

**F. No. CCPA-2/30/2025-CCPA (Part 2)**  
**Central Consumer Protection Authority**  
Room No. 545, Krishi Bhawan, New Delhi – 110001

In the matter of: Case against M/s Infocom Network Pvt. Ltd. (Tradeindia.com) with respect to sale of walkie-talkies for alleged violation of consumer rights, misleading advertisement and unfair trade practice.

**CORAM:**

Smt. Nidhi Khare, Chief Commissioner

Shri. Anupam Mishra, Commissioner

**Appearance on behalf of M/s Infocom Network Pvt. Ltd. (Tradeindia.com):**

Adv. Arjun Aggarwal, Advocate on behalf of Tradeindia.com

Mr. Varghese Mathew, Business Head, Data Management, Tradeindia.com

Mr. Aman Kumar, Assitant to the Counsel

Mr. Mayank Mehta, Representative from Tradeindia.com

**Date: 10.02.2026**

**ORDER**

1. This is a suo moto case taken up by the Central Consumer Protection Authority (hereinafter referred as 'CCPA') against M/s Infocom Network Pvt. Ltd. (Tradeindia.com) [hereinafter referred to as 'opposite party'] with regard to sale of walkie talkies on its Tradeindia.com without the necessary disclosures.

2. Taking cognizance of the impugned advertisements, the CCPA, in exercise of powers conferred under Section 19 of the Consumer Protection Act, 2019 (hereinafter referred to as "the Act"), conducted a preliminary inquiry and examined that the use of walkie-talkies is regulated under the Indian Wireless Telegraphy Act, 1933. The Wireless Planning and Coordination (WPC) Wing under the Ministry of Communications and Information Technology regulates the use of walkie-talkies. The Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018 provide guidelines and

procedures for obtaining a walkie-talkie license, and also lists devices exempted from licensing requirements.

3. It may be noted that Rule 3 Table V of the Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018 issued vide Ministry of Communication's Notification dated 18th October 2018 prescribes that Personal Mobile Radios (PMRs) that operate in the frequency range of 446.0 – 446.2 MHz (megahertz), are exempted from the requirement of a license. All other wireless radio frequency devices, including PMRs operating outside the aforesaid frequency range, are mandatorily required to obtain Equipment Type Approval (ETA) from the Wireless Planning and Coordination (WPC) Wing to ensure regulatory compliance. These ETAs are granted for ensuring compliance with Radio Frequency (RF) regulations. Therefore, ETA holders must obtain No Objection Certificate or other clearances (if applicable) from the Directorate General of Foreign Trade (DGFT) before importing the equipment.

4. Considering the above Rules & Regulations and consumer rights as defined under Section 2(9) of the Act which include the right to be informed about the standard and genuineness of goods and services, the right to be protected against the marketing of good, products which are hazardous to life and property and the right to consumer awareness, it was found that walkie-talkies are being sold on opposite party's website ([www.tradeindia.com](http://www.tradeindia.com)) without compulsory and clear disclosures regarding the requirement of a wireless operating license or compliance with applicable laws. The opposite party and its sellers were found to be not providing details regarding the operating frequency range of the walkie-talkies, making it difficult for consumers to determine whether the product falls under the license-exempt or license-required category. The product listings for walkie-talkies do not specify whether the device requires a license from the concerned authority for use. By omitting such crucial information, these listings appeared to mislead consumers into believing that the devices are legal for unrestricted use.

5. CCPA prima facie observed that opposite party did not provide details regarding the operating frequency range of the walkie-talkies, making it difficult for consumers to

determine whether the product falls under the license-exempt or license-required category. Through such product listing, hosting and advertisements, opposite party was attracting consumers to purchase these products while concealing essential information, thereby manipulating informed decision-making. The action appeared to fall within the definition of a misleading advertisement and unfair trade practice under Consumer Protection Act, 2019.

6. It may be noted that, as per the E-commerce Rules, every e-commerce entity including the opposite party, is required to ensure that important information is prominently displayed and that sellers provide accurate and complete product details. In the present case, it appeared that opposite party and the sellers have failed to meet these obligations, thereby violating the Consumer Protection (E-commerce) Rules, 2020.

7. In light of these facts, and keeping in view Sections 2(28), 2(47) and 21 of the Act, which prohibit misleading advertisements and unfair trade practices, the CCPA took cognizance of the violations. CCPA also took note of Guidelines 4 and 12 of the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022. These Guidelines mandate that advertisements must make only truthful and honest claims, avoid misleading consumers with unsubstantiated assertions, and ensure that any claim based on objectively verifiable facts can be substantiated when required by the Central Authority, without exaggerating the accuracy, performance, or service of the product. The impugned listing/advertisement appeared to be in violation of abovementioned provisions of the Act.

8. Accordingly, CCPA issued a notice dated 02.05.2025 to the opposite party. The notice specifically pointed out abovementioned issues and a sample of the screenshot of the advertisement of the impugned product was also enclosed as an annexure to the said notice for their reference and response. An opportunity to furnish response within 15 days of the issuance of notice was given to the opposite party to substantiate its claims, along with the following information:

- i. Name and contact details of each seller;

- ii. Product URLs and listing IDs of the walkie-talkie devices;
- iii. Details of frequency specifications and any licensing information displayed on the listings;
- iv. Whether ETA/WPC certification details have been collected or verified for these products; and
- v. The number of units sold per listing from January 2023 to date.

