

GREENWASHING LAW: A FRESH START FOR GREEN CONSUMERISM PROMOTING QUALITY MANAGEMENT

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1. Introduction

Environmental activist Jay Westerveld first used the phrase "greenwashing" in 1986 to attack a hotel's towel reuse program, claiming it put financial savings ahead of real environmental advantages. Ten years later, the phrase became more widely known after Greer and Bruno's seminal book on environmental marketing was published in 1996.

Greenwashing is defined by Greenpeace as deceiving customers about a business's environmental policies or the advantages of a product or service for the environment (Chen & Chang, 2013; Delmas & Burbano, 2011). Customers are now more conscious of the risks synthetic chemicals pose to their health and the environment. This has increased demand for organic personal care products and the desire for a better lifestyle (Ghazali et al., 2017). Green goods that are suitable for the skin and body are increasingly being considered by health-conscious consumers who are really concerned about the components utilized in the product (Johri & Sahasakmontri, 1998).

It is highly popular to advertise a product based on its eco-friendly qualities and traits since more people are eager to purchase environmentally friendly products (French & Showers, 2008).

Many marketers identify their items as eco-friendly. While some established product companies broaden their offerings with more natural and environmentally friendly versions of their products, several new brands have entered the market with green products (Hartmann & Apaolaza-Ibanez, 2009, 2010; Iyer & Banerjee 1993; McEachern & Warnaby, 2004). In today's world, products and services sold have a greater pull with consumers, as more want to buy those perceived as environmentally friendly. Supermarkets, retail outlets, and e-commerce within their folds offer quite a basket of products extending from breakfast cereal to soft drinks, cleaning products to clothing: skin care and personal wellness. According to a recent study done by Hewlett-Packard the subject being "Parents and the Planet: How sustainability impacts purchasing decisions," 85% of Indian parents prefer to have sustainably sourced offerings while 84% believe sustainability paradigms of companies have a significant impact on the kind of customer influenced in their purchase. Nowadays in an economic landscape that changes ever so quickly, the need for sustainability has been the top strategic issue for all stakeholders in the sector – the consumers, organizations as well as the government.

In recent years, greenwashing has become a contentious subject. The dangers of greenwashing have been

looked at when large and luxury businesses started using it, and several well-known firms have come under scrutiny. We encounter several instances of greenwashing whether examining social media or online search engines. Some companies would rather engage in greenwashing without sending any encouraging signals about sustainability. Greenwashing is most obviously used in advertising campaigns and brand ads (Dean, 2020; Abolhasani, Liu, & Golrokhi, 2022; Nadig, 2022). Due to the use of false information regarding its green image and green products in general, the term "greenwashing" refers to one kind of fraud (Runyon, 2022). According to Becker-Olsen & Potucek (2013) and De Freitas Netto, Sobral, Ribeiro, & de Luz Soares (2020), the first instance of greenwashing was a hotel's promotional event that claimed to reuse towels in the framework of environmental business strategy. As a result, the phrase "greenwashing" has long been viewed negatively in the literature. However, it should be noted that many businesses favored using greenwashing since it was less expensive to adopt while projecting a green image in the near term (Delmas & Burbano, 2011; Becker-Olsen & Potucek, 2013). Customers typically see images of mountains or the natural world on single-use water bottles, or some companies employ a CFC-free label to demonstrate the sustainability of their products, even though this is a legal requirement and does not contribute to a company's green image (Miller, n.d.). Businesses don't be honest about how they make their goods or how they produce them. Customers just see labels like "100% organic," "100% vegan," "100% recycled," etc. without any actual evidence or verification. Typically, brands use green to cover their packaging or logo before adding other logos like "100% natural," "eco-friendly," "green," etc. (Lola, 2022).

