Central Consumer Protection Authority (CCPA) imposes penalty of ₹ 5 Lakh on Shankar IAS Academy for advertising misleading claims regarding result of UPSC Civil Service Exam 2022

CCPA issues Order against Shankar IAS Academy to discontinue the misleading advertisement with immediate effect

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The Central Consumer Protection Authority (CCPA) has issued an Order against Shankar IAS Academy for misleading advertisement regarding UPSC Civil Service Exam 2022. The CCPA is headed by Chief Commissioner, Smt. Nidhi Khare, and Commissioner, Shri Anupam Mishra.

The CCPA has imposed penalty of ₹ 5 lakh for misleading advertisement on Shankar IAS Academy. The decision was taken to protect & promote the rights of consumers as a class and ensure that no false or misleading advertisement is made of any goods or services which contravenes the provisions of the Consumer Protection Act, 2019.

Section 18 of the Act empowers CCPA that it shall ensure that no false or misleading advertisement is made in respect of any goods or services which contravenes the provisions of this Act or the rules or regulations made thereunder.

Shankar IAS Academy in its advertisement made the following claims with respect to UPSC Civil Service exam 2022-

- i. "336 selections out of 933 at All India Level"
- ii. "40 candidates in Top 100"
- iii. "42 candidates have cleared from Tamil Nadu, of which 37 studied at Shankar IAS Academy"
- iv. "Best IAS Academy in India"

The CCPA found out that Shankar IAS Academy advertised various types of courses but the information with respect to the course opted by the advertised successful candidates in above mentioned UPSC Civil Service exams results was deliberately concealed in the advertisement. This has the effect of consumers falsely believing that all the successful candidates so claimed by the Institute had opted for the paid courses advertised by the Institute on its website. In other words, this practice consequently attract consumers into buying paid courses advertised by the coaching institutes.

Shankar IAS Academy in its response submitted the details of only 333 successful candidates against its claim of 336 plus selections in UPSC CSE 2022. Out of 336 claimed students, 221 took Free Interview Guidance Programme, 71 took Mains Test Series, 35 took Prelims Test Series, 12 took General Studies Prelims cum Mains, 4 took Prelims Test Series with Some other mains course (optional and/or GS). This fact was not disclosed in their advertisement, thereby deceiving consumers. By concealing this important fact, such false & misleading advertisement creates huge impact on those consumers who are UPSC aspirants without letting them know that Shankar IAS Academy role in candidates' success. Thus, the advertisement has violated the consumer's right to be informed so as to protect itself against unfair trade practice.

CCPA found that in 18 instances where candidates bought Preliminary course from Shankar IAS Academy, the commencement date of the course on the receipt is mentioned as 09.10.2022 but the prelims of UPSC CSE, 2022 exam had already been conducted on 05.06.2022 and result declared on 22.06.2022 which could only mean that these candidates bought Preliminary course for next UPSC CSE prelims exam i.e., 2023. Shankar IAS claimed these candidates in their total selections list of UPSC CSE 2022.

Mrs. Nidhi Khare, Chief Commissioner of CCPA stated that according to news reports more than 10 lakh candidates apply for UPSC Civil Services Examination every year. Shankar IAS Academy's advertisement was targeted towards a class of consumers i.e. UPSC aspirants. That's why such advertisements shall contain truthful & honest representation of facts by disclosing important information in such a manner that they are clear, prominent and extremely hard to miss for consumers.

Section- 2(28) (iv) of Consumer Protection Act, 2019 talks about misleading advertisement in relation to deliberately concealing important information. 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.

Coaching institutes bombard newspapers etc. with advertisements soon after announcement of the UPSC Civil Service examination results. These advertisements prominently feature the names and photographs of successful candidates. The CCPA has issued Notices to numerous coaching institutes for misleading advertisement wherein the CCPA observed that coaching institutes prominently use name and photographs of same successful candidate in its advertisements to create deception as if the successful candidates were full-time classroom students of coaching institutes. After examination of various coaching institutes submissions, CCPA found out that majority of successful candidates had only participated in interview guidance programs or the free-of-cost programmes offered by coaching institutes.

The CCPA observed that same successful candidates were claimed by several coaching institutes without disclosing the courses opted by such candidates & length of the course so attended to mislead prospective aspirants (consumers).

AD/NS

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