9. In response to the notice, a reply dated 19.06.2025 was received wherein the company stated that it operates an online B2B digital intermediary platform, namely TradeIndia, and does not manufacture, import, stock, sell, or directly deal in any products listed on its platform. The company submitted that the listings in question were published by independent third-party sellers and that its role is limited to providing a technological interface for facilitating such listings and transactions, in terms of the provisions of the Information Technology Act, 2000. It was further stated that upon receipt of the Show Cause Notice dated 02.05.2025, the company treated the matter with seriousness and issued communications to all concerned sellers of walkie-talkie devices, directing them to comply with the notice within three days, failing which the listings would be removed, and that copies of such communications were annexed. The company also furnished details of the sellers of walkie-talkie devices (a total of 578) in compliance with the directions contained in the notice and stated that it had voluntarily and temporarily suspended all flagged listings related to wireless communication devices from its platform.

10. In view of the above, the CCPA examined the opposite party's reply and found that:

- i. These listings falsely imply that such products are lawfully available for sale, without disclosing their restricted nature or applicable licensing requirements, thereby misleading consumers as to the legality and safety of the goods. Furthermore, the platform's failure to exercise due diligence in verifying the legality of such listings contravenes the obligations imposed under the Consumer Protection (E-Commerce) Rules, 2020. Such conduct not only undermines consumer rights but also raises serious concerns about the platform's compliance with regulatory standards.

- ii. A large number of walkie-talkie devices were sold on the opposite party's platform through various sellers. Notwithstanding the notice issued by the CCPA, the opposite party failed to ensure complete removal of non-compliant listings from its platform.

11. Thus, keeping in mind the above observations and as per Section-19 of Consumer Protection Act, 2019, CCPA was satisfied that there exists prima facie case of violation of consumer rights, misleading advertisement and unfair trade practice read with Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022 and Consumer Protection (E-commerce) Rules, 2020. Therefore, vide letter dated 01.07.2025, the matter was referred for detailed investigation by the Director General (Investigation).

12. The Director General (Investigation) in its investigation report dated 04.11.2025 submitted the following:

- a. The Authority, in furtherance of the ongoing investigation, sought information and relevant documents from the company relating to the sale of walkie-talkie devices on the TradeIndia.com platform.
- b. However, the company did not furnish any response to the said communication. Thereafter, a final reminder was also issued by the Authority, granting the company one last opportunity to submit its reply. Despite the same, no response or documentary evidence was received from the company.
- c. The company has not cooperated with the investigation proceedings and has failed to submit the requisite information as sought by the Authority.
- d. It has been observed that although listings of walkie-talkie devices are not available for purchase on the platform when searched with the keyword "walkie talkie". However, similar products continue to appear under the keywords "Wireless Communication Devices" and "Interphones". These listings do not disclose whether the device requires a license from the Department of Telecommunications (DoT) for use. Thus, it can be reasonably inferred that the company continues to allow sale/listings of non-compliant products particularly walkie-talkie devices. The relevant screenshots and evidence of such listings have been placed on record.

- e. Further, it has been observed that the said walkie-talkie devices are manufactured in China, and no information or disclosure has been found on the platform that these products possess any valid certification required for sale in India. The absence of such information clearly outlines the violation of consumer rights as they are misled into believing that these products are legal to use.
- f. Such continued availability of uncertified imported products raises serious concerns regarding consumer safety and regulatory compliance.
- g. It has been observed that the company has not implemented any AI based filter or automated mechanism to identify and block such prohibited product listings on the platform.
- h. The company being an intermediary also violates rule 3(d) of The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) rules, 2021 which provides the "Due Diligence by an intermediary" that creates an obligation for intermediaries to remove illegal content upon being notified by authorized government agency.

Conclusion: Based on the facts examined, submissions reviewed, and findings recorded, the Investigation Authority concluded that a case relating to the violation of consumer rights, misleading advertisement, deficiency in services and unfair trade practice under the Consumer Protection Act, 2019 stands established.

13. The Investigation Report submitted by DG (Investigation) was shared with the opposite party vide letter dated 01.12.2025 to furnish its comments. Additionally, the opposite party was provided with an opportunity of hearing on 16.12.2025. However, the opposite party failed to provide their written comments before the hearing and appear before the Central Authority. Another hearing was scheduled for 14.01.2026 vide email dated 12.01.2026, however, the party again failed to provide their written comments and appear before the Central Authority. Further, vide email dated 14.01.2026, the party sought adjournment of the hearing scheduled on the same day on the ground of non-availability of its counsel. The next date of hearing was scheduled on 20.01.2026.

14. Thereafter, CCPA conducted a hearing on 20.01.2026, wherein Ms. Adv. Arjun Aggarwal and Mr. Varghese Mathew appeared on behalf of the opposite party. During the hearing, the opposite party stated that it had not received the Investigation Report and accordingly sought additional time to respond to the same, submitting that the findings of the report would need to be examined and discussed with the management of the company. The findings of the Investigation Report were pronounced during the hearing. The opposite party further requested additional time to submit its response to the said report.

