides even when no tip is offered, and that the prompt is merely a tool to facilitate a real-time negotiation between the customer and the captain.

iii. The opposite party further submitted that the fare on the Rapido platform is not fixed by Rapido. The company only suggests a fare and the customer has the option to set the fare, which in effect constitutes an open negotiation with the captain. The captain, in turn, decides independently whether to accept or reject the fare. It was contended that since Rapido does not compel the captain to accept any particular fare and does not benefit from the tip, the impugned prompts do not amount to an unfair trade practice.

iv. The opposite party further submitted that the impugned tipping prompt merely reflects ordinary demand and supply dynamics. It was contended that where there is a deficiency or scarcity in the availability of captains, an increase in the amount offered by the consumer would attract more captains willing to provide the service.

11. The CCPA, during the course of the hearing dated 18th July, 2025, made the following observations:-

i. The CCPA observed that it is the opposite party's own platform that first generates and displays the fare to the consumer, computed by its algorithm on the basis of the base fare, distance and time charges, prevailing traffic conditions, applicable tolls and taxes, and the amount payable to the Captain. It is only after this fare has been quoted by the platform itself, and the consumer has proceeded to book the ride on that basis, that the consumer is thereafter prompted, through the language "Higher the price, higher the chance of getting a ride", to increase the very price that the platform had itself just quoted to him.

ii. The CCPA finds that this sequencing is significant: the prompt does not merely offer the consumer a neutral option to negotiate a fare that was never fixed to begin with, it invites the consumer to distrust and revise upward a figure that the opposite party's own algorithm had, moments earlier, presented as the appropriate fare for the ride.

iii. The CCPA further observed that the opposite party has failed to place before it any material disclosing the basis on which its own algorithmically-generated fare comes to be regarded, within moments of being quoted, as insufficient to attract a Captain, or any data establishing that captain non-acceptance at the platform's own quoted price is a genuine and verifiable real-time condition rather than a design feature intended to habitually trigger the impugned prompt.

iv. In the absence of any such disclosed basis, the CCPA finds that the prompt exploits the information asymmetry between the platform, which alone possesses knowledge of actual Captain availability, and the consumer, who at the stage of booking has no means of independently verifying whether the increased amount will in fact improve his prospect of securing a ride, and is thereby nudged into paying more on the strength of a claim whose factual basis the opposite party has not substantiated.

v. The CCPA further noted that the opposite party controls both sides of the platform, the consumer demand side as well as the Captain supply side, and is, for this reason, not merely a neutral facilitator transmitting an independently arrived-at market price. Having itself quoted a fare to the consumer through its own algorithm, and having done so, on its own case, after accounting for all relevant fare components, the opposite party is not in a position to simultaneously represent, within the same transaction and often within moments of the initial quote, that the very fare it generated is inadequate to secure a Captain.

vi. The CCPA finds that by first quoting a fare through its own algorithm and then prompting the consumer, on the stated ground of Captain non-acceptance, to pay above that self-same quoted fare in order to improve his "chances", the opposite party lures the consumer into the transaction on the strength of its own quoted price and then exploits a condition of claimed scarcity, the genuineness of which remains unsubstantiated on the record, to extract a higher payment than the fare it had itself represented as appropriate for the ride.

vii. The CCPA further observed that the prompting of advance tips before ride acceptance has the effect of institutionalizing a practice where access to an essential service becomes contingent on the consumer's willingness and ability to pay more than the stated fare. The CCPA made clear that this amounts to an unfair trade practice regardless of whether the tip amount goes to the captain or the aggregator, since the consumer is being psychologically pressured into an additional payment at the point of maximum vulnerability, when he has already committed to a journey and is waiting for ride confirmation.

viii. The CCPA further observed that once a fare has been quoted by the platform and accepted by the consumer, neither the platform nor any third party has any legitimate basis to prompt the consumer to pay more before the service is rendered. The CCPA observed that it would create a system of institutionalized price discrimination where access to basic services is determined purely by the consumer's capacity to pay over and above a stated price, which the CCPA found to be fundamentally contrary to principles of consumer welfare and fair market conduct.

ix. The CCPA, during the hearing, pointed out that the complaint dated 16th May, 2025 did not originally pertain specifically to Rapido rather, the CCPA had received a complaint about similar practices prevalent on ride-hailing platforms in general, following which the CCPA examined multiple platforms and found the impugned practice on the Rapido platform. Accordingly, the notice was issued to the opposite party based on the CCPA's own examination of the Rapido platform, and not solely on the basis of the complaint.

12. During the course of the hearing dated 18th July, 2025, CCPA orally communicated its directions to the opposite party, directing it to submit the relevant information and documentary evidence. The said directions were subsequently reduced into writing and formally communicated to the opposite party vide order dated 01st August, 2025.

13. It may also be noted during the aforesaid hearing, opposite party made a request to the CCPA that a copy of abovementioned complaint may be provided to them. Thereafter, CCPA considered their request and provided them the said complaint vide email dated 22nd August, 2025.

14. The CCPA has examined the opposite party's reply dated 25th June, 2025 together with the submissions advanced during the hearings dated 04th July, 2025 and 18th July, 2025, and has considered the same in light of the material placed on record. Upon such examination, the CCPA observes that the prompts deployed on the Rapido platform, namely, "*Higher the price, higher the chance of getting a ride" and "Captains aren't accepting at ₹60. Try adding +10, +20, +30*", operate to create a distinct impression in the mind of the consumer that faster ride confirmation, and indeed the very availability of the service, is contingent upon payment of an amount higher than the fare already quoted at the time of booking. This impression is conveyed to the consumer at a stage when he has already committed to the transaction and is awaiting confirmation of the ride, a stage at which his bargaining position is at its weakest and his susceptibility to the platform's prompts is at its highest.

15. Although the opposite party has contended that the tip is voluntary and that the algorithm continues to function irrespective of whether any additional amount is offered, the CCPA finds that the design, sequencing and language of the impugned prompts, particularly when triggered during periods projected by the platform itself as high-demand or low-availability scenarios, amount to a form of behavioural nudging that induces a sense of urgency and apprehension of denial of service in the mind of the consumer. Such nudging bears the essential characteristics of "Confirm Shaming" as contemplated under Clause 3, Illustration (a) of the Guidelines for Prevention and Regulation of Dark Patterns, 2023, inasmuch as it seeks, through interface design, to subvert the consumer's autonomy and free decision-making by creating an apprehension that declining to pay more will result in denial or delay of an already-booked service. The CCPA is, accordingly, prima facie satisfied that the impugned prompts constitute a "dark pattern" within the meaning of Clause 2(e) of the said Guidelines.