Due of its intricacy and the need for a cohesive understanding, the idea of "greenwashing" has received a lot of attention in contemporary literature. According to Spaniol et al. (2024), "greenwashing" is when a private sector business makes an unsupported claim about its environmental performance with the intention of deceiving others and gaining a competitive edge. In order to appeal to environmentally sensitive customers, it is described as inflating or misrepresenting environmental advantages, which can cause consumer misunderstanding and distrust (Savić & Furfulanović, 2024). Green consumerism—the preference for eco-friendly goods and services—has increased as a result of the increased focus on sustainable development and environmental awareness around the world. One important aspect affecting the consequences of greenwashing is consumer understanding of their consumption choices (de Jong et al., 2019; Szabo & Webster, 2021; Torelli et al., 2020; Zaidi et al., 2019). Early studies made clear that managers must consider environmental concerns when creating marketing and advertising initiatives (Shahrin et al., 2017). However, green washing—a dishonest marketing tactic in which businesses make exaggerated claims to be environmentally conscious—has seriously harmed this movement. To fight this issue, Green washing Law develops as a critical legislative framework that boosts consumer trust, promotes business responsibility, and assures sustainable quality management practices.

The necessity of strict laws against greenwashing and their effects on consumer protection are examined in this essay. It critically looks at how consumer rights and business sustainability claims are impacted by international standards like the Green Claims Code, ISO 14021 (Self-declared Environmental Claims), and ISO 14024 (Eco-labeling). The study also explores how regulatory authorities, consumer protection organizations, and court rulings might help stop deceptive green advertising. Greenwashing techniques have a detrimental impact on consumer views and lessen the possibility that consumers would embrace environmentally friendly goods and services, even when green marketing can successfully draw in customers

(Delmas & Burbano, 2011; Shahrin et al., 2017). This issue has an impact on a number of stakeholders, including B2B interactions and customer views and buying habits (Santos et al., 2024).

In India, misleading environmental claims are addressed under the Consumer Protection Act, 2019, the Bureau of Indian Standards (BIS), and the Environment Protection Act. To close enforcement loopholes and guarantee corporate adherence to international best practices, a specific Green washing Law is necessary. The study comes to the conclusion that an ethical and responsible green market will be made possible by a comprehensive green washing Law that is in line with global consumer protection standards. In addition to empowering customers, strengthening legislative safeguards against green washing would improve environmental preservation and make green consumerism a legitimate force in advancing sustainable development and quality control.

Businesses are forced to emphasize on their environmental friendly practices, and corporate social responsibility due to the fact that the global awareness on conservation of the environment is growing as well as the market of environmentally friendly goods and services is expanding. Consequently, it is not strange that the united nations and other world bodies are increasingly advocating for the implementation of measures that promote sustainable development. Greenwashing undermines public confidence in green communication, according to Du (2014). Using the H&M corporation as a case study, Majn̄th (2017) demonstrated how greenwashing dramatically lowers consumer confidence in corporate green advertising. Similar findings were made by Lim et al. (2013), who discovered that perceived greenwashing, which frequently spreads through word-of-mouth (WOM) communication, results in more cautious purchase behavior and greater customer distrust.

This was further corroborated by Chen et al. (2019) and Gil-Cordero et al. (2021), who showed that WOM mediates the connection between behavioral intentions and greenwashing. Zhang et al. (2018) showed how perceived greenwashing negatively affects consumers' intentions to make purchases both directly and indirectly. Topal et al. (2020) examined the Volkswagen emissions crisis and found that it had a detrimental impact on consumers' willingness to make eco-friendly purchases online, especially in Turkey and the UK. Similarly, Martínez et al. (2020) discovered that greenwashing had a detrimental effect on consumers' trust in eco-friendly retail goods. "Being a total lie" or "totally fraud" while describing sustainable or green products and manufacturing methods is the worst example of greenwashing. For instance, a number of companies, including Fischer Future Heat and BMW, were charged with greenwashing because of their "zero carbon emission ads." Customers shouldn't be duped by ambiguous statements, and achieving zero carbon emission items or manufacturing methods should be supported by actual data (Dean, 2020).

It is important to note that such progress, for the all due attention given to it, is still lacking in the form of an adequate system that would allow not only states but also corporate entities to understand what particular actions they must perform (within the sphere of goods, services and advertisings making claim of certain ecological reasons) or refrain from performing. As a result any attempt to highlight the environmental actions being taken by a company, its brand or its products as being more than they actually are becomes an increasing challenge to making purchasing decisions. In practice, typically, it is referred to as 'Greenwashing' – a phrase that was coined in 1986 by the environmental advocate, Jay Westerveld for discussing numerous companies that professed to adopt green strategies but could not provide evidence of what they claimed. According to Chen et al. (2019), false environmental statements caused hotel guests to become more skeptical, which had a

negative effect on their desire to take part in hotel green activities and decreased the probability that they would return. Using an Indian setting, More (2019) discovered that consumers are less loyal to corporate brands when environmental promises lack credibility.