15. During the course of the hearing, the Central Authority observed and recorded that the Investigation Report had already been shared with the opposite party vide letter dated 01.12.2025 on the email IDs previously communicated by the opposite party. Nevertheless, in order to afford due opportunity, the Investigation Report was once again shared during the hearing on the updated email IDs furnished by the opposite party. Further, during the hearing, the Central Authority, through screen-sharing mode, opened and examined the website of the opposite party and observed that listings of walkie-talkie and similar wireless communication devices continued to remain active on the platform without adequate disclosures regarding licensing requirements, frequency specifications, or mandatory regulatory approvals. The said listings were shown to the representatives of the opposite party during the hearing. The Authority noted that such listings displayed availability indicators such as "in stock", along with pricing, delivery timelines and payment terms, which could mislead consumers into believing that the products were legal and compliant for use in India. The Authority also noted, as reflected in the Investigation Report, that the opposite party had failed to cooperate with the investigation proceedings, did not furnish information and documents sought by the DG (Investigation) despite reminders, and continued to host and facilitate listings of regulated radio communication devices without mandatory disclosures, thereby misleading consumers.

16. The Central Authority further observed that the opposite party's contention that its platform merely facilitates advertisements or operates as a B2B marketplace does not absolve it of its responsibility. It was categorically noted that irrespective of the business model or manner in which the platform operates, it is incumbent upon the opposite party to ensure that its platform functions in compliance with the laws of the

land. The Authority observed that merely attributing responsibility to sellers or claiming intermediary status does not discharge the obligation to exercise due diligence, particularly where listings facilitate public discovery and promotion of regulated products. It was also observed that despite claims of delisting and issuance of advisories to sellers, similar products continued to be hosted under alternative descriptions or nomenclatures, raising serious concerns regarding consumer safety, misleading advertisements, and lack of effective due diligence mechanisms. In view of the above, the opposite party was granted a final opportunity to submit its written response to the Investigation Report within the time granted, failing which the matter would be proceeded with on the basis of material available on record. Subsequently, vide email dated 22.01.2026, the opposite party was requested to furnish your comments to the investigation report and continued listings within one week. Subsequently the matter was listed for hearing scheduled on 30.01.2026.

17. It may be noted that the definition of "e-commerce entity" under Section 2(16) along with the definition of "electronic service provider" under Section 2(17) of the Consumer Protection Act, 2019 read with Rule 2 of the Consumer Protection (E-Commerce) Rules, 2020, encompasses digital platforms facilitating buying or selling of goods or services, regardless of whether such transactions are between individuals or commercial sellers. The Authority, therefore, held that Tradeindia.com qualifies as a marketplace e-commerce entity within the meaning of the Act and Rules.

18. The Authority further observed that walkie-talkies are regulated devices, requiring either exemption under the 2018 Rules or a license under the Indian Telegraph Act, 1885 and Wireless Telegraphy Act, 1933. Listing such devices without mandatory disclosures regarding frequency range or licensing obligations constitutes a misleading advertisement under Section 2(28) and an unfair trade practice under Section 2(47) of the Consumer Protection Act, 2019.

19. The Authority further notes that Tradeindia.com, being a technologically advanced entity should possess adequate tools and resources to detect and prevent the listing of prohibited or regulated products. The company must exercise due diligence to ensure that such listings do not recur and that consumer safety is not compromised.

20. The opposite party vide email dated 29.01.2026 submitted its objections to the Investigation Report wherein they submitted that:

- i. the Investigation Report dated 04.11.2025 was received by them only on 20.01.2026 during the course of hearing and was not received prior thereto;
- ii. the Investigation Report is factually incorrect, based on obsolete data, ignores the bona fide efforts undertaken by the opposite party, and imposes technologically unfeasible standards;
- iii. the Investigation Report contains internal contradictions, as it acknowledges that listings of walkie-talkie devices were not available for purchase on the platform when searched using the keyword "walkie-talkie", which according to the opposite party establishes compliance with the Show Cause Notice;
- iv. the opposite party acts merely as a digital intermediary protected under Section 79 of the Information Technology Act, 2000, and only provides access to a communication platform where information is uploaded by third-party sellers;
- v. the opposite party neither manufactures, imports, stocks, warehouses, delivers, nor has constructive possession of the goods listed on its platform, and does not receive or handle consideration for such transactions;
- vi. upon receipt of the Show Cause Notice dated 02.05.2025, the opposite party acted promptly and in good faith by issuing advisories to sellers, suspending and removing listings related to walkie-talkies, and furnishing complete details of sellers to the Central Authority;
- vii. the Investigation Report erroneously equates the opposite party with B2C e-commerce platforms such as Amazon and Flipkart, whereas the opposite party operates a B2B facilitation model comparable to a property agent merely introducing buyers and sellers;
- viii. the Investigation Report has travelled beyond the scope of the Show Cause Notice, which specifically pertained to "walkie-talkies", by relying on broader and generic terms such as "wireless communication devices" and "interphones";

ix. generic terms like “wireless communication devices” encompass a wide range of lawful products, including mobile phones, and penalising the platform on the basis of keyword-based assumptions without technical or forensic evidence violates principles of natural justice;

x. blocking generic terms or implementing blanket or AI-based filtering is technically infeasible and commercially destructive, and the opposite party cannot be penalised for not possessing advanced AI-based mechanisms with immediate effect;

xi. the obligations of the opposite party under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 are limited to takedown upon receipt of actual knowledge, which according to the opposite party has been duly complied with; and

xii. on the above grounds, the opposite party prayed that the Show Cause Notice dated 02.05.2025 and the Investigation Report dated 04.11.2025 be set aside and the proceedings against it be dropped.