16. The CCPA further notes that the opposite party has, at no stage, placed on record any clear, prominent or consistent disclaimer, across any of its communication channels, explaining to the consumer whether the payment of a higher amount genuinely and demonstrably improves the probability of ride confirmation, or whether the prompt is merely indicative in nature with no verifiable correlation to actual service outcomes. The absence of any such disclosure, considered together with the impression created by the prompts themselves, satisfies the CCPA that the representation made to the consumer is unsubstantiated and misleading as to a material aspect of the service, namely, the manner and probability of its fulfilment, and therefore falls prima facie within the ambit of "misleading advertisement" as defined under Section 2(28) of the Act. The CCPA further finds that, inasmuch as the impugned prompts have the effect of conditioning the timely rendition of an already-contracted service upon an additional and undisclosed payment, they also disclose a prima facie case of "unfair trade practice" under Section 2(47) of the Act and of unilateral alteration of the terms of the concluded fare contract to the consumer's detriment, attracting the mischief of "unfair contract" under Section 2(46) of the Act.

17. Having regard to the cumulative effect of the aforesaid observations, the CCPA is satisfied that a prima facie case of misleading advertisement, unfair trade practice, unfair contract, and use of dark patterns is made out against the opposite party, warranting detailed investigation into the matter. Accordingly, in exercise of the powers conferred under Section 19(1) of the Act, the CCPA via letter dated 21st July 2025 directed that the matter be referred to the Director General (Investigation) for detailed investigation.

18. The DG (Investigation) submitted its Investigation Report dated 21st January, 2026. The key findings of the Investigation Report are as under:-

i. Pursuant to the email dated 02nd January, 2026, Roppen Transportation Services Private Limited was directed to submit all relevant documentary evidence before the Investigating Authority, in connection with the ongoing proceedings initiated by the Central Consumer Protection Authority (CCPA).

ii. Further, the company was directed to provide copies of internal policies, decisions, advertisements, communications, or any corrective actions taken in response to the CCPA's orders or observations.

iii. However, no response was received from the company. Subsequently, a final reminder was issued to the company via email dated 09th January, 2026.

iv. Despite issuance of the final reminder, the company did not furnish any reply or submit the requisite documentary evidence in support of their case.

v. During the investigation, it was observed that the Rapido platform displays the prompts *"Higher the price, higher the chance of getting a ride"* and *"Captains aren't accepting at ₹60. Try adding +10..."* which influence consumer behaviour by nudging them to pay extra.

vi. While tipping is voluntary and goes entirely to the driver, the platform's design creates an indirect disadvantage for customers who do not tip, as drivers are incentivized to prioritize tipped rides, affecting trip acceptance and wait times. The interface shifts the responsibility of fair driver earnings onto consumers, implicitly encouraging tips through psychological and social pressure, thereby changing the nature of tipping from a voluntary appreciation of service availed into a factor affecting availability of service.

vii. Soliciting tips before ride acceptance changes the nature of tipping from a voluntary appreciation into a factor affecting service priority, indirectly influencing consumer experience.

viii. The practice raises ethical concerns, as noted by consumer authorities, because tipping should be voluntary and post-service, pre-ride prompts for faster service can be considered an unfair trade practice affecting consumer autonomy.

ix. The investigation revealed that earlier the prompt *"Captains aren't accepting at ₹33"* used to appear, whereas currently the prompt *"Skip the wait! Get a ride faster by adding extra"* appears immediately and always when the booking search is initiated, even though the company claimed that such prompts appear only in specific situations. The attached screenshots show that these prompts appeared without any substantial data, misleading consumers and affecting their decision making.

x. Further, it was observed that an order dated 20th August, 2025 has already been passed by the Central Consumer Protection Authority (CCPA) regarding the claim *"Guaranteed Auto in 5 mins or get Rs.50"*, whereby Rapido was directed to discontinue the misleading advertisements and was imposed a penalty of Rs. 10 lakhs.

xi. Roppen Transportation Services Private Limited is in violation of Sections 2(28) and 2(47) of the Consumer Protection Act, 2019, as the prompts *"Higher the price, higher* *the chance of getting a ride"* and *"Captains aren't accepting at ₹60. Try adding +10..."* mislead consumers, create psychological pressure, and make basic service fulfilment indirectly contingent on extra payment, resulting in unfair trade practice and differential treatment of consumers.

xii. It is in violation of Section 2(46) of the Consumer Protection Act, 2019, as advance tips act as a de facto condition for faster service, imposing an unreasonable obligation on consumers and altering their contractual rights.

xiii. Such mechanisms also violate the Guidelines for Prevention and Regulation of Dark Patterns, 2023, by using a deceptive interface that nudges users to tip, subverting consumer autonomy and decision-making.

19. The Investigation Report dated 21st January, 2026 was shared with the opposite party vide letter dated 02nd February, 2026, along with an opportunity to furnish its written comments thereon. Simultaneously, a hearing was scheduled for 20.02.2026. However, the hearing was postponed and rescheduled to 06.05.2026.

20. In response, the opposite party via letters dated 17.02.2026 and 21.02.2026 made the following requests:-

i. Inspection of the complete records of the 2025 CCPA Proceedings (File Ref. No. CCPA-2/53/2025-CCPA) before furnishing comments on the Investigation Report, on the ground that several documents referred to in the Investigation Report, including the emails dated 02.01.2026 and 09.01.2026 purportedly sent to the opposite party, and the orders/letters dated 21.07.2025 and 28.08.2025 forwarding the matter to the DG(Inv.).

ii. Deferment of the hearing scheduled for 20.02.2026 (subsequently rescheduled to 24.02.2026) until the above inspection had been duly conducted.

iii. The opposite party further contended that the orders dated 21.07.2025 by which the matter was forwarded to the DG, constituted the CCPA's prima facie orders under Section 19(1) of the Act, and that denial of access to these orders would constitute an incurable breach of the foundational principles of natural justice and the rule of law.

iv. The opposite party also raised an objection that the proceedings before the CCPA and the concurrent DG investigation amounted to parallel proceedings, which it asserted was impermissible. It further raised the contention that the order dated 01.08.2025, issued by the Authority directing the opposite party to produce documents, did not state a prima facie finding against it or make reference to the transfer of the matter to the DG, thereby causing procedural confusion.

