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* IN THE HIGH COURT OF DELHI AT NEW DELHI

+ CS(COMM) 180/2024

ABHI TRADERS Plaintiff

Through: Mr. Anshuman Upadhyay,

Mr. Naseem, Mr. Apoorva Sharma, Mr. Rahul Singh and Ms. Sunanda

Chowdhury, Advocates.

versus

FASHNEAR TECHNOLOGIES PRIVATE LIMITED & ORS.

..... Defendants

Through: Mr. Sidharth Chopra, Ms. Savni Dutt

Endlaw, Mr. Vivek Ayyagari, Ms. R.

Ramya and Mr. Sanidhya

Meheshwari, Advocates for D-1.

CORAM: HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER 29.02.2024

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I.A. 4772/2024 (for exemption of filing clearer, typed copies, vernacular and originals of certain documents)

- 1. Exemption is granted, subject to all just exceptions.
- 2. The Applicant shall file legible and clearer copies of exempted documents, compliant with practice rules, before the next date of hearing.
- 3. Accordingly, the application stands disposed of.

I.A. 4771/2024 (seeking leave to file additional documents)

4. This is an application seeking leave to file additional documents under the Commercial Courts Act, 2015.

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- 5. Applicant, if it wishes to file additional documents at a later stage, shall do so strictly as per the provisions of the said Act.
- 6. Accordingly, the application stands disposed of.

I.A. 4773/2024 (seeking exemption from the requirement of effecting advance service on D-2 to 10)

- 7. In view of the fact that the Plaintiff has sought *ex parte ad-interim* injunction, the exemption from advance service to Defendant Nos. 2 to 10 is granted.
- 8. Application is disposed of.

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- 9. Let the plaint be registered as a suit.
- 10. Issue summons. Ms. Savni Dutt Endlaw, counsel accepts summons on behalf of Defendant No. 1. Upon filing of process fee, issue summons to the remaining Defendant(s) by all permissible modes. Summons shall state that the written statement shall be filed by the Defendant within 30 days from the date of receipt of summons. Along with the written statement, the Defendants shall also file an affidavit of admission/denial of the documents of the Plaintiff, without which the written statement shall not be taken on record.
- 11. Liberty is given to the Plaintiff to file a replication within 15 days of the receipt of the written statement. Along with the replication, if any, filed by the Plaintiff, an affidavit of admission/denial of documents of the Defendants, be filed by the Plaintiff, without which the replication shall not be taken on record. If any of the parties wish to seek inspection of any documents, the same shall be sought and given within the timelines.

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- 12. List before the Joint Registrar for marking of exhibits on 1st May, 2024. It is made clear that any party unjustifiably denying documents would be liable to be burdened with costs.
- 13. List before Court for framing of issues thereafter.

I.A. 4770/2024 (for *ex-parte ad interim* injunction)

- 14. Issue notice. Ms. Endlaw, counsel accepts notice on behalf of Defendant No. 1.
- 15. The present suit has been filed by the Plaintiff, Abhi Traders, trading through its sole proprietor Mohd Ovals Ali Ansari, for copyright infringement and passing off, and other reliefs including damages against the known Defendant Nos. 1 to 9 and unknown Defendant No. 10, where Defendants No. 2-10 are advertising, publishing and offering for sale, the garments, which are a complete copy of the Plaintiff's garments and are also misusing the photographs and images in which the Plaintiff owns rights.
- 16. The case of the Plaintiff is that the Plaintiff is a retailer in clothing items for men and women selling it under its mark "IBRANA"

". They also specialize in ethnic wear, which are designed by their own in-house designers. They offer for sale and advertises their goods on various E-Commerce platforms such as Flipkart and Defendant No.1's platform 'www.meesho.com' [hereinafter 'Meesho']. The said products are advertised and promoted through photographs over which the copyright of Plaintiff subsists. Expenditure incurred to run advertisements on Meesho is claimed to be around INR 6,64,315/- from 2021 to till date.

