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

\+ CS(COMM) 199/2024 & I.A. 7713/2024, I.A. 37901/2024

GFB GREAT FOODS PRIVATE LIMITED .....Plaintiff

Through: Mr. Sumit Lall, Advocate with Mr. Sidhant Kapoor and Ms. Palak Rawat, Advocates
Mob: 9810944677

versus

STARTLE FOODS AND BEVERAGES PRIVATE LIMITED ORS. .....Defendants

Through: Mr. Nikhil Chawla, and Mr. Om Ram, Advocates for D-1, 7, 8, 9 & 11
Mob: 9013685427
Email: nikhil@ncalegal.in

CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA

O R D E R

% **04.09.2024**

1. The present suit for permanent injunction has been filed restraining the breach of confidentiality and fiduciary duty, trade secrets, infringement of trademarks, infringement of copyright, passing off of trademarks/label/style/packaging, delivery up, misrepresentation and fraud, damages/rendition of accounts.

2. As per the case canvassed by the plaintiff in the plaint, the plaintiff is a permanent Indian food and beverages company, producing frozen fruit juice bars under the trademark 'Fruitchill' since 25th January, 2010.

3. The present suit has been filed to address severe breaches by defendants, who have violated the fiduciary and contractual duties.

4. It is the case of the plaintiff that defendant nos. 2 to 6 during their employment with the plaintiff, covertly gathered sensitive information and violated the fiduciary and contractual duties. The defendant nos. 2 to 6 illegally accessed and misappropriated confidential and proprietary information, including business plans, product formulation, client list and other crucial data and later joined hands with defendant no. 1.

5. It is further the case of the plaintiff that the defendants have adopted a deceptively similar mark, label and packaging of the plaintiff's registered trademark 'Fruitchill', creating a confusion and potential harm to the plaintiff's brand. The defendants have been selling deceptively similar/nearly identical products, under the mark 'Frenzy Fruit'. Thus, the present suit came to be filed.

6. During the course of hearing, vide order dated 16th April, 2024, the following settlement was arrived at between the parties:

> (i) The defendants will change the packaging of their products sold under their own trademark 'FRENZY' to a different packaging. A revised proposed packaging has already been shared with the plaintiff, to which some suggestions have been made for a further slight modification. These will be shared between the parties and the packaging finally acceptable will be placed on record as part of the agreement executed between the parties and placed before the Court on the next date of hearing. The revised packaging of the defendants' products shall be implemented and

launched by the defendant in the market on or before 15th May, 2024.

(ii) The defendants' application being I.A. 7713/2024 seeking permission to exhaust the existing stock of manufactured products as well as their packaging material, is allowed to the extent that defendants will be permitted to sell 250 boxes per week of their products in the existing packaging for the next four weeks (i.e. a total of 1000 boxes). Details of batch numbers and the date of manufacturing will be placed on affidavit by the defendants before the Court within a period of six weeks from today.

(iii) The balance packaging/products available with the defendants shall be destroyed by the defendants in presence of the Local Commissioner and representatives/counsels of both the parties, as per directions which will be passed on the next date of hearing.

(iv) Parties shall not press any claims or counterclaims qua the suit between the parties, and the suit shall stand disposed of in these terms.

7. Subsequently, when the matter was listed for hearing on 24th April, 2024, counsel for the defendant had presented the new packaging, which was acceptable to the plaintiff.

8. The only issue that was raised by the plaintiff was with respect to the discrepancy in the quantity of the packaging material, which the defendants had stated, were available with them.

9. Considering the submissions made before this Court, this Court is of the view that since the matter has substantially been settled between the parties and terms of settlement have been arrived at, the matter can be disposed of, however, with imposition of nominal costs upon the defendants, in view of the discrepancy pointed out.

10. Accordingly, the suit is decreed in terms of the settlement as incorporated in the order dated 16th April, 2024 and order dated 24th April, 2024, as reproduced hereinabove, wherein, the factum of adoption of new trade dress/ packaging has been recorded, which shall form part of the decree.

11. Both the parties are held bound by the terms of the settlement.

12. It is further directed that cost of ₹ 10,000/- shall be paid by the defendants to 'Delhi High Court Advocates Welfare Fund' within a period of two weeks from today.

13. In view of the fact that the present matter has been settled at a nascent stage before this Court, it is directed that the Registry shall issue a certificate of refund for full Court fees to the plaintiff.

14. The suit is accordingly disposed of, along with the pending applications.

MINI PUSHKARNA, J

SEPTEMBER 4, 2024
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