21. The CCPA has carefully considered the submissions made by the opposite party. At the very outset, it is necessary to clarify the sequence of events, since the objection of "parallel proceedings" raised by the opposite party proceeds on a misapprehension of the same. During the course of the hearing held on 18th July, 2025, the Authority, having considered the submissions of the opposite party, orally communicated its directions to the opposite party, directing it to submit the relevant information and documentary evidence in connection with the matter. The said directions, having already been communicated to the opposite party during the hearing itself, were thereafter reduced into writing and issued to the opposite party vide order dated 01st August, 2025, which is merely the written manifestation of the directions already communicated at the hearing, and not a fresh or independent decision taken at a subsequent, disconnected stage.

22. It is further relevant to note that it was only after the conclusion of the said hearing that the matter was forwarded to the Director General (Investigation) on 21st July, 2025, for detailed investigation under Section 19(1) of the Act. There was, accordingly, no simultaneous or parallel proceeding at any point in time, rather, the investigation was set into motion only after the Authority had concluded its hearing and arrived at its prima facie view, in strict conformity with the scheme of Section 19(1) of the Act.

23. The CCPA conducted a hearing on 06th May, 2026 wherein Mr. Kaustav Som, Advocate appeared on behalf of the opposite party and submitted the following:-

(i) Requests for inspection of records and deferment of hearing.

24. The CCPA clarified during the hearing that upon finding a prima facie case, the referral of the matter to the Director General for detailed investigation is standard statutory procedure under Section 19(1) of the Act, and that no parallel proceeding exists. The DG investigation is an integral step of the proceeding before the CCPA. The CCPA further noted that all relevant investigation reports had been shared with the opposite party and that multiple opportunities for hearing, including adjournments at the opposite party's own request, had been provided. The CCPA also noted its obligation to verify the alleged failures in email delivery and the opposite party's

obligation to maintain functioning official communication channels as mandated under the Consumer Protection (E-Commerce) Rules, 2020. The final order was confirmed to be passed only after affording full opportunity to respond. CCPA observed it is opposite party who's at fault for non-functional and inactive emails id on their official platforms.

25. It is important to note that Section 19 of the Act provides for the power of the Central Authority to refer the matter for investigation after satisfaction of a prima facie case. A preliminary inquiry under Section 19(1) may be conducted by the CCPA on receipt of any information or complaint or of its own motion. It is significant that the phrase used in Section 19(1) is "*cause investigation to be made*," and not *"pass an order"* or *"record a decision"* an expression which the Legislature has consciously and deliberately used in Sections 20 and 21, where the Act contemplates a reasoned adjudicatory order following an opportunity of hearing. This textual distinction is itself a legislative signal that a direction under Section 19(1) is administrative and preparatory in character, and not an adjudicatory determination of rights requiring notice or hearing to the opposite party. Section 19 does not provide for any opportunity of being heard at the stage of reference to the Director General, it is only at the stage of Sections 20 and 21 that the statute expressly mandates such an opportunity. The legislature has, by design, kept the principle of opportunity of hearing outside the purview of Section 19 of the Act.

26. Regulation 4(3) of the Central Consumer Protection Authority (Submission of Inquiry or Investigation by the Investigation Wing) Regulations, 2021 explicitly provides that "a preliminary inquiry need not follow formal rules of procedure." It is also relevant that Regulation 6 of the 2021 Regulations provides communication to the party concerned only where the preliminary inquiry results in closure of the matter for want of a prima facie case, and makes no corresponding provision for communication where investigation is directed. This deliberate statutory asymmetry confirms that no communication of the Section 19(1) direction to the opposite party is contemplated at the investigation stage.

27. The objections raised by the opposite party have been carefully examined and are found to be without merit for the following reasons:-

i. Neither Section 19 of the Act nor the 2021 Regulations require that the CCPA's directions to the Director General (Investigation) be communicated to the opposite party. The reference in Section 19(1) to the CCPA being "*satisfied that there exists a prima facie case*" is descriptive of the internal threshold satisfaction the Authority must reach before directing investigation; it does not transform the direction into a formal adjudicatory order requiring communication.

ii. This position finds direct support in the identical statutory architecture of the Competition Act, 2002. Section 19 of the Consumer Protection Act, 2019 is in *pari materia* with Section 26(1) of the Competition Act, 2002, both provisions empowering the respective regulator to form a prima facie opinion and direct investigation through an investigative wing, without any adjudication of rights at that preliminary stage. The Hon'ble Supreme Court, in *Competition Commission of India v. Steel Authority of India Ltd. & Anr.*, (2010) 10 SCC 744, has authoritatively held that no notice or hearing is required at the stage of forming a prima facie opinion directing investigation, and that a discretion to invite parties at that stage cannot be equated with a statutory requirement of notice; the right to notice and hearing arises only upon receipt of the investigation report. This ratio applies with full force to the scheme of Section 19 of the Act, and has, in fact, been directly affirmed in the specific context of Section 19(1) of the Act by the Hon'ble High Court of Karnataka in *OLA Electric Mobility Limited v. Central Consumer Protection Authority*, W.P. No. 34459 of 2024 (GM-CON), wherein it was held that a plain reading of Section 19(1) does not contemplate any order being passed by the Central Authority recording a prima facie finding against the party concerned.

iii. The reliance placed by the opposite party on Regulation 3 of the Central Consumer Protection Authority (Allocation and Transaction of Business) Regulations, 2020, is misplaced insofar as it is sought to be construed as conferring upon the opposite party a right of access to internal records or directions of the Authority.

iv. Sub-regulation (5) of the said Regulation merely requires that every decision and direction of the Central Authority be recorded in writing and be kept as a record i.e. an obligation of internal record-keeping owed by the Authority to itself, and not a provision requiring communication or disclosure of such decision or direction to the opposite party. Nothing in Regulation 3(5), however, obliges the Authority to furnish or share its letter to cause the investigation in the current matter.

v. Sub-regulation (4) of the same Regulation, moreover, expressly provides that "any decision taken by the Central Authority shall be published on the website of the Central Authority unless the Chief Commissioner determines otherwise on grounds of confidentiality" thereby itself recognizing and preserving the discretion of the Chief Commissioner to withhold a decision from disclosure on grounds of confidentiality.

