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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Date of decision: 19.07.2021***

+ **CS(COMM) 113/2020**

SNAPDEAL PRIVATE LIMITED Plaintiff

Through: Ms. Tanya Verma & Mr. Prithvi
Gulati, Advocates

Versus

M/S FUTURETIMES TECHNOLOGIES PVT. LTD.

..... Defendant

Through: Mr Ajay Bhargava, Mr Aseem
Chaturvedi & Mr. Shivank Diddi,
Advocates

CORAM:

HON'BLE MR. JUSTICE SURESH KUMAR KAIT

J U D G M E N T (oral)

The hearing has been conducted through video conferencing.

1. Plaintiff is a company incorporated under the Indian Companies Act, 1956. Plaintiff's online marketplace www.snapdeal.com provides an online technology platform for third party sellers to connect with millions of customers to buy products from any part of the country.

2. Defendant is an Indian subsidiary of Jiayun Data Technology Company which runs and operates the e-commerce website www.clubfactory.com for shopping apparel and accessories.

3. According to plaintiff, in the month of March, 2020, the plaintiff came across several advertisements on Facebook by the e-commerce portal www.clubfactory.com, with the byline "*Everything cheaper than Snapdeal*".

4. According to plaintiff, the Guidelines for Foreign Direct Investment (FDI) on E-Commerce, Press Note No 3 (2016 Series) and the Review of the policy of the Foreign Direct Investment (FDI) in E-commerce, Press Note No. 2 (2018 Series) categorize e-commerce platforms into two types: "inventory based" and "marketplace based". According to plaintiff, the terms of the defendant's platform under the heading "Our Principles" makes it clear that the defendant follows a marketplace based-model as does the plaintiff. In a market-place based model the product inventory as also the sellers are dynamic. Two marketplaces with multitude of sellers offering a multitude of products at any given point of time are therefore by definition incomparable.

5. Further, the stand of plaintiff is that the prices of products on both portals at any given point in time are independently variable and in the public domain and despite the same, the very fact that the defendant has launched a targeted campaign, presently restricted to Facebook, falsely claiming that everything on its portal is cheaper than on the plaintiff's portal

makes it clear that this false advertising is deliberately aimed at diverting the plaintiffs customers to the defendant on false promises and to earn the revenues that are rightfully due to the plaintiff. Hence, the present suit has been filed seeking a decree of permanent injunction restraining the defendant, its directors, employees, agents, servants or any person acting under or through it from infringing, diluting or tarnishing the SNAPDEAL trademarks in any manner; from falsely advertising that its products are cheaper than the products sold on the plaintiff's platform www.snapdeal.com; from causing malicious injury to the plaintiff's business and to the reputation and goodwill of the SNAPDEAL trademarks; and causing any harm to the plaintiff's business and to the reputation and goodwill of the SNAPDEAL trademarks. Besides these reliefs, plaintiff has also sought decree of damages against the defendants to the tune of Rs.2,00,01,000/-, towards loss of sales, reputation and goodwill of the Plaintiffs trademarks caused by the activities of the defendant.

6. On 21.12.2020, learned counsel appearing for defendant had sought time to obtain instructions as to if defendant is agreeable to suffer a decree in terms of prayer clause 30(a) to (d) of the plaint.

7. Today, learned counsel for the parties submit that they have arrived at

an amicable settlement that the present suit be decreed in favour of plaintiff and against the defendant in terms specified in prayer clause 30 (a) to (d). It has been agreed that in lieu thereof, plaintiff will not raise the claim of damages mentioned in prayer clause 30(e) to (g) of the plaint.

8. Learned counsel for defendant has reverted in positive and he submits that the present suit can be decreed in terms of prayer clause 30(a) to (d) of the plaint in favour of plaintiff and against the defendant.

9. In view of aforesaid, the present suit is decreed in terms of prayer clause 30(a) to (d) of the plaint in favour of plaintiff and against the defendant. Decree sheet be accordingly drawn.

10. With aforesaid directions, the suit is accordingly disposed of.

(SURESH KUMAR KAIT)
JUDGE

JULY 19, 2021

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