

**CENTRAL CONSUMER PROTECTION AUTHORITY**  
**Room No.567-A, Krishi Bhavan, New Delhi-110001**

**Ref:F.No.J-25/40/2022-CCPA**

In the matter: Suo-moto case against Seekers Education with regard to misleading advertisement and unfair trade practice.

**CORAM:**

Mrs. Nidhi Khare, Chief Commissioner, CCPA

Mr. Anupam Mishra, Commissioner, CCPA

**Appearance on behalf of Seekers Educations**

Mr. R.V.S. Muralidhar, Director, Seekers Education

**Date: 07.06.2023**

**ORDER**

This is a suo-moto case taken up by the Central Consumer Protection Authority (CCPA) based on information received from the Advertising Standards Council of India (ASCI) that an alleged misleading advertisement by Seekers Education (opposite party), published in Dinamalar newspaper, Trichy edition on 09.05.2021, making the following claims:-

- i. "Be it online or offline, We are the Best".
- ii. "99.99% in JEE 2021".

2. Accordingly, CCPA conducted a preliminary inquiry to examine whether the above claims were substantiated by Seekers Education. As per the preliminary inquiry report, it was found that the claims were made without any substantiation, thus, making it a prima facie case of misleading advertisement and unfair trade practice under the Consumer Protection Act, 2019 (herein after referred to as "the Act"). Thereafter, a Notice dated 23.06.2022 was issued to Seekers Education to furnish its response within 15 days on veracity of the claims made in the advertisement along with the supporting documents.

3. No response was received from the opposite party with regard to the Notice. Therefore, a reminder was sent to the opposite party vide email dated 18.08.2022.

4. The response to notice was received by letter dated 23.08.2022 wherein the opposite party submitted that:-

- a. A request for pardon may be considered, since it is 1<sup>st</sup> offence.
- b. Post Covid, due to ill health the opposite party has recruited professionals (MBAs) who have designed and printed advertisements on behalf of Seekers.
- c. The opposite party handed over the management of Seekers to myclassroom.com which is a Noida based company.
- d. We anticipate such claims or practices will not happen again.
- e. Shri R.V.S. Muralidhar, Director, Seekers Education undertaken the responsibility for the claims made in the advertisement.

5. The matter was referred to the Director General (Investigation). As per the investigation report, since Seekers Education has admitted the violations highlighted in the Notice, action may be initiated as per Section 21 of Consumer Protection Act 2019.

6. Thereafter, opportunity of hearing was provided to the opposite party on 31.05.2023.

7. Appearing on behalf of opposite party Mr. R.V.S. Muralidhar, Director, Seekers Education submitted:-

- a. That it has no basis to substantiate the claim of 99.99 percent.
- b. That the advertisement was approved by him in the capacity of Director Seekers Education.
- c. The claim of 99.99 percent was made based on success of only 6 students.
- d. The advertisement was discontinued on the receipt of the Notice from the Central Consumer Protection Authority.
- e. It was published in the local edition of the newspaper.
- f. The advertisement published by Seekers Education had its reach in Trichy and surrounding areas only.

8. The Consumer Protection Act, 2019 elucidates that:-

As per Section 2 (28) of the Act, 'misleading advertisement' in relation to any product means an advertisement, which:-

- (i) Falsely describe such product or services, or
- (ii) Conveys an express or implied representation which, if made by the manufacturer or seller or service provide thereof, would constitute an unfair trade practice, or
- (iv) Deliberately conceals important information.

Further, Section 2 (47) enumerates that 'unfair trade practice' means a trade practice which, for the purpose of promoting the sale, use or supply of any goods or for the provision of any service, adopts any unfair or deceptive practice including –

- (i) Making any statement, whether orally or in writing or by visible representation including by means of electronic record, which –
  - b. falsely represents that the services are or particular standards, quality or grade;
  - d. represents that the services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such service do not have.
  - f. make a false or misleading representation concerning the need, for, or the usefulness of, any good or services.

9. The Central Authority has carefully considered the oral as well as written submissions made by the opposite party. From the submissions made, it is blatantly clear that the opposite party has failed to substantiate the claims "Be it online or offline, We are the Best" and "99.99% in JEE 2021" made in the advertisement.

10. The score/result of the JEE/NEET are on percentile basis but claiming a success ratio of 99.99% misleads consumers in general and the targeted section in particular (i.e. the aspirants preparing for such competitive exams) that the institution provides a 99.99% result in JEE and that all aspirants who joined the Seekers Education for JEE/NEET succeeded in qualifying the exams. Further, the advertisement nowhere truly and honestly represented the specific percentile achieved by successful candidates or course details or term/batch of enrolment of students, thus deliberately concealing important information for the promotion of their service which clearly makes this misleading advertisement unfair trade practice under the Act. Therefore, it is a fit case for class action against misleading advertisement.

11. Given that Section 21 (7) prescribes following may be regarded while determining the penalty:-


- (a) The population and the area impacted or affected by such offence;

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

Pertinent to above, it is noted that the present advertisement was published in a newspaper, namely Dinamalar, Trichy edition covering the population of Trichy and its surrounding area, targeting the students of class 6<sup>th</sup> to 12<sup>th</sup> as well as aspirants of competitive exams including NEET and JEE. Making such false and deceptive claims by the opposite party can easily mislead consumers regarding the benefits and quality of service offered by the institute and creating a fake sense of achievement of the institution. Further, it contributed to the unfair trade practices and defrauded the consumers in the garb of misleading claims.

12. In view of the above, the Central Authority hereby issues the following directions:-

- a. The opposite party shall pay a penalty of ₹ 50,000/- for publishing misleading advertisement and making the claims "We are the Best" and "99.99% in JEE 2021" by falsely representing the services of Seekers Education.
- b. To discontinue the present advertisement from all newspapers / electronic platforms and submit compliance report to CCPA.

  
7/6/2023  
(Nidhi Khare)  
Chief Commissioner

  
(Anupam Mishra)  
Commissioner