vi. The direction issued under Section 19(1), being an administrative step initiating investigation falls within the ambit of matters the Chief Commissioner is entitled to treat as confidential under this very Regulation, and the opposite party's reliance on it is, in this respect, self-defeating. This position is further reinforced when read in consonance with Section 22 of the Act, which vests the Director General (Investigation) with the power to conduct search and seizure of documents, records, or articles where there is reason to believe that such material is likely to be concealed, destroyed, or tampered with. Therefore, disclosure of Authority letter to cause investigation would forewarn the opposite party of the investigation, enabling concealment or destruction of relevant material and rendering the Authority's powers under Section 22 worthless. The confidentiality maintained at this stage is, accordingly, entirely consistent with the express terms of Regulation 3(4) and 3(5) of the 2020 Regulations and with the object of Section 22 of the Act, and finds further resonance in the principle embodied in Section 8(1) (h) of the Right to Information Act, 2005, which exempts disclosure of information that would impede an ongoing investigation. The opposite party's objection, therefore, seeks to convert a record-keeping obligation of the Authority into a disclosure obligation owed to itself a construction wholly unsupported by the text of the Regulation and is accordingly rejected.

vii. The objection regarding non-receipt of the notices dated 02.01.2026 and 09.01.2026 must be examined in light of the bounce-back records forming part of the record of these proceedings. The email address captaincare@rapido.bike was non-functional and inactive, as evidenced by automated mailer-daemon responses bearing error code 550–5.1.1 received on both occasions. Significantly, the emails addressed to nodalofficer@rapido.bike and shoutout@rapido.bike did not generate any bounce-back, confirming that those addresses remained functional. The opposite party cannot be permitted to raise a plea of non-receipt as a ground of defense. The obligation to provide and maintain accurate and functional contact information rests squarely upon the opposite party under Rule 4 of the Consumer Protection (E-Commerce) Rules, 2020, and non-compliance with this mandatory obligation cannot be permitted to frustrate the due process of investigation conducted by the statutory Authority.

viii. The contention that the proceedings before the CCPA and the investigation conducted by the DG (Investigation) amount to parallel or simultaneous proceedings is misconceived.

The DG investigation under Section 19 of the Act is not a separate or independent proceeding, it is an integral step within proceeding before the CCPA. As already discussed hereinabove, the reference to the DG (Investigation) was made only upon the Authority's prima facie satisfaction being formed at the conclusion of the hearing dated 18th July, 2025. There is, accordingly, no basis for the contention that two independent or simultaneous proceedings were pending before the Authority at any point in time. Accordingly, in exercise of the powers conferred under Section 19(1) of the Act, the CCPA referred the matter to the Director General (Investigation), vide letter dated 21st July, 2025, for detailed investigation.

ix. The objection that the order dated 01.08.2025 did not expressly state a prima facie finding or make reference to the transfer of the matter to the Director General is misconceived and proceeds on a misunderstanding of the nature and purpose of the said order. As already noted hereinabove, the order dated 01.08.2025 did not itself constitute or record the reference of the matter for investigation under Section 19(1) of the Act that reference had already been made on 21st July, 2025, consequent upon the directions orally communicated to the opposite party at the conclusion of the hearing held on 18th July, 2025. The order dated 01.08.2025 was, in substance, nothing more than the formal written communication of those very directions addressed to the opposite party for its information.

x. The right to an opportunity of being heard has been fully and effectively provided at the stage of Sections 20 and 21 of the Act, at which stage the Investigation Report constitutes the primary document against which the opposite party has been called upon to respond. The internal direction issued to the DG (Investigation) carries no punitive or adjudicatory consequence against the opposite party.

28. The principles of natural justice require that the opposite party be given full particulars of the allegations and adequate opportunity to respond before any order is passed. In the present matter, these safeguards have been fully respected and complied with. The opposite party was served with a detailed Show Cause Notice dated 28.05.2025, a copy of the original complaint dated 16.05.2025 was shared with the opposite party vide email dated 22.08.2025, an opportunity was provided to join the investigation, the Investigation Report dated 21.01.2026 was duly shared, an opportunity was provided to file written comments and an opportunity of hearing was provided to the opposite party. This procedural framework satisfies all requirements of natural justice and due

process. Accordingly, the CCPA finds no merit in the procedural objections raised by the opposite party and the same are hereby rejected.

29. The CCPA has carefully considered the written submissions of the opposite party, the submissions made during the hearing, the Investigation Report submitted by the Director General (Investigation), and the material on record. Having examined all the aforesaid material, the CCPA finds that the opposite party has violated various provisions of the Act, as elaborated in the following paragraphs.

30. It may be mentioned that the Guidelines for Prevention and Regulation of Dark Patterns, 2023 (hereinafter 'Dark Patterns Guidelines'), issued by the Department of Consumer Affairs, define 'dark patterns' under Clause 2(e) as:-

> *2(e) "Dark Pattern" means any practices or deceptive design pattern using user interface or user experience interactions on any platform that is designed to mislead or trick users to do something they originally did not intend or want to do, by subverting or impairing the consumer autonomy, decision making or choice, amounting to misleading advertisement or unfair trade practice or violation of consumer rights.*

31. Annexure 1 to the Guidelines for Prevention and Regulation of Dark Patterns, 2023 lists the specified dark patterns which are prohibited under the said Guidelines, one of them is a "Confirm Shaming" as a specified dark pattern. Clause 3, Illustration (a) thereof defines 'Confirm Shaming', the definition is given below for easy reference:-

> *(3) "Confirm Shaming" means using a phrase, video, audio or any other means to create a sense of fear or shame or ridicule or guilt in the mind of the user so as to nudge the user to act in a certain way that results in the user purchasing a product or service from the platform or continuing a subscription of a service, primarily for the purpose of making commercial gains by subverting consumer choice.*

32. The impugned prompts on the Rapido platform are as follows:-

(i) *"Higher the price, higher the chance of getting a ride"* and

(ii) *"Skip the wait! Get a ride faster by adding extra"* are designed to psychologically pressure consumers into paying amounts above the stated fare by creating a sense of urgency and shortage of service implying that failure to tip will result in denial of ride or longer wait for service. This falls within the definition of "Confirm Shaming" under the Dark Patterns Guidelines and thereby constitutes an unfair trade practice and violation of consumer rights under the Act.