21. In furtherance of all the above submissions, another hearing was held on 30.01.2026, wherein Adv. Arjun Aggarwal appeared along with Mr. Varghese Mathew, Mr. Aman Kumar and Mr. Mayank Mehta, on behalf of the opposite party. During the hearing, the opposite party reiterated its written objections to the Investigation Report and submitted that immediately upon receipt of the Show Cause Notice, it had taken steps to remove listings containing the keyword “walkie-talkie” from its platform. It was submitted that emails were issued to all sellers dealing in walkie-talkie devices and, upon non-response from such sellers, the listings were removed and seller details including contact numbers, email IDs and addresses were furnished to the Central Authority. The opposite party further submitted that it operates a B2B marketplace and does not directly facilitate sale or purchase of products, nor does it stock, warehouse, deliver goods or receive consideration, and that it had acted in a bona fide manner in complying with the directions of the Authority.

22. During the course of the hearing, the Central Authority observed that despite the removal of listings under the keyword “walkie-talkie”, listings of similar regulated

products continued to appear on the platform under alternative descriptions such as “wireless communication devices”, “interphones” and other analogous terms. The opposite party submitted that the Show Cause Notice specifically referred to “walkie-talkies” and did not mention such other terms, and that the Investigation Report had expanded the scope by introducing additional keywords. The Authority, however, observed that the Show Cause Notice had clearly referred to the applicable statutory framework governing wireless telegraphy, frequency ranges and licensing requirements, and that the intent of the notice was to prevent listing, hosting, advertising and facilitation of regulated wireless communication devices irrespective of nomenclature. The Authority noted that mere removal of one commonly used term while permitting listings, hostings, advertisements under other technical or generic descriptions defeats the intent of regulatory compliance and cannot be considered sufficient due diligence. Therefore, the Authority observed that the intent of the notice was clear, particularly in view of the references to the applicable statutory framework governing wireless telegraphy and frequency-based devices, and that mere change in nomenclature could not be used to circumvent compliance with the law.

23. The opposite party further submitted that it does not presently have a fully developed AI-based filtering system capable of automatically identifying and blocking such listings, but stated that it has constituted a team of approximately 20 personnel to manually review listings and that development of AI-based image and keyword recognition tools is underway. It was submitted that development and deployment of such technology takes time and that the opposite party is acting in good faith to achieve compliance. The Central Authority observed that inability or technological limitations in implementing automated systems cannot justify continued hosting or facilitation of prohibited or regulated products, particularly after repeated notices and hearings. The Authority further observed that when a platform claims intermediary protection, it is simultaneously required to exercise due diligence commensurate with the nature and scale of its operations.

24. With regard to the opposite party’s claim that it operates strictly as a B2B marketplace, the Central Authority examined the functioning of the platform during the hearing and observed that the website enables public discovery of products and

facilitates direct contact between buyers and sellers without any effective mechanism to restrict access by consumers. It was observed that any person visiting the platform is able to raise queries for small quantities and obtain seller contact details, thereby enabling initiation of transactions irrespective of whether the buyer is a business entity or an individual consumer. The Authority noted that quantity-based distinctions or assertions regarding the target audience cannot by themselves determine whether a platform operates as B2B or B2C, particularly when consumers are not effectively excluded from accessing listings of regulated products.

25. The Central Authority further noted that the opposite party was unable to provide a categorical undertaking that listings of regulated wireless communication devices would not reappear on the platform in future, citing ongoing development of filtering mechanisms. The Authority observed that compliance with the laws of the land cannot be contingent upon future technological upgrades and that platforms facilitating discovery, advertisement or promotion of products are required to ensure that prohibited or regulated products are not hosted or facilitated in any form. In view of the written submissions, oral submissions made during the hearing, and material available on record, the matter was reserved for passing of final order.

26. While taking note of the submissions and measures outlined by the opposite party, the CCPA observed that prohibited listings, hosting and advertisements had continued to appear even after issuance of notice and during the course of investigation. The CCPA observed that effective due diligence by a digital marketplace requires proactive and systemic safeguards, and that reliance solely on seller compliance or post-facto action may undermine consumer confidence and expose consumers to legal and safety risks. In response, the opposite party submitted that it has constituted a dedicated team of approximately 20 personnel to manually review listings, and further stated that the development of AI-based image and keyword recognition tools is currently underway.

However, it may be noted that this mechanism operates post-violation, whereas the listings, hosting and advertisements of regulated radio equipment without mandatory disclosures or approvals is impermissible at the threshold. Consumers cannot reasonably be expected to assess technical compliance relating to frequency

bands or licensing requirements, and any enforcement framework that depends on user reporting or subsequent strikes risks shifting the burden of compliance onto consumers. The continued appearance of such listings even after issuance of notice demonstrates that, in the absence of robust ex-ante safeguards, such a mechanism by itself is insufficient to meet the standard of diligence expected from an entity of the scale and reach of the opposite party.

