

Central Consumer Protection Authority (CCPA) imposes penalty of Rs 10 Lakh on Rapido-online ride hailing platform for misleading advertisement

Ensure compensation to consumers and discontinue misleading advertisements: CCPA

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In yet another action towards protection of consumer rights, the Central Consumer Protection Authority (CCPA) has ordered Rapido (Roppen Transportation Services Pvt. Ltd.) to pay penalty of **10,00,000** for publishing misleading advertisement and unfair trade practice.

In addition, the Authority has also directed the online ride hailing platform to ensure that any consumer who availed the “AUTO IN 5 MIN OR GET ₹50” offer and did not receive the promised ₹50 compensation shall be reimbursed the said amount in full without any further delay or condition.

CCPA took cognizance of the misleading advertisements of Rapido that promised consumers “AUTO IN 5 MIN OR GET ₹50” and “Guaranteed Auto”. After detailed examination, CCPA has held these advertisements to be false, misleading and unfair to consumers and has directed to discontinue the misleading advertisements with immediate effect.

Data from the National Consumer Helpline (NCH) showed:

- 575 complaints against Rapido between April 2023 and May 2024.
- 1,224 complaints between June 2024 and July 2025.

CCPA’s investigation found that the disclaimer “T&C Apply” in Rapido’s advertisements was displayed in extremely small and unreadable font. The promised ₹50 benefit was not actual currency (in rupees) but “Rapido coins”, and even then, the benefit was “up to ₹50” and not always exactly ₹50. These coins could only be redeemed against Rapido bike rides and carried a validity of just 7 days. Such restrictions materially reduced the value of the offer and effectively compelled consumers to use another service from Rapido within an unreasonably short time. Such omissions created a false impression of assured service and misled consumers into choosing Rapido.

Further, while the advertisement prominently claimed “Auto in 5 min or get ₹50”, the Terms and Conditions stated that the guarantee was being offered by individual captains and not by Rapido itself. This contradictory stance attempted to shift liability away from the company, misleading consumers about the very assurance made in the advertisement.

Guidelines for Prevention of Misleading Advertisements and Endorsements, 2022 states that disclaimers in advertisements shall not contradict the main claim, conceal material information, or be used to correct a misleading claim. In Rapido’s case, the claims ‘Guaranteed Auto’ and ‘Auto in 5 min or get ₹50’ created an impression that consumers would invariably receive ₹50 if the auto was not provided within 5 minutes. However, the material limitation that the benefit was restricted to ‘up to ₹50’, and that too only in the form of Rapido coins with a short validity, was either omitted or not disclosed with equal prominence. This concealment and lack of clarity rendered the advertisement deceptive, directly contravening the requirements under said Guidelines.

CCPA noted that over the last two years, the NCH has received a growing number of complaints from

consumers against Rapido. Many of these grievances relate to deficiencies in services, non-refund of paid amounts, overcharging, failure to provide promised services, and non-fulfillment of the guaranteed “5-minute” service. The steady rise in such complaints reflects a wider pattern of consumer dissatisfaction, prompting CCPA to take strict action to safeguard consumer interests. Most of these grievances remain unresolved despite being shared with Rapido.

Rapido operates in over 120 cities, and the misleading advertisement was actively run for nearly 1.5 years (around 548 days) in multiple regional languages across the country. Given the wide reach and prolonged duration of this campaign, the Central Consumer Protection Authority (CCPA), established under Section 10 of the Consumer Protection Act, 2019, found it necessary to step in to safeguard consumer interests. Empowered under Sections 10, 20 and 21 of the Act, the CCPA has the mandate to protect, promote and enforce consumer rights, including taking action to curb misleading advertisements and unfair trade practices. Accordingly, penalty has been imposed on Rapido for engaging in such practices.

CCPA urges consumers to be cautious about advertisements that make tall promises or use phrases like “guaranteed” or “assured” without explaining the conditions. If consumers face issues of misleading advertisements or unfair trade practices, they can:

- Call the National Consumer Helpline (1915)
 - Use the NCH App or website to file complaints
- *****

AD/NS

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