33. The CCPA has further examined current interface of the opposite party's platform wherein the following prompts were visible i.e. "Set your price" interface on the Rapido application, which disclose additional material aspects of the impugned practice not confined to the text of the prompts alone. It is observed that where a consumer moves the price slider upward from the suggested fare, the interface displays the message "Higher chance of getting a ride" in green text accompanied by an upward-pointing arrow; conversely, where the consumer moves the slider downward, the interface displays the message "Captains are unlikely to accept orders at this price. Please try increasing the price," or "Lower chance of getting a ride," in red or orange text accompanied by a downward-pointing arrow. It is further observed that the slider itself is designed asymmetrically, offering the consumer only limited decrements below the suggested fare (typically one or two intervals) as against multiple and progressively larger increments above it, and that a "Reset to ₹___" option is displayed to draw the consumer back toward a previously elevated price once he attempts to reduce it.

34. The said Guidelines also defines Interface interference as following:

> (6) *"Interface interference" means a design element that manipulates the user interface in ways that (a) highlights certain specific information; and (b) obscures other relevant information relative to the other information; to misdirect a user from taking an action as desired.*

35. In view of the above, Interface Interference is a design element in the interface that manipulates the user's choices by highlighting certain aspects and concealing other relevant factors that may have affected the user's decision. For example, using a colour palette that makes the detection of negative confirmation or cancellation options difficult for the user of the interface. The CCPA finds that this colour-coded and asymmetrically weighted design does not merely convey information, it actively shapes the consumer's perception of his own choice through visual cues that operate independently of, and in addition to, the underlying textual representation. The use of

alarming red signalling and cautionary language specifically and exclusively at the point where a consumer seeks to pay less than the suggested/quoted fare, contrasted with affirming green signalling at the point where he pays more, constitutes a design choice calculated to discourage the exercise of a choice that is, on the platform's own case, entirely permissible and does not prevent the consumer from securing a ride. No data, methodology, or verifiable basis has been placed on record by the opposite party to substantiate the categorical claim that captains are "*unlikely*" to accept a reduced fare, rendering the warning an unsubstantiated deterrent rather than a factual disclosure. The CCPA is satisfied that such colour-coded steering of a nominally neutral pricing input, combined with the structurally asymmetric design of the slider itself, constitutes an additional and independent form of dark pattern, namely, Interface Interference, over and above the Confirm Shaming already found in relation to the textual content of the prompts, inasmuch as it manipulates the visual architecture of the consumer's choice to favour the opposite party's commercial interest in higher fares.

36. It may be mentioned that Section 2(28) of the Act defines **"misleading advertisement"** in relation to any product or service as an advertisement which-

> *(28) **"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;*

37. The prompts deployed by the opposite party on its platform convey a representation that amounts to an implied guarantee that paying a higher amount will lead to faster ride confirmation. This representation is unsubstantiated, as the opposite party itself has submitted in the hearing dated 18.07.2025 that the algorithm continues to operate regardless of the tip amount and that customers often get rides even without raising the fare. Such representations are therefore false and misleading within the meaning of Section 2(28) of the Act. The opposite party has also failed to disclose, clearly and prominently, that there is no demonstrated causal link between the tip amount and ride confirmation probability a material omission which renders the prompt deceptive.

38. The CCPA has also examined the submission of the opposite party at paragraph 9(f) of its reply dated 25th June, 2025, wherein it has relied upon its Terms and Conditions to contend that no expectation is created in the mind of the consumer, since the said Terms disclose that the consumer will be able to "quote an offer price" to Captains, that any fare range displayed by the platform is merely "guidance," and that the opposite party "makes no guarantee or warranty with respect to the accuracy or reliability of the price displayed." The CCPA finds this submission to be self-defeating in more than one respect. First, the characterisation in the Terms and Conditions, that it is the consumer who quotes an offer price using the platform's fare merely as guidance, does not accord with the sequence demonstrated on the record, wherein it is the opposite party's own algorithm that first generates and displays a specific fare, upon which the consumer books the ride, and against which the impugned prompts are subsequently triggered. Second, and in any event, the opposite party's own disclaimer that it provides no warranty as to the reliability of the displayed price stands in direct tension with the representation conveyed by the prompt "*Higher the price, higher the chance of getting a ride*", which asserts a reliable, positive correlation between the amount paid and the probability of ride confirmation; the opposite party cannot rely on the unreliability of its own pricing information as a defence to liability while simultaneously deploying an interface representation that assumes and asserts the very reliability it disclaims. Third, and most fundamentally, the CCPA is of the view that a general disclosure contained in Terms and Conditions accepted by a consumer at the time of registration cannot cure a specific, real-time representation made to that consumer at the point of an active purchasing decision; the two operate at entirely different levels of consumer attention and cannot be treated as substitutes for one another, a principle that underlies the very object of the Dark Patterns Guidelines, 2023.

39. The CCPA further finds that the said Terms and Conditions, far from curing the misleading nature of the impugned prompt, in fact reinforce CCPA's decision recorded hereinabove: the opposite party's own disclaimer as to the unreliability of its displayed pricing information, read together with its inability to explain the sequencing by which a fare generated by its own algorithm is almost immediately represented to the consumer as insufficient, confirms that the representation conveyed by the prompt "Higher the price, higher the chance of getting a ride" is unsubstantiated and misleading within the meaning of Section 2(28) of the Act.

40. The CCPA further notes that the concerns arising from pre-ride tipping mechanisms have received express recognition in the regulatory framework governing motor vehicle aggregators. The Ministry of Road Transport and Highways, Government of India, by way of amendment to the Motor Vehicle Aggregator Guidelines, 2025, inserted Clause 14.15, which states that:

14.15 "Voluntary tipping for the Driver"

(i) The App may provide a feature for passengers to give a voluntary tip to the driver, however, such feature shall only be visible after the completion of the journey, and should not be available at the time of booking, before the commencement of the journey or during the journey.

(ii) The entire tip amount shall be credited to the driver without any deduction by the aggregator.

(iii) No tipping feature or mechanism shall be provided in the App that is misleading, manipulative, or otherwise in violation of the Consumer Protection Act, 2019 and the rules and regulations made thereunder.

41. The aforesaid amendment reflects a clear legislative and regulatory recognition that tipping must remain a post-service expression of consumer appreciation and must not be deployed as a mechanism capable of influencing ride allocation, service priority, or consumer decision-making at the booking stage. The impugned prompts employed by the opposite party, which encouraged consumers to pay additional amounts before ride acceptance by representing that such payment would increase the likelihood of obtaining a ride, are directly contrary to the principles subsequently embodied in the said Guidelines and reinforce the Authority's conclusion that the practice is misleading, manipulative, and constitutes an unfair trade practice under the Consumer Protection Act, 2019.