According to the report, multinational corporations (MNCs) frequently engage in greenwashing as soon as they conduct business in host developing nations that are marked by lax rules, obvious market potential, and little competition. Even while greenwashing offers substantial advantages to current stakeholders, it will undermine the interests of consumers and society at large. In this situation, restrictions should be put in place by the government to challenge MNCs before luring them in, and they should be practically implemented. With the passing of time, the understanding of greenwashing has changed and it remains a current issue, more so with the rise in environmental interests in the consumers from various parts of the world. In this light, most countries, it can be noted, are already acting on this vice by incorporating within their peace laws or updating the same so as to effectively control greenwashing. According to research on the concept of greenwashing, it may be challenging to assume that there are examples of greenwashing that are obvious and unambiguous, as was the case in previous greenwashing literature. The idea of "greenwashing" was thought to be quite simple in early studies. Greenwashing was defined as deliberate communication tactics intended to mislead stakeholders. For example, Lauffer (2003) and Ramus and Montiel (2005) both referred to greenwashing as "corporate disinformation." Greenwashing, according to Delmas and Burbano (2011), is "the act of misleading consumers regarding the environmental practices of organizations (firm-level greenwashing) or the environmental benefits of a product or service (product-level greenwashing)". Using tactics like marginalization and rationalization, Hahn and Lülfs (2014) examined how businesses respond to adverse environmental occurrences as a possible source of greenwashing. In contrast to claim greenwashing, Parguel, Benoît-Moreau, and Russell (2015) introduced the term "executional greenwashing" to describe situations in which corporations imply environmental friendliness by signals like imagery rather than making overt green declarations. Livesey (1999) highlighted corporate green partnerships. Siano, Vollero, Conte, and Amabile (2017) examined the Volkswagen issue from the standpoint of a communicative constitution of organizations (CCO) and contended that greenwashing extends beyond outward communication.

In 2022, France with shock and awe took steps to introduce a ban of all fossil fuels related advertising, touching different billboard, media and the internet. As a precaution, France has adopted measures to curb greenwashing issues for fake useful responses. Bowen (2014) challenged the intentionality implied by the initial definitions, contending that greenwashing (a) entails more than information disclosure, (b) is frequently not intentional, (c) is not always started by businesses, and (d) does not always benefit businesses and harm society. These findings are consistent with studies on the factors that contribute to greenwashing, demonstrating that intentional dishonesty is only one aspect of the issue. They are also consistent with the idea of "CSR as aspirational talk" (Chaudhri, 2016; Christensen, Morsing, & Thyssen, 2013), which postulates that differences between CSR communication and real behavior may serve an aspirational purpose as a useful or even essential tool for organizational transformation. The "deceptive" or "misleading" practice of misrepresenting an organization's environmental initiatives or spending more money to portray an ecologically conscious image than the true dedication to eco-friendly measures justifies is known as "greenwashing." Greenwashing is essentially the spread of false or deceptive information about an organization's environmental objectives,

goals, incentives, and behavior. Potucek, S., and Becker-Olsen, K. (2013).

These steps are necessary in order to adequately protect the interests of consumers, to preserve free competition, to establish building public confidence in market players, to encourage sustainable development, and other reasonable environmental objectives. A strong system of legislative control is also necessary for creating such business conditions that are open, transparent, do not evade responsibility and comply with environmental ethics. The above leads the author of this communication to an analysis of the meaning and necessity of stringent claims in the welcoming of the climate in the new-greening regimes of advertisement - which is confirmed by the focus of the author. The detrimental effects of misleading environmental advertising practices are further assessed as the author sets out to have proper consumer protection to advance existing sustainability policies and foster healthy competition. Additionally, the author discusses the Indian perspective on this subject, and makes some due suggestions and advises on how to improve the existing laws on greenwashing in India so as to bring them into line with international criteria and expectations.

2. Greenwashing Law : An Indian Perspective

Greenwashing was not previously as having its explicit law in India before. The wider consumer protection framework can put in place relevant measures to deal with unjust trade practices as regards fake claim in the market, including on the part of environmental claims made outside one's borders, that is, 'ECs'.