27. For the purposes of the present proceedings, it is clarified that references to “listings” on Tradeindia.com are to be understood as including the hosting and publication of product-related information amounting to advertising activity. Under the Consumer Protection Act, 2019, any digital dissemination of information that promotes, offers, or invites consumers to purchase goods constitutes advertising directed at consumers. Simultaneously, the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 recognise that intermediaries host, display and make available third-party commercial communications on their platforms. Accordingly, where a structured digital platform enables the public display and discovery of goods, with the objective of attracting potential buyers, such listings assume the legal character of advertisements hosted and published through an intermediary system. The use of the term “listing” in this Order therefore includes its nature as an advertisement hosted on its platform.

28. 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.

29. From a plain reading of the above provisions of the Act, it is evident that any advertisement must adhere to the following principles:-

- i. It should present a truthful and honest representation of facts.
- ii. Any assertions or guarantees made in the advertisement must be supported by credible and authentic evidence, studies, or materials.
- iii. Must not engage in unfair trade practices as defined under Section 2(47) of the Act. Specifically:
- iv. It should not make false or misleading claims regarding the necessity or usefulness of any goods or services [Section 2(47) (f)].
- v. It should not adopt any unfair trade practice as defined under Section 2(47) of the Act, including making a materially misleading warranty, guarantee, or promise, or one that has no reasonable prospect of being carried out [Section 2(47)(h)].
- vi. Important information must be disclosed in a clear, prominent, and hard to miss manner to ensure that no critical details are concealed from consumers.

30. It may also be mentioned that Section- 2(16) of the Act defines "e-commerce" as *"buying or selling of goods or services including digital products over digital or electronic network"*.

Further, Rule 3(g) of The Consumer Protection (E-Commerce) Rules, 2020, defines "marketplace e-commerce entity" means *an e-commerce entity which provides an information technology platform on a digital or electronic network to facilitate transactions between buyers and sellers;*

Furthermore, Rule 5 of the above-mentioned Rules provides for the "Liabilities of marketplace e-commerce entities as: –

*(1) A marketplace e-commerce entity which seeks to avail the exemption from liability under sub-section (1) of section 79 of the Information Technology Act, 2000 (21 of 2000) shall comply with sub-sections (2) and (3) of that section, including the provisions of the Information Technology (Intermediary Guidelines) Rules, 2011.*

*(3) Every marketplace e-commerce entity shall provide the following information in a clear and accessible manner, displayed prominently to its users at the appropriate place on its platform:*

*(a) details about the sellers offering goods and services, including the name of their business, whether registered or not, their geographic address, customer care number, any rating or other aggregated feedback about such seller, and any other information necessary for enabling consumers to make informed decisions at the pre-purchase stage*

31. From a plain reading of the above Rules, it is clear that the said platform falls within the very scope of the Consumer Protection Act, 2019 and the Consumer Protection (E-Commerce) Rules, 2020. The opposite party's contention that Tradeindia.com falls outside the scope of the Consumer Protection Act, 2019 or the Consumer Protection (E-commerce) Rules, 2020, merely on the ground that transactions are characterised as business-to-business and payments occur outside the platform, does not carry much weight. The statutory definition of "e-commerce" under the Act is deliberately broad and encompasses the buying or selling of goods over a digital network, irrespective of the mode of payment or checkout functionality. The Marketplace enables listing, hosting, categorisation, discovery, and facilitation of transactions between buyers and sellers, thereby playing an active role in the sale process. CCPA is of the view that regulatory obligations under consumer law must be determined by the functional role and consumer impact of the platform, and cannot be avoided by platform design choices or self-characterisation.

32. The repeated listing, hosting and advertisements and availability of regulated walkie-talkie devices on the platform, including during the course of investigation, cannot be characterised as a casual activity. Further, the nature of the goods involved, being regulated radio equipment, by itself warrants a higher threshold of scrutiny and cannot be equated with occasional consumer goods' sales. The Authority is of the view that platform-level due diligence obligations cannot be diluted or excluded in circumstances where the functional facilitation of such listings, hosting and advertisements results in consumer exposure to regulated and non-compliant products.

33. Further, it is pertinent to note that the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, framed under the Information Technology Act, 2000, cast specific duties and due diligence obligations upon all intermediaries, irrespective of their classification as social media intermediaries or

otherwise. Rule 3(1) mandates that every intermediary shall observe due diligence while discharging its functions, including making reasonable efforts to ensure that information hosted, displayed or published on its platform does not violate any law for the time being in force, and to remove or disable access to unlawful information upon receiving actual knowledge or being notified by a competent authority. These obligations are not passive in nature and require intermediaries to adopt reasonable, effective and proportionate measures to prevent the continued hosting or dissemination of unlawful content.

