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

Ref: F. No. J - 25/25/2020 - CCPA

IN THE MATTER OF

Suo Moto action

<u>Against</u>

Century Plyboards (India) Limited Century House. P15/1, Taratala Road, Kolkata – 70088

Opposite Party

CORAM:

MS. NIDHI KHARE, CHIEF COMMISSIONER

MR. ANUPAM MISHRA, COMMISSIONER

APPEARANCES:

For Century Plyboards (India) Ltd:

- 1. Mr Keshav Bhajanka : Executive Director
- 2. Mr Ajay Baldeva : Executive Director
- 3. Dr Jayanta Chaudhury Vice President
- 4. Mr Sourav Bhagat Partner Fox & Mondal
- 5. Mr Mitash Chatterjee Head Corporate Marketing

Dated: 25.06.2021

ORDER

(through Video Conferencing)

1. As per the request of Opposite Party, an opportunity of hearing was provided to them and the matter was heard today.

2. Mr. Mitash Chaterjee, Head Corporate Marketing of the Opposite Party, submitted that company has invested heavily into its research and development from the last 35 years and from time to time come up with various solutions for consumers through their Waterproof ply, Borer proof ply, Fire retardant Ply, the recent ViroKill ply

1

and all these are attempts of the company towards becoming more consumer centric in their approach and add value to consumers life.

3. Further he stated that, Century Ply Virus killing laminates was already in the market since 2016 and the R&D department of the company went on working towards improvisation of it and considering the heightened awareness of consumers regarding viruses, microbes etc., and with the intention of creating something meaningful for the consumers, company decided to come up with virus kill mechanism in plywood as well utilising the nano technology.

4. It was further stated that, the resultant product was tested by Biotech-Testing Services, which is an NABL accredited laboratory (ISO/IEC 17025: 2005/ISO IEC 17025:2017) and received the certificate from the laboratory confirming that, particular levels of virus being removed due to presence of particular nano particle in the manufacturing of plywood and laminates. Since the result confirmed the killing of 99.99% virus the company decided to market and advertise the product.

5. It was further informed that the company has always been transparent in its approach and in order not to mislead the consumers in anyway, company stated upfront that in a short span of an advertisement that just goes by, one may not be able to comprehend this entire thing and therefore, it was categorically stated in electronic video communication that, *'please visit our website <u>www.centuryply.com</u> for more details'* and in the website and all other forms of advertisement of the company carried the entire terms and conditions that goes towards the claim made by the company. The company has been transparent and there was never an attempt of clever advertising and it is not in the DNA of the company. However, he further clarified that, Opposite Party believe, if the company has come up with reasonable solutions to consumers that adds value to their life, it should be stated clearly and let the consumers find value in that.

6. Upon hearing the Opposite Party, Commissioner raised the concern about the period of efficacy of the product with regard to killing of virus as claimed. In response, Opposite Party clarified that, it is a part of manufacturing process of the plywood and laminates and therefore as long as the structural integrity of the plywood and the laminate is kept, it is a lifelong property and it will go away only if it is physically or

2

chemically harmed. It was further clarified that the above information has been clearly disclosed on its website.

7. Further, Chief Commissioner raised the concern that, the advertisement does not clarify the contact time needed for the virus to be killed if it lands on the surface of plywood or laminates. It was further pointed out by the Chief Commissioner that, even on the website of the company, it states that *'the process may take a few minutes or few hours depending on the local configuration'* which meant that, even though the claim that it will kill 99.99% of virus is true, the process of killing will take some time and is not instant and therefore raised the question as to what is the time taken for killing of virus and stated that it has to be clearly bought out in the advertisement.

8. On the aforesaid question, Mr Keshav Bhajanka, Executive Director of the Opposite party clarified that, the test results clearly indicated that the virus starts dying instantly, however, since, tests were conducted over a period of time, testing laboratory could not state that the virus dies instantly and further acceding to the point raised by the Chief Commissioner, he stated that, as a layman and as a consumer he fully appreciates the concern raised and does not intend in any way to fool the customers and say that virus dies instantly. However, he expressed his concern with regard to including the rider within the video of the advertisement since advertisement is time bound.

9. Further, Chief Commissioner clarified that the intention behind such rider is to inform the consumers that as soon as the virus lands on the surface, it takes specified amount of time to kill it and this information has to be clearly mentioned in advertisement to enable the consumers to make a sound decision.

10. Responding to the Chief Commissioner, Mr Keshav Bhajanka clearly stated that, they can put disclaimer/rider pertaining to contact time for the virus to be killed in writing form on the advertisement to enable the customers to have clear picture. However, it was reiterated that, in their electronic advertisement they have clearly mentioned 'for more details visit website' and hence that should suffice.

11. Rejecting the above argument pertaining to mention of website details, Chief Commissioner clarified that, the objective of advertisement is to propagate the product to the consumer and state why consumers should choose a particular product over others. It is done by emphasising on certain features. If advertisement tells that product

3

kills 99.99% virus which is a fact, then it is imperative to give the other fact *i.e.*, time taken for the virus to be killed, which is equally important. If there is some more details that the consumer wants to know, they can visit the website

12. It was further pointed out that, even on the website the process of killing mechanism which states as "*The process of the killing mechanism starts instantly and it may take a few minutes or a few hours to complete the process, depending upon the local configuration*." is very vague and does not provide a definite time as to time taken for killing the virus.

13. On the issue of contact time for the virus to be killed, Dr, Jayanta Choudhary, Vice President of the Company, and also part of the R&D team, submitted that, the process of killing of virus is time dependent and not instant but, as soon as the surface detects a foreign body it triggers action, however as per international standards, the results are measured up to 24 hours of incubation and the result is given in log form and percentage form. He further specifically clarified that *result of 99.99% of virus is after 24 hours of contact.*

14. Responding to the above submission, Chief Commissioner pointed out that, the advertisement of the company only brings out the 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.

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

16. The Central Authority has passed the following directions:

Issue a corrective advertisement with a disclaimer clearly mentioning that 'Kills 99.99% of Virus within 24 hours' 17. The Opposite Party shall comply with the above direction and submit its report to the Central Authority before 25th July, 2021.

Ms. Nidhi Khare Chief Commissioner

Mr. Anupam Mishra Commissioner