The Consumer Protection Act, 2019 protects the rights of citizens by providing guidelines which will be issued by Central Consumer Protection Authority ('Central Authority') to prevent unfair trade practices among other protection of consumers. According to Nyilasi et al. (2013), attribution theory is widely used to comprehend how people in companies assign causes to various activities. They emphasize how popular it is in marketing and advertising, especially when it comes to explaining why consumers are skeptical of corporate green promises. De Jong et al. (2017) contend that attribution theory only offers a partial explanation, pointing out that customers may view greenwashing as eco-friendly while concurrently doubting its veracity. This idea looks at how stakeholders hold organizations accountable for their environmental initiatives or shortcomings. According to Vollero (2022), it implies that companies may use greenwashing to modify their image in order to avoid bad views. Sustainable production and consumption are related. Examining sustainable purchasing patterns reveals that consumers purchase and use goods labeled as sustainable, green, or environmental (Yıldırım & Candan, 2015). However, sustainable consumption behavior also includes practices like avoiding excessive consumption, using used items, reducing waste, and leading an organic and healthy lifestyle (Yıldırım, 2021).

This power was exercised by the Central Authority and the draft Guidelines on Greenwashing ('Draft Guidelines') were issued by it in January 2024. It was the laws first engagement with the topic of greenwashing in a clear and consistent manner. It covers all types of communications related to goods and services including advertising, advertising agents, any person doing the act of soliciting in respect of specific goods or services, and product or service providers. An innovative perspective within Indian legislation the Draft Guidelines describe 'Greenwashing' as misleading or deceiving consumers. This means hiding or avoiding information by means of over-stating, creating ambiguous, errant or otherwise unprovable ecological statements and language, misrepresentation using deceptive language, figures, or images or any other manipulative acts and/or practices. In addition, it involves promoting the good environmental aspects without mentioning the bad

possibilities of a particular issue. There is often misunderstanding between sustainable marketing and greenwashing due to the increase in environmental and green claims. Governments started to stop making false green claims at this moment in order to safeguard farmers and consumers. For instance, the Organization for Economic Co-operation and Development (OECD) and the European Union (EU) attempt to create laws for eco-labels and green claims made by businesses (OECD, 2010). A survey of the literature reveals that many businesses are accused of using greenwashing to make fake green claims. By considering the sustainability of the goods they will purchase directly, consumers attempt to uphold moral and responsible consumption practices. Sustainable enterprises and production are now relevant. Consumer needs for eco-friendly and sustainable products are satisfied by their creation and widespread distribution. Therefore, it is believed that companies and brands can undergo sustainable transformation more quickly due to the rise in customer expectations for eco-friendly and sustainable products and services. Customers may come across a lot of eco-friendly and sustainable items when they visit marketplaces or businesses. It is evident that the 21st century offers more sustainable and eco-friendly items than the 20th.

Moreover, the Draft Guidelines also provide a new comprehension of environmental statements ('ECs'). This covers any expression, whatever the form, which talks of environmental friendliness or otherwise involving – first, a detail of how a product is produced, how it suits redistribution or consumption or how it is recycled; and second, a detailing of a service, including how it is delivered, making it sound like it is not environmentally unfriendly. Such statements can be interpreted to mean that the product/service has sustainability ratios, achieved targets that reduce the negative effects of the product/service as compared to earlier or other products in the same category or even benefits derived from the environment. They aim to project that the product or service encouraged is the one that is environmentally safe in respect of how the environmental pollutants are concerned.

The Draft Guidelines hereby set down terms which provide some sort of directions to be worn at the time of making such ECs. The very first aspects of EC content related to its justification. The EC content should be simple and definite thus makes one necessary that only claims which are stated to the extent that rightful qualifiers and proof are appended thereto. Spelling environmental terms: The Draft Guidelines also want to address claims of ECs made in advertisements through another outburst. Such claims are that such generic terms such as 'clean', 'green', 'eco-friendly', 'eco-consciousness', 'good for the planet', 'minimal impact', 'cruelty-free,' 'carbon-neutral' etc., especially when used without explanation or substantiation or just as some throw away statement in such an advertisement. Defines more difficult to understand or more difficult to use terms in a more simplified version under this specific provision: The Draft Guidelines also want to address claims of ECs made in advertisements through another more outburst. Such, consumers friendly specific jargons as 'Environmental Impact Assessment,' 'Greenhouse Gas Emissions,' 'Ecological Footprint' etc., should also be used but with clear explanations on such terms to enable the consumers understand them better.