34. In the present case, Tradeindia.com operates as an intermediary providing a structured digital platform that enables sellers to list, advertise and promote goods to prospective buyers. As an intermediary within the meaning of the Information Technology Act, 2000 and the Rules framed thereunder, the opposite party is required to exercise due diligence commensurate with the nature of its services and the risks arising from the content hosted on its platform. The continued availability of walkie-talkie devices on Tradeindia.com, without disclosure of mandatory regulatory approvals, licensing requirements or statutory restrictions, despite prior notice and investigation proceedings, demonstrates a failure to ensure compliance with the due diligence obligations prescribed under Rule 3.

35. The assertion of the opposite party that it functions merely as an intermediary does not absolve it of responsibility where unlawful or regulated commercial content continues to be hosted, listed or promoted on its platform. The Rules envisage that intermediaries must maintain effective governance and enforcement mechanisms to prevent recurrence of such violations and to safeguard users and consumers from exposure to non-compliant products. The persistence of such listings, including under altered nomenclatures, further indicates that the safeguards deployed by the opposite party were inadequate and ineffective, falling short of the standard of due diligence expected under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

36. It is important to mention that Department of Telecommunication's Spectrum Management on Online Sale or Purchase of Wireless Sets and Equipments dated 10<sup>th</sup> May, 2016, which can be accessed via below link

<https://dot.gov.in/spectrummanagement/online-sale-or-purchase-wireless-sets-and-equipments> states the following:-

*“ii) It is the responsibility of these intermediaries to follow certain due diligence guidelines as stated in the Information Technology (Intermediaries guidelines) Rules, 2011, which includes signing of "User Agreement" for access or usage of the intermediary's computer resource by any person (Sellers and Purchasers under the referred context). These IT rules clearly indicate the typical aspects this "User Agreement" should address including the need for compliance of any laws by these sellers and the purchasers.*

*iii) In the instant case, there is a need for the Dealer Possession License (DPL) under the relevant provisions of the Indian Wireless Telegraphy Act 1933 by the seller for wireless equipment if it is in the licensed bands or "Equipment Type Approval (ETA)" if it is in the de-licensed band. The purchaser needs to obtain "frequency authorization/agreement in principle letter" from WPC Wing, DoT under Indian Telegraph Act 1885 before purchasing any equipment in the licensed bands and subsequently wireless operating license for the same after submitting required documents and spectrum charges/ fees. **Therefore, the on-line intermediaries need to ensure that these statutory requirements are fulfilled.***

*4. Therefore, it is reiterated that if there is any licensing/ statutory requirement on telecom equipment being sold or purchased, **it will be the responsibility of those selling it or purchasing it, as well as of the online intermediaries facilitating such sale and purchase, that the relevant statutes of the Government are not violated.***

37. The CCPA has carefully examined the submissions made by the opposite party through emails dated 19.06.2025 and 29.01.2026, the oral submissions made during the hearing held on 20.01.2026 and 30.01.2026, and the Investigation Report dated 04.11.2025. Upon consideration, the following findings are recorded:

- i. The opposite party listed, hosted and advertised walkie-talkie devices on its platform without providing mandatory disclosures relating to:
  - a. Licensing requirements under the Indian Telegraph Act, 1885 and the Wireless Telegraphy Act, 1933;

- b. Frequency range and spectrum compliance;
  - c. Equipment Type Approval (ETA) and Wireless Planning & Coordination (WPC) certification status.
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- ii. The omission of such material information constitutes a violation of consumer rights under Sections 2(9), 2(11), 2(28), and 2(47) of the Consumer Protection Act, 2019, and reflects a failure to ensure lawful and well-informed product promotion.
  - iii. A number of walkie-talkies were purchased by consumers through the opposite party's platform, without any disclosure of frequency specifications, licensing requirements, or ETA/WPC certification. No evidence has been submitted to establish that these devices possessed the requisite ETA certification. The opposite party also failed to provide the number of units sold by them. However, the platform has provided the list of sellers for such services.
  - iv. The walkie-talkie devices listed, hosted, advertised and sold on the platform were operating on radio frequency bands without adequate disclosure regarding the specific frequency range utilised, including whether such frequencies fell within or exceeded the limits permissible under law. Such omission constitutes a violation of Rule 3 of the "Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018". ETA certification is mandatory for any person listing, manufacturing, or selling wireless equipment in India, as it ensures consumer safety and adherence to the authorized frequency spectrum. Therefore, ETA constitutes essential information that must be disclosed by both the platform and the seller. The opposite party thus deliberately concealed crucial information from consumers.
  - v. Accordingly, the listing, hosting and advertising of walkie-talkies on the opposite party's platform without disclosing ETA (WPC) certification amounts to a violation of the provisions of the Consumer Protection Act, 2019 relating to unfair trade practice and misleading advertisements.

