

**Central Consumer Protection Authority**

**Krishi Bhawan, New Delhi -110011**

Case No: CCPA-2/58/2023-CCPA

In the matter of: Sriram's IAS regarding misleading advertisement.

CORAM:

Mrs. Nidhi Khare, Chief Commissioner

Mr. Anupam Mishra, Commissioner

**APPEARANCES**

For Sriram's IAS:

- i. Ms. Sommya Chaturvedi, Advocate
- ii. Mr. Sonu, Manager at Sriram's IAS

Date: 01.08.2024

**ORDER**

1. This is a suo-moto case taken up by the Central Consumer Protection Authority (hereinafter referred as 'CCPA') against Sriram's IAS (hereinafter referred as 'opposite party') wherein it was observed that the opposite party was allegedly publishing the following misleading advertisements on its official website ([www.sriramsias.com](http://www.sriramsias.com)):-

- i. "200 plus selections in UPSC Civil Service Exam 2022".
- ii. "We are India's No.1 Prestigious UPSC/IAS Coaching Institute"

2. Accordingly, CCPA took cognizance of the matter and conducted a preliminary inquiry to examine veracity of the claims in the impugned advertisement made by the opposite party. As per preliminary inquiry report, it was found that the opposite party showcased various types of courses but the information with respect to the course opted by the said successful candidates in UPSC exam 2022 was not specifically disclosed and was concealed in the abovementioned advertisement. It is important to mention that no information or document was available on the same source to substantiate claims made in the advertisement by the opposite party. Therefore, the CCPA was satisfied that there exists a prima facie case of misleading advertisement under the Consumer Protection Act, 2019.

3. Thereafter, the CCPA issued a notice dated 07<sup>th</sup> August 2023 to the opposite party for violation of provisions of the Consumer Protection Act, 2019 highlighting the issue of misleading advertisement by deliberately concealing important information and making tall claims about results from the opposite party institute. An opportunity to furnish its response within 15 days of the issue of the Notice was given to the opposite party.

4. In response to the notice, a reply dated 22<sup>nd</sup> August 2023 was received from the opposite party, wherein, following submissions were made:

- i. With respect to the claims of "India's No.1 Prestigious UPSC/IAS Coaching Institute", the opposite party submitted that there is no authority in India which gives ranking to the coaching institutions based on their performance and hence the same is mere glorification and boasting of the successful result in order to have good and bright students each year.
- ii. The opposite party stated that they have already modified the claim and reframed it as "India's leading UPSC/IAS coaching institute".
- iii. The opposite party submitted the record of 171 students against its claim of "200 plus selections in UPSC Civil Service Exam"
- iv. The opposite party's advertisement is a glorification of the services provided by them and the same is not deceptive or misleading.
- v. The opposite party submitted that they have signed MOU with various State Governments as a part of social welfare scheme wherein the State Governments have also sent a number of students for enrolment with the opposite party's institute sponsored by the state government.

5. Thereafter, an opportunity of hearing was provided to the opposite party on 04.10.2023 wherein opposite party was represented by Ms. Sommya Chaturvedi, Advocate and Mr. Sonu, Manager at Sriram's IAS, wherein, following submissions were made: -

- i. The opposite party stated that they have records of only 171 students and, in the impugned advertisement, they have glorified the number of selections and their services.

- ii. We advertised about our services and glorified about them.
  - iii. After receiving the CCPA's Notice dated 07.08.2023, we have modified our advertisement from "We are India's No.1 Prestigious UPSC/IAS Coaching Institute" to "India's leading UPSC/IAS coaching institute".
  - iv. Our website is an invitation to attract the best talent of country to join the institute.
  - v. Placing reliance on various high court judgments, the opposite party stated that there is nothing wrong in claiming to be the best as long as they do not demean their competitors.
  - vi. The opposite party submitted that if the Central Authority is of the view that the advertisement is misleading and directs them to modify/rectify it, they will abide by the Central Authority's direction in the interest of consumers.
6. In view of the above, the CCPA vide letter dated 06.10.2023 requested Director General (Investigation) to initiate a detailed investigation into the matter.
7. The Director General (Investigation) in its investigation report dated 04.06.2024 submitted the following:
- i. Out of 200+ selections claimed in alleged misleading advertisement **only 171 were actual students** at the institute which the institute itself has accepted during the hearing held on 04.10.2023. The Institute lied about number of selections in the impugned advertisement.
  - ii. Out of these 171 candidates, only 9 purchased GS Classroom course and 5 students were from different States under the MoU signed between the State Government and the Institute to provide **free coaching**.
  - iii. **102 students** cleared the Pre and Mains stage of UPSC CSE, 2022 without any assistance of SRIRAM's IAS. They **have taken only Interview Guidance Programme** from SRIRAM's IAS. And this information is important for consumers. SRIRAM's IAS in the impugned advertisement has deliberately concealed this important information from consumers.

