CENTRAL CONSUMER PROTECTION AUTHORITY Ground Floor, CCPA Wing, Indian Institute of Public Administration, IP Estate, Ring Road, New Delhi - 110002

<u>Ref: F. No. J – 25/27/2020 – CCPA</u>

IN THE MATTER OF

Suo Moto action

Against

Greenlam Industries Limited 2nd floor, West Wing, Worlmark 1, Aerocity, IGI Airport Hospitality District, New Delhi -110037

Opposite Party

CORAM:

MS. NIDHI KHARE, CHIEF COMMISSIONER MR. ANUPAM MISHRA, COMMISSIONER

APPEARANCES:

For Greenlam Industries Ltd:

- 1. Mr C M Lal, Senior Advocate
- 2. Mr Ankur Sangal, Advocate
- 3. Ms Achint Kaur, Advocate
- 4. Ms Sucheta Roy, Advocate
- 5. Mr. Alex Joseph, Senior Vice President, Marketing
- 6. Mr. GSRA Sharma, General Manager, Quality Assurance (Laminate)
- 7. Mr. Prakash Kumar Biswal, Company Secretary & Vice President-Legal
- 8. Mr. Hariom Pandey, Manager- Secretarial & Legal

Dated: 13.07.2021

ORDER

(through Video Conferencing)

1. The advertisement of Greenlam (Laminates & Compacts) through its advertisement claimed that their product Greenlam Laminates is effective against Covid -19 virus, anti-bacterial and 99.99% efficacy against virus kill. Recognising the claims made in the advertisements and keeping in view of the pandemic situation and

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Consumer sensitivity towards the issue of viruses, the Central Authority, empowered under section 19(1) of Consumer Protection Act, 2019 issued show cause notice to the opposite party on 30.12.20 asking it to substantiate the claims made through their advertisement and why an action under section 20 and 21 of the Consumer Protection Act, 2019 should not be taken against them.

2. The opposite party responded to the aforesaid show cause notice vide letter dated 09.03.21 along with laboratory reports and it *inter-alia* stated that, Greenlam's advertisements cannot be treated as 'misleading advertisement' since its claims regarding Greenlam laminates making the surface virus free and effective against the Covid -19 virus, as well as being anti-bacterial and having 99.99% efficacy against virus kill are based on the scientific data provided in the test reports by Rajiv Gandhi Centre for Biotechnology, Kerala ("RGCB"), which is an autonomous institute under the Department of Biotechnology, Ministry of Science & technology, Government of India and Biotech Testing Services, which is an NABL accredited agency in the field of biotech testing.

3. Through their letter, opposite party further submitted that, they are one of India's premier companies in the field of surface décor, selling inter alia laminates, veneers, engineered wood floors and doors etc. and their research and development team is constantly innovating and developing new products with unique features which are of highest quality and undergo various tests to check their durability and conform to the standards.

4. It was further emphasised by the opposite party that, one of their flagship products is its anti-bacterial and anti-viral laminates which are manufactured by adding certain EPA (Environmental Protection Agency, USA) listed biocides to the said laminates which are a mix of high end thiozolinone derivatives, DMDMH and certain other virus and microbial inhibiting long chain chemical compounds which give the laminates their anti-viral properties.

5. In support of claims made in their advertisements, opposite party has submitted the following laboratory reports.

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- Determination of Antiviral Activity of Greenlam High Pressure Decorative Laminates against Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2) by Rajiv Gandhi Centre for Biotechnology, Kerala.
- II. Measurement of Antiviral activity on plastics and other non porus surfaces and coating materials by Biotech Testing Services, Mumbai.
- III. Evaluation of Antimicrobial Activity of Laminate Specimen by Biotech Testing Services, Mumbai.

| SI. No. | Claim | Test Conducted | Test Result |
|------------|--|---|---|
| 1. | Effective against Covid -19 virus | Antiviral Activity of Greenlam High Pressure Decorative Laminates against Severe Acute Respiratory Syndrome Coronavirus 2 (SARS- CoV-2) | Based on study performed as per modified ISO-21702- 2019 protocol, SARS- CoV-2 specific RNA (E&S target gene) was not detected in Greenlam High Pressure Decorative Laminates after 30 minutes of treatment indicating rupturing of viral envelope whereas control sample shows non-significant reduction. It has significantly enhanced the antiviral log reduction and reduces viral RNA infectivity by 99% reduction of virus after 30 minutes. |
| 2. | 99.99% efficacy against virus | Measurement of Antiviral activity on plastics and other non – porus surfaces and coating materials | When tested by ISO21702-2019 standard, Greenlam Antivirus High Pressure Decorative Laminate sample has shown 93.86% and >99.98% reduction of virus and has also shown 90.93% and >99.98% reduction of virus in 2 hours and 24 hours respectively. |