3. Guidelines : an explicit disclosure statement:

- It is mentioned in the Draft Guidelines that all EC disclosures shall be true and full, provided in the subject advertisement or communication including the appropriate QR code, or URL which links to such information.
- Research material must be fully disclosed, and only positive findings do not favor excluding other findings that are deemed detrimental.

- Every person wishing to create ECs must determine the product or service on which the claims are being made, its components including its packaging, its use or disposal, or even the delivery or provision of the service. The reason for doing that is that the claims should be litigant. That means when making an EC is focused on a given feature or component or a stage, it should be indicated whether the EC is applicable to that part of the product/service only.
- The use of competitive ECs definition the benefits and advantages of one product or service on the other, necessitate the need, evidence as well as that used for the purpose and specified in the benefit. In addition to this, the way the two are different must be clearly acceptable.
- The support for particular ECs implied in terms such as Carbon Offsets, Carbon Neutral, Compostable, Degradable, Free-of, Sustainability claims, Non-Toxic, 100% Natural, Ozone-Safe and Ozone-Friendly, Recyclable, Refillable, Renewable, etc. Shall include credible certification, scientific substantiation, or independent data particularly in the instance of Carbon Offsets and so on.
- Any data and information with regard to ECs as provided/ disclosed should be accessible to consumers without any difficulty and should conflict with the relevant EC.
- At the time of producing an EC, a bewildering effect would be created if the visuals are altered even slightly.
- Not only have these since ECs subjected to verification by official bodies or authorized endorsements, but also they have their own pertinent information or other methods to verify claims.
- On top of that, any pharmacist is advised not to do any kind of endorsing, certification, or seal-making sorts if those words, when checked, remain to be nonexistent or misrepresentations that were deliberately brought about by nonofficial bodies, lacking recognition from some reputable regulatory entity.

4. Advertising Standards

In addition to the aforementioned, in January 2024, the Bureau maintained that the ASCI (a self-regulatory body), had released the Guidelines for the Advertisement Making Environmental/Green Claims (ASCI Guidelines). These guidelines suggest a revolution in the process of regulation in India as they concern greenwashing and go on a real effort for the transparency and accountability that are called for in ECs and provide a vital element in any informed choice in consumption. Demarcating different types of claims, the Guidelines clearly set forth the standards for dealing with claims in each of such categories. While absolute endeavors, for example, "eco-friendly," would need incontrovertible evidence, differing slogans would require their proof for superiority over the preceding potentials in their predecessor species or competing products. The connection between greenwashing and sustainable development is a key area of study in the literature on the topic. Greenwashing is a hindrance to sustainable development and the circular economy, as demonstrated by Choudhury et al. (2023). Nishitani et al. (2021) demonstrated that corporate actions intended to accomplish sustainable development goals do not always need greenwashing by utilizing the example of Vietnamese businesses. However, Johnsson et al. (2020) stress how crucial it is to create evaluations in a way that deters organizations from greenwashing in order to achieve the Sustainable Development Goals. Besides that, elements complete the entire life cycle of a product and define exactly what sort of assurance the label comprises. Texts misleading consumers in any other way or in the setting of misleading surrounding images or similar devices shall be banned. Future goals are confronted in claims on environmental improvements with

the form of demonstrable commitments that are additionally tied to real action plans for achieving those goals. For claims related to the compensation of carbon production, they must, as well, be not only made because clearly realized, but also adequately substantiated. The claims of compositing, biodegradation, and so forth, need evidence from scientific research and clear, expert evaluation.

But since people have started to appreciate greenwashing and false environment claims, the current draft law is the most opportune moment for improvement to bring it up to international standards. A strong greenwashing legislation will be a key instrument in driving sustainability agendas and accounting for the corporate entity under rising market dynamics in India and increased demand for sustainable goods and services.