- iv. Out of these 171 candidates, 55 joined free test series. Rest 102 were from Free Interview Guidance Programme (IGP). The claimed AIR 2, AIR 9, AIR 12 and AIR 15 as shown in alleged misleading advertisement, **all the 4 candidates were from free program**. AIR 2, 9 and 12 were from IGP and AIR 15 **from Free Test series**. The Advertisement did not mention the courses taken by these candidates which can be seen as an attempt to mislead potential aspirants.
- v. It is misleading to the potential aspirants (consumer as a class) as they make misinformed choice because it is nowhere mentioned in the advertisement about the courses opted by the selected candidate. Therefore, in the present case, SRIRAM's IAS has deliberately concealed important information like type/name of courses opted by selected candidates and duration of the course attended by such student.
- vi. Sriram's IAS has exaggerated the claim by stating 200+ selection when in reality they had only 171 candidates enrolled with the institute. This appears to be done with intention to mislead the potential aspirants and their parents which seems to be potential violation of Consumer Rights.
- vii. The advertisements by the Sriram's IAS which display selected candidates must also mention the type/name and duration of the course opted by the selected candidate so that potential aspirants can make well informed choice as its consumer right under Section-2(9) of the Consumer Protection Act, 2019. As this was not done by the SRIRAM's IAS in its advertisement, hence it appears to be in potential violation of Section- 2(9) and Section 2 (28) (ii) & (iv) of the Consumer Protection Act, 2019.

8. The Investigation Report submitted by DG (Investigation) was shared with the opposite party vide letter dated 27.06.2024 to furnish its comments, if any within 7 days.

9. In response to the investigation report, the CCPA received a reply from the opposite party on 04.07.2024, wherein, following submissions were made:

- i. The opposite party has taken utmost care to avoid any deceptive or unfair trade practices. Any irregularities with the numbers were promptly rectified.
- ii. The opposite party's detailed documents regarding successful candidates establish their bona fides.
- iii. The investigation report's claim of exaggerated selections is in itself a bad finding as the investigation report has only taken a particular year to conclude its finding and not taken into account the overall performance of the opposite party's institute as per which even in the present year the institute was trusted with 14,597 students for the prelims test series 2024.
- iv. The opposite party has clarified on the website and other advertisements subsequently the courses opted by these students below their names to abide by the consumer protection laws.
- v. The investigation's finding that students joined only for interview preparation is incorrect. The institute provides crucial preparation for the interview stage of the UPSC examination.
- vi. The claim of exaggeration from 171 to 200 students is devoid of merits, as students often clear exams in subsequent attempts. The institute's final list takes time to compile due to delayed notifications from successful students.
- vii. The opposite party displayed the results as 200 plus selections which is based on the actual glorification of the services as also clarified vide earlier replies, not with an intent to mislead, as the same has been proved by the result over the years.
- viii. If any discrepancies are found, the opposite party has already rectified them and assures there will be no future discrepancies.

10. Thereafter, an opportunity of hearing as mandated under the Consumer Protection Act was provided to the opposite party on 18.07.2024 wherein opposite party was represented by Ms. Sommya Chaturvedi, Advocate and Mr. Sonu, Manager at Sriram's IAS, wherein, following submissions were made: -

- i. The opposite party stated that 171 candidates are bona fide and provided details of these candidates.
- ii. The opposite party apologized for the exaggeration of number of selections in the advertisement and assure that they will not indulge in any such practice in future.

- iii. The opposite party stated that 200 plus selection claim in the advertisement is the glorification of the service provided by them.
- iv. The opposite party has admitted that they should have mentioned the courses opted by the successful candidates in the advertisement. However, this omission does not prevent them from claiming such successful candidates as their students.

11. 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;

12. From the above provisions, it is clear that any advertisement should contain truthful & honest representation of facts, and disclose important information in such a manner that they are clear, prominent and extremely hard to miss for viewers/consumers.

13. Union Public Service Commission (UPSC) in its Press Release dated 23 May 2023 announced that a total of 11,35,697 candidates applied for UPSC Civil Services Examination, 2022. Opposite party's advertisement was targeted towards a class of consumers i.e. UPSC aspirants. A total of 933 candidates were recommended by the UPSC for appointment to various Services. The Appellant in its advertisement claimed 200 plus selections out of 933 total selections and concealed important information regarding specific courses opted by the successful candidates.