42. Further, it may be mentioned that Section 2(47) of the Act defines "*unfair trade practice*" as a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair method or unfair or deceptive practice. The platform's interface design, which nudges consumers through pre-ride prompts (advance tip) into paying extra amounts above the fare displayed at the time of booking by creating a false impression that doing so will improve the chance of ride confirmation, constitutes an unfair and deceptive practice within the meaning of Section 2(47) of the Act. It is important to note that the opposite party itself has admitted that the said prompts are deployed for the purpose of

incentivizing captains i.e. for the furtherance of the commercial interests of the platform while the cost of the same is being effectively passed on to consumers through psychological manipulation.

43. The CCPA further observes that the very premise of "an amount over and above quoted fair"/"advance tip" is legally untenable, inasmuch as it defeats the very logic of the settled principle of a tip as a voluntary, post-facto gesture of appreciation for a service already rendered and found satisfactory by the consumer. A tip, by its very nature, is an ex post facto acknowledgment, it is offered, if at all, only after the consumer has experienced the service and has formed a subjective assessment of its quality; it cannot be converted into an ex ante condition precedent for the service to be rendered at all. No consumer can meaningfully assess, at the stage of booking, whether a service is deserving of an additional gratuitous payment, since the service itself is yet to commence. To solicit, prompt, or nudge a consumer to pay an additional amount before the ride has even begun is, therefore, a contradiction in terms, it seeks to extract a reward for performance that has not yet occurred and may never occur to the consumer's satisfaction.

44. Further, the CCPA notes that the fare displayed to the consumer at the time of booking is itself arrived at after accounting for the distance to be travelled, estimated time, prevailing traffic conditions, applicable tolls and taxes, and the base amount payable to the captain/driver. Once all these variables stand already factored into the upfront fare shown to the consumer, no legitimate purpose is served by soliciting a further "an amount over and above suggested fair" or "advance tip" over and above such fare; the opposite party has failed to demonstrate, either in its written submissions or before this Authority, what additional consideration or service enhancement the "an amount over and above quoted fair" or "advance tip" is intended to correspond to.

45. The CCPA also notes that the very existence of this feature perversely incentivizes captains/drivers to decline or delay acceptance of rides offered at the base fare already computed and displayed to the consumer, in the anticipation that the consumer may be prompted to add more money/a tip before a captain agrees to accept the ride. This has the direct effect of conditioning the availability of the service itself on the consumer's willingness to pay beyond the fare already quoted, thereby pressuring the consumer from both ends of the transaction: at the interface level, through manipulative prompts urging an increased payment, and at the supply level, through captains withholding acceptance of rides at the base fare in expectation of an additional amount/tip.

46. Such a design converts a voluntary post-service gratuity into a pre-service toll, and constitutes an unfair trade practice within the meaning of Section 2(47) of the Act, in as much as it compels the consumer to make a payment he has neither agreed to as part of the fare contract nor is in a position to evaluate the merit of, before the service is even availed. This position finds direct statutory reinforcement in Clause 14.15 of the Motor Vehicle Aggregator Guidelines, 2025, already extracted hereinabove, which expressly mandates that a voluntary tipping feature "shall only be visible after the completion of the journey, and should not be available at the time of booking, before the commencement of the journey or during the journey", thereby placing beyond doubt the principle that tipping is, both in law and in ordinary commercial understanding, a post-service courtesy and not a pre-service precondition.

47. The CCPA further observes that the impugned "an amount over and above quoted fair"/ "advance tip message/prompts" are, in substance, a disguised mechanism for extracting surge or dynamic pricing from consumers under the pretext of voluntary tipping. In this context, the CCPA finds the reasoning of the Hon'ble High Court of Karnataka in ***Uber India Systems Private Limited v. State of Karnataka*** (WP No. 24501 of 2022 c/w WP No. 24486 of 2022, decided on 27.05.2024) to be instructive. The Hon'ble Court, while examining the legality of surge, peak, and dynamic pricing by ride-hailing aggregators, observed as follows:-

> *"**24.8.** Peak pricing, dynamic pricing or surge pricing is apparently charged due to non or low availability of vehicles on the app of the aggregator. In my considered opinion, the same cannot be a basis of charge by the aggregator, the aggregator having held out to the passenger/customer that vehicles would be available for hire/hailing; it is on account of the non-availability or low availability of the vehicles on the aggregator app that the above charges called as Peak pricing, dynamic pricing or surge pricing are sought to be levied.*
> ***24.9.** The aggregator not having made available the requisite number of vehicles cannot charge Peak pricing, dynamic pricing or surge pricing charges. The same would amount to taking advantage of the aggregator not being able to provide the requisite number of vehicles, no premium can be collected by the aggregator for its own defaults.*
> ***24.12.** I am also of the considered opinion having considered all relevant aspects that if such Peak pricing, dynamic pricing or surge pricing is permitted, there is a possibility of the aggregator falsely claiming these amounts when there is a surge or peak, since all the*

actions on the part of the Aggregators are couched in secrecy and it not being placed on record as to the basis of such charge and in what manner the same would be considered and or calculated."

48. The CCPA is of the view that the aforesaid reasoning applies mutatis mutandis in the present case. Opposite party submitted that the prompts ***"Captains aren't accepting at ₹60. Try adding more +10, +20, +30"*** and ***"Higher the price, higher the chance of getting a ride"*** are triggered during periods of low driver availability which is a supply-side deficiency of the opposite party's own platform. However, by nudging consumers to pay "an amount over and above quoted fair"/ "advance tip message/prompts" at such moments, the opposite party is, in effect, extracting a premium on account of its own failure to ensure adequate driver supply. Furthermore, as the Hon'ble Court observed, the basis for the alleged correlation between tip amount and ride confirmation is "couched in secrecy", with no verifiable data placed before consumers or before this Authority. The opposite party's own admission that the algorithm continues to operate regardless of the tip amount conclusively establishes that the impugned prompts are designed to extract additional payments from consumers without any guaranteed benefit considered as instance of an unfair and deceptive trade practice under Section 2(47) of the Act.