5. Suggestions

A growing concern today is greenwashing accusations. However, large brands around the world are using slogans increasingly entering the eco-consciousness leading to their customers. The most recent case came from a Dutch court ruling where they disallowed KLM Royal Dutch Airlines ("KLM") any use of the motto "fly responsibly". Also, there was an objection to KLM's use of Sustainable Aviation Fuels, making the air travel more eco-friendly. The action of the court stemmed from an injunction filed by Fossielvrij Nederland, claiming that KLM advertising is misleading the consumer, making him or her think that flight was environmentally sustainable. The problem and others like this are being alluded by correctly examining ECs stated by a company. And as it happens, with policymakers and regulators already in the spotlight on ECs, the specificity shall create a mechanism for comprehensive rules/guidelines for the recognition and reporting of greenwashing cases by consumers. The previously stated product categories of an honest green, green washed, and non-green product must be operationalized using prototype verbal and visual green (washed) cues that symbolize these categories in order to assess the degree to which consumers can recognize green washing. Notably, previous studies have demonstrated that using an environmental signal alone creates category uncertainty, but giving consumers two cues—such as an eco-label and green color—allows them to classify a product as environmentally friendly. This study focuses on customers' perceptions of greenness and greenwashing in order to ascertain the degree to which consumers identify honest green and greenwashed items as such. According to current research, consumers' perceptions of a product's environmental friendliness are measured by perceived greenness, whereas consumers' perceptions of a product's environmental benefits are misrepresented by perceived greenwashing.

Issues like greenwashing accusations come to the forefront these days. Major brands around the world are turning a bit of passion for their eco-conscious customers into popular sexy slogans. The latest case came with a recent Dutch court ruling that would restrict KLM Royal Dutch Airlines ("KLM") from using the tag "Fly responsibly." The contest was also based on an objection to KLM's new claim of using Sustainable Aviation Fuels to make air travel more environmentally friendly. This order occurred due to the legal action filed by Fossielvrij Nederland, which accused KLM of biasing its consumers by thinking its flights were also environmentally sustainable. Evaluate ECs properly from companies to understand this issue and such other issues in this context. Times call for regulations made by law. A wide range of stakeholders, including consumers, business partners, financial institutions, governments, and others, are putting more pressure on companies operating in the market to incorporate ESG factors into their business models and to disclose their environmental performance due to the growing awareness of the impact of human activity on the environment

(Kim & Lyon, 2015; Marquis et al., 2016). Greenwashing is essentially the result of the requirement or desire to live up to these standards. This issue has increased dramatically in recent years, according to the RepRisk research. In the past 12 months, there has been a 70% increase in greenwashing instances for banks and financial services providers (RepRisk, 2023).

It is clear that in such a context the Draft Guidelines make sense and are very comprehensive. However, we propose a few key policy recommendations so that Indian law can be brought into line with international standards and best practices:

- **Misleading advertisements should be penalized** - No penalties in India history are equal to companies promoting greenwashing using misleading advertisements.

However, the existing misleading advertising legislation serves as a warning for companies whose advertisement claims swerve and touch the conduct beyond; such as calling for a wakeful, caring, poorly imitated bamboo toothpick. For instance, CPA gives the Central Authority the power to penalize any false or misleading advertisement, endorsing it with a penalty of up to INR 10 lakhs–50 lakhs for subsequent contravention, to endorsers or manufacturers. In similar vein, the Food Safety and Standards Act, 2006, also puts a Rs.10 lakh penalty on those who publish an advertisement that would falsely describe food that has been sold, or misleads about its nature/substance/quality, or warranty. The said penalty provision is available on the website of FSSAI under FAQs on Compliance to make the businesses more careful of it. It is a warning that greenwashing laws in India do not penalise for this but it will surely educate the business about the claims those pay out the deceptive aesthetics of such environmentalism. But the question resists, whether offenders should be penalized for those misleading ECPs.