14. It is important to mention that information regarding the course opted by successful candidates is important for the consumers to know so that they can make informed choice while deciding which course and coaching institute to join. The CCPA has observed that several coaching institutes used the same successful candidate's names and pictures in their advertisement while deliberately concealing important

information such as course opted by them to create deception as if the successful candidates were full-time classroom students of coaching institute.

15. The opposite party published advertisement claiming '**200+ selections in UPSC CSE 2022**' and prominently used names & pictures of the successful candidates. This has the effect of consumers falsely believing that all the successful candidates so claimed by the opposite party had opted for the paid courses advertised by them on its website. The name of such paid courses is given in Table 1 for easy reference:-

Table 1

S.No.	Course name	Fees
1.	General Studies	Rs. 1,60,000/-
2.	General Studies + CSAT	Rs. 1,75,000/-
3.	General Studies + Optional	Rs. 2,00,000/-
4.	General Studies + Optional + CSAT	Rs. 2,15,000/-
5.	1 Module (4 Subjects)	Rs.60,000/-
6.	2 Modules (4 + 4 Subjects):	Rs.1,10,000/-
7.	Optional Subject	Rs. 50,000/-

16. The CCPA observed that the opposite party submitted the details of 171 candidates against its claims of '200+ selections in UPSC CSE 2022' which shows that the opposite lied about number of selection in its advertisement.

17. The CCPA examined the details submitted by the opposite party and found that 102 out of 171 such candidates, took Interview Guidance Course which is free of cost, 55 joined free test series and only 9 purchased GS Classroom course. It is understood that Interview Guidance Course is not a full-time program, and it comes into play only after an aspirant has cleared both the Prelims and Mains examination of UPSC Civil Service Examination. Thus, it is evident that majority of students, i.e. 157 had not taken any paid courses from the opposite party's institute, as advertised by the opposite party on its official website. However, this important information was deliberately

concealed in the advertisement by the opposite party to create deception in favour of the Institute.

18. Such misleading and deceptive advertisements affect consumers adversely as a class. The opposite party has concealed vital information in the advertisement. Therefore, opposite party's claim '**200+ selections in UPSC Civil Service exam 2022**' while prominently using successful candidates' names and photos is found to be misleading under Consumer Protection Act, 2019.

19. It is pertinent to mention that as of 23.07.2024, the misleading claims which were visible in the advertisement annexed with the CCPA's Notice dated 07.08.2023 are still visible on the official website ([www.sriramsias.com/result](http://www.sriramsias.com/result)). This clearly indicates that the opposite party's institute is still deliberately concealing important information i.e. specific course opted by successful candidates.

20. The CCPA has carefully considered the written submissions as well as submissions made by the opposite party during hearing and investigation report submitted by Director General (Investigation) and found that the advertisement is false & misleading as it deliberately conceals important information with respect to the course opted by the said successful candidates from its Institute and exaggerated the claim of successful candidates to mislead aspirants/consumers. This deceptive practice consequently attracts consumers into buying paid courses advertised by the opposite party on its official platforms. Thus, it makes a fit case of misleading advertisement under Consumer Protection Act, 2019.

21. 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;

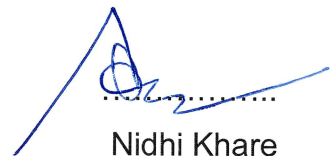


- c) the vulnerability of the class of persons likely to be adversely affected by such offence.

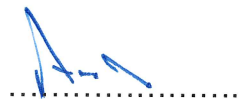
22. The opposite party has 3 centers across India. It may be mentioned that every year approximately 11,00,000 students apply for the UPSC Civil Service exam. Therefore, the vulnerability of the class of persons likely to be adversely affected by such misleading advertisement is huge.

23. In view of the above, under section- 21 of the Consumer Protection Act. 2019, CCPA hereby issues the following direction to the opposite party:

- a) To discontinue the impugned advertisement from all electronic and print media whatsoever with immediate effect.
- b) Opposite party shall pay a penalty of ₹ 3,00,000 for publishing false and misleading advertisement claims i.e. "200 plus selections in UPSC Civil Service Exam 2022" which affected the consumers as a class.
- c) The opposite party shall submit the amount of penalty and a compliance report to CCPA on the above directions within 15 days from the date of this Order.



Nidhi Khare  
Chief Commissioner



Anupam Mishra  
Commissioner