49. Section 2(46) of the Consumer Protection Act, 2019 defines "unfair contract" to mean a contract between a service provider and a consumer having such terms which cause significant change in the rights of such consumer, including the imposition on the consumer of any unreasonable charge, obligation or condition which puts such consumer to disadvantage. In the present case, the fare quoted to the consumer at the time of booking, having already factored in the distance, time, traffic conditions, tolls and the amount payable to the captain/driver, constitutes the complete and concluded terms of the service contract between the consumer and the opposite party. The subsequent introduction of the impugned "an amount over and above quoted fair"/ "advance tip message/prompts", which effectively make an additional payment a de facto precondition for the timely acceptance and delivery of a service already contracted for at the quoted fare, unilaterally alters the terms of this contract to the detriment of the consumer, without his informed consent and after the contractual fare has already been communicated and accepted. Such an obligation is unreasonable within the meaning of Section 2(46) of the Act, inasmuch as it places the consumer at a disadvantage by conditioning the performance of an already-agreed service upon

an additional and unilaterally imposed payment. The design of the opposite party's platform, therefore, results in an unfair contract within the meaning of Section 2(46) of the Act.

50. The CCPA further observes that the consequence of permitting such a practice would extend beyond the individual unfairness already noted above, it would result in institutionalising a system of price discrimination amongst consumers availing an identical service at an identical quoted fare. Access to what is, in substance, a basic and time-sensitive service would then come to be determined not by the fare already agreed upon between the parties, but by the differential capacity and willingness of individual consumers to pay an amount over and above such stated price. Consumers unable or unwilling to make this additional payment would be relegated to a lower priority in ride allocation, notwithstanding having accepted the very same fare as those who do pay more, resulting in two consumers bound by an identical contractual price receiving materially different quality of service. The CCPA finds that such differential treatment, engineered entirely through the platform's own interface design and triggered at the point of the consumer's maximum dependence on the service, is fundamentally at odds with the principles of consumer welfare and fair market conduct that the Act seeks to secure, inasmuch as it makes the actual, practical availability of a contracted service turn on payment capacity rather than on the price already settled between the parties.

51. As mentioned above, the CCPA had already passed an order dated 20th August, 2025 in Case No. CCPA-2/35/2024-CCPA against the opposite party in relation to the misleading advertisement "*Guaranteed Auto in 5 mins or get Rs.50 and National Consumer grievances registered against Rapido during April 2023 to May 2024",* whereby the opposite party was directed to discontinue the misleading advertisements with immediate effect and was imposed a penalty of Rs. 10,00,000/- (Rupees Ten Lakhs only). The present violations therefore constitute a subsequent contravention by the same opposite party. The fact that the opposite party has continued to engage in consumer-prejudicial interface practices even after having been penalized in a related matter significantly aggravates the gravity of the present case.

52. The CCPA also takes serious note of the conduct of the opposite party in the context of the Investigation Wing proceedings. The Investigation Wing sent its notices dated 02nd January, 2026 and 09th January, 2026 to all three official email addresses of the opposite party. The emails to **captaincare@rapido.bike** were returned as permanently undelivered on both occasions due to the

account being non-existent, as confirmed by automated bounce-back notifications with error code 550 – 5.1.1 from the mail delivery system. This establishes that the opposite party had allowed one of its official email addresses, furnished on its official website and to the CCPA for the purpose of communications, to lapse into inactivity, in clear violation of the obligation under the Consumer Protection (E-Commerce) Rules, 2020 to maintain accurate and functional contact information. The emails to the remaining two addresses i.e. **nodalofficer@rapido.bike** and **shoutout@rapido.bike** did not generate bounce-back responses. Accordingly, the opposite party cannot sustain a defense of non-receipt of the notices. Despite valid delivery to its functional official addresses, the opposite party chose not to respond to either communication, reflecting a deliberate pattern of non-cooperation with the statutory investigation. This conduct, taken together with the persistent procedural objections raised in these proceedings, demonstrates a systemic effort to delay and obstruct regulatory proceedings, which the CCPA views with the utmost gravity.

53. The CCPA, after carefully considering the written submissions of the opposite party, the submissions made during the hearings, and the Investigation Report submitted by the Director General (Investigation), finds that the opposite party has violated the following provisions:-

i. Section 2(28) of the Consumer Protection Act, 2019- Misleading advertisement
ii. Section 2(46) of the Consumer Protection Act, 2019- Unfair contract
iii. Section 2(47) of the Consumer Protection Act, 2019- Unfair trade practice
iv. Guidelines for Prevention and Regulation of Dark Patterns, 2023
v. Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022.
vi. Consumer Protection (E-Commerce) Rules, 2020.

54. 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, 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 Act prescribes that the following may be regarded while determining the penalty against false or misleading advertisement:-

i. the population and the area impacted or affected by such offence.

ii. the frequency and duration of such offence.

iii. the vulnerability of the class of persons likely to be adversely affected by such offence.

55. The CCPA notes that the present violations constitute a subsequent contravention by the opposite party within the meaning of Section 21 of the Act. It is significant that the impugned misleading advertisement & unfair trade practice including dark pattern prompts were not merely a one-time or static practice frozen at the time of the original complaint dated 16th May, 2025, rather, the Investigation Report dated 21st January, 2026 records that the opposite party continued to deploy, and indeed evolved, the impugned prompts. The Investigation Report specifically notes that the prompt earlier appearing as "Captains aren't accepting at ₹33" was subsequently modified and replaced with the prompt "Skip the wait! Get a ride faster by adding extra", which, as recorded in the Investigation Report, now appears immediately and invariably upon initiation of every booking search, contrary to the opposite party's own submission that such prompts appear only in specific, limited situations.

56. This continued and evolving deployment of the impugned dark pattern, persisting after the opposite party had already been visited with a penalty by this Authority for a related consumer-prejudicial practice on the very same platform, is what renders the present violation a subsequent contravention in the true sense, it is not a fresh characterisation of stale conduct, but conduct that the opposite party has knowingly persisted with and adapted even after having been put to notice of the consequences of such practices. The opposite party's failure to cease or alter the impugned prompts is the precise mischief that the enhanced penalty provision under Section 21 is intended to address.

57. It may further be noted that Rapido offers its services in over 120 cities across India, and the impugned misleading advertisement & unfair trade practice including dark pattern prompts have been deployed systematically and uniformly across its platform, affecting a large number of consumers across all service modes, namely bike, auto and cab. The prompts are triggered at the precise moment of consumer vulnerability, when a consumer is actively searching for a ride and is uncertain of its availability, thereby exploiting the consumer's dependence on the service at the point where he is least able to make an informed or unpressured choice. Having regard to the scale

of deployment across the country, the systemic and platform-wide nature of the impugned prompts, the substantial number of consumers potentially affected on a daily basis, the extended duration for which these prompts have remained in operation notwithstanding the opposite party's prior chastisement, the opposite party's demonstrated non-cooperation with the statutory investigation, and its persistent disregard for its obligations under the Act even after being penalised once already, the CCPA finds that the violations in the present case meet the threshold contemplated under Section 21(7) of the Act for the population and area affected, the frequency and duration of the offence, and the vulnerability of the class of consumers concerned.