Systems of prevention and control in society make use of public violence to limit actions by feared consequences. This is the basis for laws that either require or prohibit certain conduct, under penalty of law. Such rules orient themselves to protecting consumer interests, moving forward ecological issues, promoting competition efficiency, trust and responsibility of economic and ecological durability, as the concept of sustainable marketing is well known. Greenwashing is an unethical marketing tactic used by businesses to promote their ecological claims. Yu et al. (2020) and Lee and Raschke (2023) claim that greenwashing happens when businesses make a lot of ESG disclosures yet perform poorly in this regard. Among others, Li et al. (2023) and Zhang et al. (2023) noted the unfavorable relationship between greenwashing and environmental performance. CSR reporting might be used to identify instances of greenwashing (Kurpierz & Smith, 2020; Uyar et al., 2020). Research has been done on the connection between greenwashing and CSR reporting, however the findings are unclear. Vollero et al. (2016) and Hora and Subramanian (2019) showed a negative relationship between CSR and greenwashing. The above described rationale of environmental advertising regulation is particularly relevant for further actions aimed at the provision of the proof of the truth and materiality of environmental claims as inscribed in the Draft Guidelines without resorting to misleading or false advertising. Judging by certain advancements in the current practices of the structure and mechanisms of the legal market in eastern countries, it is possible to make a confident prediction about the prospects for the development of law and market regulations. In particular, it is a matter of substantial penalty rates, quality of consumers, eschewing or minimizing errors and poor practices, integration of limitation acts, and traditional remedial principles as well as other expectations and habits of lawyers. In terms of geographical location, advertisement activity aimed at heritage architectural objects and public areas.

Taking the above-mentioned claims into account, I'm sure that green-washing practices will gradually start losing their popularity. With a stricter self-governance and more accountability, companies will themselves be the first to monitor the accuracy of the information that they provide to the environment, as well as the organic certification of their products, their general production, and more.

The number of articles addressing this topic has increased due to the growing incidence of greenwashing. Two primary study directions were identified from the examination of literature on greenwashing. The first one focuses on analyzing greenwashing as a phenomena, i.e., encapsulating its core in terms of definitions, kinds, determinants, and impacts. The second one examines the connection between greenwashing and a number of variables, including the extent and kind of disclosures, corporate social responsibility (CSR) reporting, the application of the sustainability concept, and so on. For the purposes of subsection, the Australian ACCC released their 2023 Draft Guidance on Environmental and Sustainability Claims in July.

These guidelines may be invoked in cases where misleading representations are made by individuals or companies and the latter involve themselves in misleading or fraudulent conduct, actionable in court, with the quantum of liability and punishment to be imposed being determined by the circumstances involved in each case. The fine payable by corporations should not exceed the higher of \$50 million per breach, three times the value of the profit obtained as a result of the breach, or 30% of the adjusted turnover in case the latter raise of that the funds realized grew out of the breach. In the case of natural persons, the maximum fine payable by a particular is \$2.5 million per contravention. There are also criminal sanctions for some offenses as well. Sustainability-related disclosures can differ widely in terms of their extent, clarity, and complexity. This is because the regulatory process for ESG reporting is still ongoing, in contrast to traditional financial reporting, which is required and tightly controlled regarding the breadth and qualitative aspects of the information to be reported (Lokuwaduge & De Silva, 2022). The adoption of new measurement frameworks (such as the Sustainability Accounting Standards Board [SASB] and the Global Reporting Initiative [GRI]) and regulatory oversight of information disclosure monitoring should improve sustainability reporting's credibility and transparency. Lashitew (2021).

- **Business and Greenwashing** - Environmentalism and the whole idea of businesses being environmentally friendly has become a huge topic in the world today. Many businesses come up with environmental initiatives in the guise of making the world a better place, but in most cases these initiatives are for profit purposes, thus 'Greenwashing' remains a threat. Having outlined a checklist to keep with the Draft Guideline, allowed the division of a number of bulky instructions that might appear difficult for a lay person to follow, into simple, clear and straight-in-the-forward guidelines. In fact, it also has much of its benefits in ensuring the proper alignment with laws and order in the sector and minimizes the possibility of wrongful construction more so for the small and medium sized enterprises. They would also be able to protect their brands without negatives impact, not even any legal suits for issuing false information on environmental claims. In this regard, if the businesses were provided with grounds for the assessment of their environmental concerns, they would be encouraged more to resort to ethical marketing and fully embrace the environment rather than expose it to a Healthier competition in the market or at work environments. It would also help to avoid regulatory surprises by providing tools such as, progressing with changes in regulations/ guidelines and getting the organization prepared for audits.