- vi. Section 2(9) of the Consumer Protection Act, 2019 recognizes the consumer's right to be informed, and mandates that e-commerce entities disclose all material information necessary to safeguard consumers against unfair trade practices.
- vii. The Consumer Protection (E-commerce) Rules, 2020 impose a duty on e-commerce entities to disclose, in a clear and accessible manner, all information necessary to enable consumers to make informed decisions at the pre-purchase stage, and to ensure such information is prominently displayed.
- viii. Platforms such as the opposite party cannot function merely as passive intermediaries. E-commerce entities are required to take reasonable steps to prevent the listing, hosting and advertising and sale of prohibited or non-compliant products, as well as other illegal activities on their platform.
- ix. The opposite party is not merely a passive facilitator; it exercises substantial control over the products listed, hosted and advertised on its platform. While it may contend that it is not the direct seller of the impugned devices, it nonetheless has a legal duty to ensure that such products are not offered for sale or permitted to be listed, hosted and advertised without mandatory disclosures and compliance with applicable laws. This responsibility arises particularly because the opposite party provides an organised platform for hosting, listings and advertisements, thereby playing a facilitative role in enabling and effectuating buyer-seller interactions. The opposite party failed to take timely and appropriate action to prevent the sale of non-compliant products. It is further observed that the opposite party delisted the impugned products from its platform only after the issuance of the CCPA notice, indicating that no due diligence or proactive measures were taken prior to regulatory intervention.
- x. A critical aspect of the matter concerns the protection of consumers who may have been misled into purchasing the impugned products under confusion and deception.

- xi. It is important to note that consumers rely heavily on online descriptions, specifications, and images while shopping on e-commerce platforms, as they do not have physical access to the product. The sale of walkie-talkies that did not comply with mandatory legal requirements amounts to misleading consumers and exposing them to potential regulatory risks and national security implications.
- xii. The DoT public advisory reproduced in abovementioned para 36 explicitly places responsibility on intermediaries to ensure that sellers and purchasers comply with statutory requirements. Opposite party's failure to verify or display ETA and licensing information constitutes non-compliance with the advisory and demonstrates disregard for regulatory obligations.

38. (a) Section- 2(28) of the Consumer protection Act, 2019 defines "misleading advertisement" in relation to any product or service, means an advertisement, which—

- v. falsely describes such product or service; or
- vi. 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
- vii. 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
- viii. deliberately conceals important information;

(b) From a bare reading of the above provisions of the Act, any advertisement should: -

- i. Contain truthful & honest representation of facts,
- ii. Have assertions, guarantees only when backed by underlying credible and authentic material, study etc.
- iii. Not indulge in unfair trade practice as defined in Section 2(47) of the Act. It should be free from false representation that the goods/services are of particular standard, quality [(section 2(47) (a))] and should not make false or misleading representation concerning the need for or usefulness of any goods or services [(section 2(47) (f)] of the Act with respect to unfair trade practice.

- iv. Disclose the important information in such a manner that they are clear, prominent, and extremely hard to miss for viewers/consumers to not conceal important information.

(c) Further section 2(47) of the Consumer Protection Act 2019 states 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 provisions of any service, adopts any unfair method or unfair or deceptive practice (d) represents that the goods or services have sponsorship, approval, performance, characteristics, accessories, uses or benefits which such goods or services do not have”.*

The aforementioned provisions clearly establish the right of consumer to be informed, which also includes right to be protected from withholding of important information.

39. (a) As already noted, the product under examination is a sensitive device and has a bearing on national security. The opposite party had to carry out the due diligence as required by the Information Technology (Intermediaries Guidelines) Rules, 2011. However, the gravity of the violation is further compounded by an implied misleading representation that the product may not need licensing. It is further observed that the walkie-talkies listed, hosted and displayed on the platform were advertised as offering high-range communication, indicating potential operation on frequency bands not exempted under the applicable Rules, and are hosted and advertised without the mandatory disclosures required under law. This misrepresentation has pushed unsuspecting consumers towards the risks of legal troubles for use of unapproved products. The action of the opposite party has seriously undermined consumer interest as well as national security.

(b) The opposite party, in its reply, submitted that upon receipt of the subject notice, it treated the matter with utmost seriousness and extended full cooperation to the regulatory authorities. It was stated that, in compliance with the directions issued, emails were sent to all sellers offering walkie-talkie devices on the platform, directing them to comply with the Notice dated 02.05.2025 within three days of receipt of such communication, failing which the concerned listings would be removed from the

platform, and that the opposite party would not be held responsible for such removal. However, the material on record clearly demonstrates that the concerned sellers failed to remove the illegal listings and, more importantly, that the opposite party did not effectively follow through on the stated enforcement action. Walkie-talkie devices continued to remain available for sale on the platform during the course of the investigation and even at the time of the hearing. The opposite party sought to explain this continued availability by contending that such devices were being listed under different nomenclatures. This submission does not, however, negate the fact that walkie-talkie devices continued to be listed and made available to consumers. On the contrary, it highlights the ease with which sellers were able to circumvent the platform's mechanisms and underscores the absence of effective monitoring and enforcement safeguards on the part of the opposite party to prevent continued listing of regulated and non-compliant products.

(c) Therefore, the opposite party has violated the following provisions of the Consumer Protection Act 2019:-

- a. Section 2(28) (i)- Falsely describes such product or service
- b. Section 2(28)(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
- c. Section 2(28)(iii) - Unfair Trade Practice (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)
- d. Section 2(28)(iv) – Deliberately conceals important information
- e. Section 2(47)- Unfair Trade Practice (Clause (d) of said Section representing that the goods have approval) by failing to disclose that it did not have approval
- f. The Consumer Protection (E-commerce) Rules, 2020
- g. Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022.

40. 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.

41. CCPA also examined the violations of the opposite party in light of the penal provision under section 21(2) of the Act .