58. In view of the above, in exercise of powers under Sections 20 and 21 read with Section 10 of the Consumer Protection Act, 2019, the CCPA hereby issues the following directions:-

i. The opposite party shall forthwith discontinue the use of all prompts, messages, interface designs, or any other dark pattern elements that nudge, coerce or psychologically pressure consumers into paying amounts above the upfront fare displayed at the time of booking, including but not limited to the prompts *"Higher the price, higher the chance of getting a ride", "Captains aren't accepting at ₹60. Try adding +10, +20, +30", "Skip the wait! Get a ride faster by adding extra",* or any variation thereof, on any platform, application, website, or digital interface operated by it.

ii. The opposite party shall ensure strict compliance with the provisions of the Consumer Protection Act, 2019, the Guidelines for Prevention and Regulation of Dark Patterns, 2023, the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022, and the Consumer Protection (E-Commerce) Rules, 2020.

iii. The opposite party shall ensure that all official email addresses and contact details published on its platform and provided to statutory authorities remain active and functional at all times, in compliance with Rule 4 of the Consumer Protection (E-Commerce) Rules, 2020

iv. 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 Rs. 10,00,000/-

(Rupees Ten Lakh) for misleading advertisement and unfair trade practice under Consumer Protection Act, 2019.

v. The opposite party shall submit a compliance report in respect of directions (i) to (iv) above, within 15 days of receipt of this Order.

....

(NidhiKhare)
Chief Commissioner

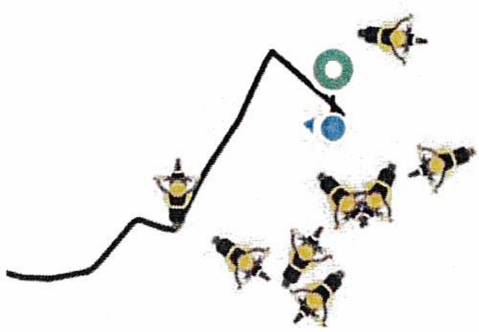
....

(Anupam Mishra)
Commissioner

ANNEXURE - 1

[redacted]

10:28 | Rapido



Looking for your

Bike ride

Trip Details

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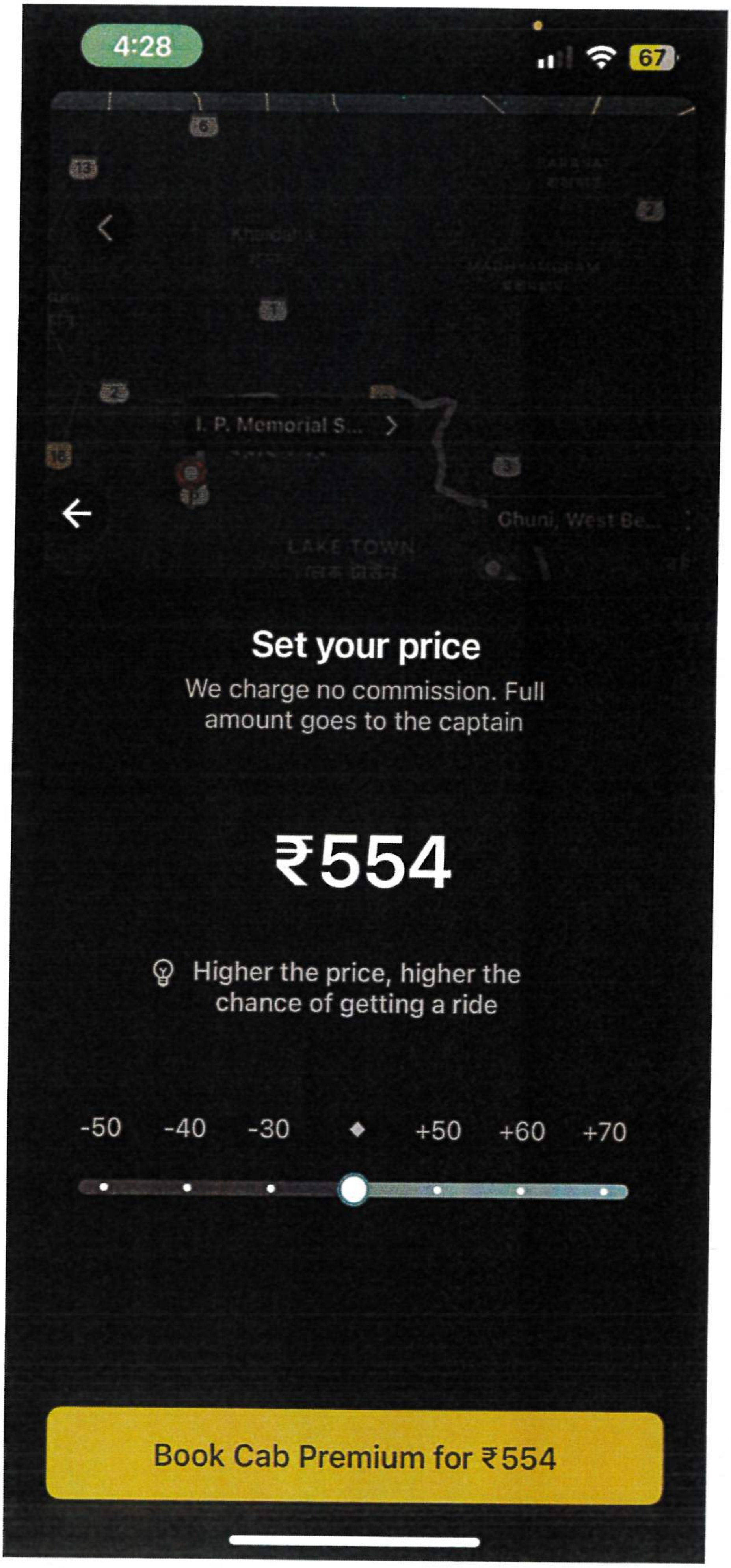
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