6. Conclusion

Environmental degradation, climate change, and global warming are all worldwide problems associated with conventional manufacturing methods and excessive consumerism. The 2030 SDGs emphasize that in order to lower carbon emissions, waste, and other environmental hazards, sustainable production and consumption should be implemented right now. According to Yıldırım and Yıldırım (2020), people are becoming more conscious of environmental principles and wish to switch from their typical consumption habits to sustainable ones. To fulfill their role in sustainable development, consumers may cut back on their buying, steer clear of needless, conspicuous consumption behaviors, and adhere to the 3R concept (reduce, reuse, recycle) (Yildirim, 2021). As the momentum grows for sustainability across the globe, so does the focus on 'greenwashing' as an increasing subject for concern. Add to it the growing consumer demand for environmentally sound products and the proliferation of green claims on products making the situation even worse hence prompting the requirement to have stringent regulations that would curb the greenwashing. Although greenwashing is a well-known issue, research on it is dispersed and has a wide range of themes. Understanding the current level of research becomes essential from both a practical and scientific perspective due to the increasing significance of greenwashing throughout the shift to a green economy.

Furthermore, when customers begin to see these claims as merely marketing gimmicks rather than sincere promises, their desire to pay more for goods with eco-friendly or healthful claims may decrease. A increasing need for transparency may coincide with this change in attitude. Before making a purchase, consumers who are exposed to greenwashing frequently want further information, such as independent verification of a product's claims or third-party certifications.

The way that consumers view greenwashing is a complex process that starts with optimistic expectations and changes as they learn more about dishonest marketing techniques. Initially, people tend to have positive opinions when they come across goods or businesses that claim to be "natural," "organic," "healthy," "sugar-free," "fat-free," "farm fresh," "eco-friendly," or "sustainable." They are ready to pay more for these goods because they think they are better for society, the environment, and their own well-being. Customers are prepared to go above and beyond in order to purchase and use the goods. Because customers typically identify these assertions with a dedication to ethical and ecologically responsible activities, this positive view is based on trust and reputation. In the end, the businesses receive a lot of word-of-mouth advertising. After 2020, a number of texts that try to synthesize studies on greenwashing were released; however, because the papers provide many research views, they tend to reflect research trends only selectively. Taking advantage of high consumer interest in environmentally sustainable products-made all the more savvy now in the Covid-19 world-many businesses have taken vantage points by extending sales online on portals like Facebook Marketplace and Instagram because most businesses tag themselves as sustainably marking on advertising bases. Thus, India's Draft Guidelines have come at a very opportune time with the world discussing heavy advertising now as responsible.

This makes the Draft Guidelines a major shift in the regulatory environment in India. However, the guidelines need to be re-drafted to follow international best practices in order to be more effective for the amendments. One may argue that the greater number of consequences of greenwashing are mostly motivated by marketing.

Greenwashing is a marketing strategy that falsely claims to the public and consumers that a product or brand has environmental advantages (Coghlan, 2011). Green consumerism is viewed as a way to reverse environmental degradation (Liu et al., 2012) and address the issues of over-exploitation of natural resources (Kates, 2000; Nguyen et al., 2019; Wu & Chen, 2014; Varshneya et al., 2017). People who care more about the environment are shown to alter their shopping habits in an effort to benefit the environment (Chase, 1991) and to intentionally favor greener items (Peattie, 2001; Schlegelmilch et al., 1996).

Health-conscious consumers choose goods that help them maintain a healthy lifestyle and, consequently, adopt healthy behaviors (Becker et al., 1977; Newsom et al., 2005).

Greenwashing started with fraudulent advertising, campaigns, and claims made by companies and brands. Then, as a result of the demand from environmentally conscious customers at the time, companies and brands started incorporating sustainability concepts into their manufacturing processes and goods. In the context of greenwashing, companies and brands can now be accused of not being entirely or exclusively green. Policymakers should use caution when identifying greenwashing and accusing companies or brands of it. We have suggested bringing in penalties for deceptive advertising - much like those in France, Korea, and Australia - and suggesting that businesses should receive a simplified list of self-checks which would amount to the law being complied with. With such a methodology, misinterpretations could be minimized, consumer trust maintained, and greener practices by the businesses could be enhanced. Perhaps this rudimentary proposal alone could lay the foundation for a future sustainable India in which many genuine environmental initiatives are developed and rewarded in the market. Economic, social, and environmental concerns must be balanced for sustainable growth, and businesses must do the same in order to thrive over the long run. At this time, a gradual shift to sustainability might be considered as a positive aspect of greenwashing when taking into account how businesses balance their economic, social, and environmental endeavors.

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