- a. The approach of the opposite party to consider itself as an intermediary and relying on the safe harbour under section 79 of IT Act 2000 is not in the best interest of consumers and public in general. Rule 3, Table V of the Use of Low Power and Very Low Power Short Range Radio Frequency Devices (Exemption from Licensing Requirement) Rules, 2018, issued vide Notification of the Ministry of Communications dated 18th October 2018, stipulates that Personal Mobile Radios (PMRs) operating within the frequency band of 446.0–446.2 MHz are exempt from the requirement of obtaining a licence. However, all other wireless radio frequency devices, including walkie-talkies operating beyond the aforesaid frequency range, are mandatorily required to secure Equipment Type Approval (ETA) from the Wireless Planning and Coordination (WPC) Wing, in order to ensure conformity with the applicable regulatory framework. The grant of ETA is intended to ensure compliance with the prescribed Radio Frequency (RF) norms. Accordingly, ETA holders are further required to obtain a No-Objection Certificate or other requisite clearances, as applicable, from the Directorate General of Foreign Trade (DGFT) prior to import of such equipment.
- b. The statutory prescription of a fixed and limited frequency band for licence-exempt Personal Mobile Radios is premised upon regulatory considerations of spectrum management, consumer safety, and national security. The underlying intent is to confine unregulated radio communication to low-power, short-range civilian usage like hotel or resort staff coordination, which does not interfere with licensed

spectrum users, including public safety agencies, defence communications, emergency services and commercial telecom operators. By restricting licence-free operation to a narrow frequency range and prescribed technical parameters, the law seeks to minimise the risk of harmful radio interference, prevent misuse for unlawful or clandestine communications, and ensure traceability and regulatory oversight in respect of higher-risk devices. Thus, the exemption operates as a narrow and carefully-calibrated exception within an otherwise regulated spectrum framework, striking a balance between consumer convenience and the imperatives of national security and orderly spectrum utilisation.

- c. In this context, the Consumer Protection Act, 2019 places paramount importance on the consumer's right to be informed and protected against practices that pose potential safety risks. Where radio communication devices operating beyond the licence-exempt band are marketed or made available without adequate disclosure of licensing requirements, frequency parameters or compliance status, consumers are deprived of the ability to make an informed purchasing decision. Such omission not only exposes consumers to the risk of inadvertent violation of law but also to possible interference-related hazards and disruption of essential communications. The absence of accurate and complete information therefore constitutes a serious consumer detriment within the meaning of the Act.
- d. The Consumer Protection (E-commerce) Rules, 2020 are intended to regulate organised and systematic digital marketplaces that enable the regular listing, discovery and promotion of goods and services for consideration. An entity operating and administering a structured online platform that facilitates such transactions on a continuous basis is squarely covered within the regulatory framework of the said Rules. Tradeindia.com is an organised digital platform architected and managed by the opposite party to enable such commercial interactions on a regular and ongoing basis and, accordingly, attracts the corresponding obligations and responsibilities under the Consumer Protection (E-commerce) Rules, 2020.
- e. The approach of the opposite party towards due diligence is seen to be weak as despite its due diligence the marketing of restricted products continued to appear after the issuance of the SCN by the CCPA. Moreover, the intermediary approach to the matter led to inadequate measures as the evidences had indicated. Further,

the opposite party's reliance on its status as an intermediary is materially weakened by the fact that subsequent to receipt of notice, the platform demonstrably undertook remedial measures in respect of the impugned listings. This evidences that the opposite party possessed both the technical capability and administrative control to prevent or regulate such listings even prior to regulatory intervention. Accordingly, the intermediary defence cannot be invoked to negate responsibility for failure to exercise due diligence at the relevant time.

Therefore, the conduct of the opposite party attracts the applicability of Section 21(7) of the Consumer Protection Act, 2019. Section 10 of the Consumer Protection Act mandates the CCPA to regulate matters prejudicial to the interest of public and consumer as a class. The manner of operation of the platform, the intermediary approach to the matter involving national interest is not in public interest in general and consumer interest in particular.

In light of the above, CCPA finds it necessary to impose penalty on the party for dissemination of misleading and non-compliant advertisements on a platform with significant consumer outreach and failure of inadequate monitoring of its online market place creating detriments to public and consumer interest.

42. In view of the above, under Section- 20, 21 read with Section 10 of the Consumer Protection Act 2019, CCPA hereby issues the following directions:-

- a) 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 indulging in misleading advertisement and unfair trade practice.
- b) The opposite party shall ensure that in future no walkie-talkies or any product requiring statutory approval/certification is listed, hosted, advertised or sold on its platform without full compliance with applicable laws and mandatory disclosures.
- c) The opposite party shall periodically carry out self-audit of its platform so that such violations of law through deceptive listings/ hostings and advertisements are not prevalent. It shall further publish certificate of such self-audit on their website in public and consumer interest.

- d) Submit a compliance report of the directions (a) & (b) above within 15 days of receipt of the Order.

The above order and directions are passed in exercise of the powers conferred upon CCPA under section 10, 20, read with section 21 of the Consumer Protection Act 2019.

  
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Nidhi Khare  
Chief Commissioner

  
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Anupam Mishra  
Commissioner