6. Summary of tests conducted by laboratories and test results is provided below

| 3. | Antibacterial | Evaluation of Antimicrobial Activity of | Greenlam high |
|----|---------------------------------------|--|-------------------------|
| | · · · · · · · · · · · · · · · · · · · | Laminate Specimen | Pressure Decorative |
| | | | Laminated Sheets |
| | | | PASSES the |
| | | | quantitative |
| | | | Assessment of activity |
| | | | for Staphylococcus |
| | | | aureus, Escherichia |
| | | | coli, Klebsiella |
| | | | pneumonia, Meticillin |
| | | | Resistant |
| | | | staphylococcus aureus, |
| | | | pseudomonas |
| | | | aeruginosa, Salmonella |
| | | 그는 말 같은 것은 것 같은 것 같은 것 같아. | typhimurium, |
| | | | Streptococcus faecalis, |
| | | | Enterofococcus |
| | | 정물방 문제가 관심하는 것이 가지 않는 것이 | faecalis and candida |
| | | 말 것 같은 것 같은 것 같은 것 같은 것 같이 없다. 것 같은 것 같이 없다. | albicans by JISZ2801: |
| | | | 2012 test method. |

7. On perusal of laboratory reports and tests results it was observed that, result stating, effective against Covid -19 virus, also specifies post contact time of 30 minutes and result of 99.99% efficacy against virus and kills bacteria was obtained after 24 hours of test conducted. However, the information on contact time required for viruses and bacteria to be killed was nowhere mentioned in the advertisement. Therefore, Central Authority considered it appropriate to call opposite party for hearing.

8. Thereafter, on 13.07.2021 Central Authority conducted hearing of opposite party. During the course of hearing it was submitted that, Greenlam's advertisements cannot be termed as misleading advertisement as per the definition of 'misleading advertisement' as defined under section 2(28) of Consumer protection Act, 2019 as provided below:

(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;

9. It was further submitted that, Greenlam's advertisements do not falsely describe any product or service, do not give any false guarantee or mislead the consumers as to the nature, substance, quantity or quality of the product or service, give any representation amounting to unfair trade practice or deliberately conceal important information but rather make truthful and honest representations and do not in any manner abuse the trust of consumers.

10. Upon hearing, Central Authority concurred that laboratory test reports substantiate the claims of opposite party that their laminates are effective against Covid – 19 virus, kills 99.99% virus and is anti-bacterial. However, scientific evidence, tests method and the tests results as provided in the reports also specifically mentions the necessary time period required for viruses and bacteria to be killed and advertisements of opposite party does not clearly mention the time taken for killing of viruses and bacteria.

11. It was contended by the opposite party that whenever a claim as to the nature of killing virus or bacteria is being made, it is understood in itself that the process will take time and hence they do not see any reason for including such information within its advertisement. In furtherance, opposite party made an analogy of their product with that of medicines and submitted that, none of the drugs mention that it will cure ailment after a specified time or give relief within certain time and thereby questioned the need for inclusion of time factor within their advertisement.

12. Rejecting the contention of the opposite party, Chief Commissioner pointed out that, the advertisement of the company only brings out half-truth that it Kills 99.99% virus and does not mention anything about the other half i.e., time taken, and therefore, the authority found the advertisement to be misleading.

13. Agreeing to the concern raised above, opposite Party agreed to issue a corrective advertisement as directed by the Central Authority.

14. The Central Authority has passed the following directions:

The opposite party shall immediately withdraw the impugned advertisements and issue a corrective advertisement with a disclaimer clearly mentioning the time taken for killing of Covid -19 virus, 99.99% virus and bacteria respectively.

Ms. Nidhi Khare Chief Commissioner

Mr. Anupam Mishra Commissioner