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IBRANA



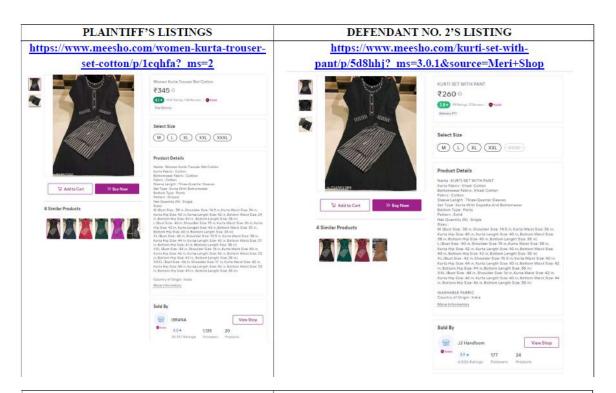


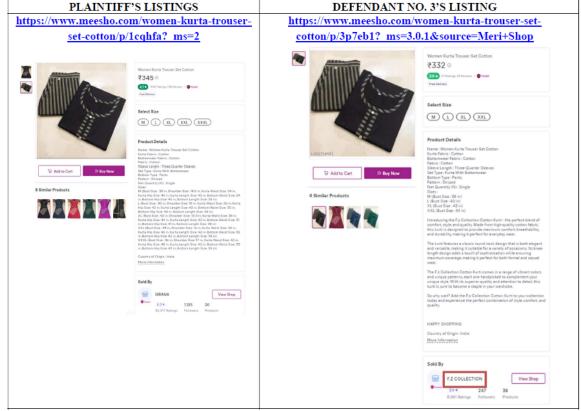
- 17. The Plaintiff claims to be popular on various E-commerce platforms as indicated by its gross sales turnover of INR 1,54,24,936/-. for the year 2023-24. On the Platform of Defendant No. 1, the Plaintiff has an average rating of 4.0 with over 30,250 ratings and 6060 reviews by the consumers.
- 18. Defendant No.1- Fashnear Technologies Private Limited is the company which runs www.meesho.com, the e-commerce platform. Defendant Nos. 2- 9 are alleged to be unlawful and unauthorized operators who use Plaintiff's copyrighted pictures and photographs and sell their own counterfeit goods thereunder on the online platform owned, run, managed and administered by Defendant No. 1. Defendant No.10- Ashok Kumar (John Doe) are unknown identities that may either be one or various unlawful parties who are using Plaintiff's product images to sell products.
- 19. Mr. Anshuman Upadhyay, counsel for the Plaintiff submits that the present suit has been filed against various known and unknown sellers, who are offering to sell garments and ethnic wears by misusing the Plaintiff's photographs. It is submitted that Plaintiff is the sole manufacturer, promoter, marketer and seller (directly and only on online retail platforms) of the products listed under its own copyrighted pictures and therefore the question of genuine reselling or authorized re-selling does not arise. It is also submitted that the Plaintiff has not authorized Defendant No. 2 to 10 to use any photographs of the Plaintiffs products over which they have copyright. The repeated misuse of the Plaintiffs copyrighted photographs, published on Defendant No. 1's platform shows that, Defendant No. 2 to 10 are riding upon the goodwill and reputation of the Plaintiff and making unauthorized gains. The following images are relied upon to show the manner in which Defendants No.2 -10 have completely imitated the Plaintiff's products:

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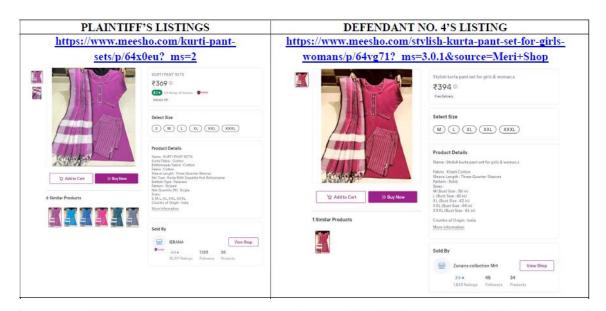


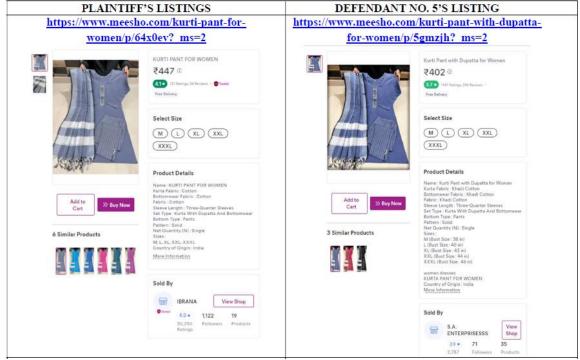
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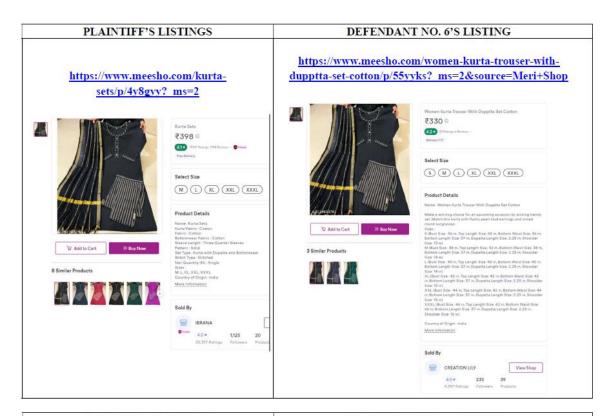


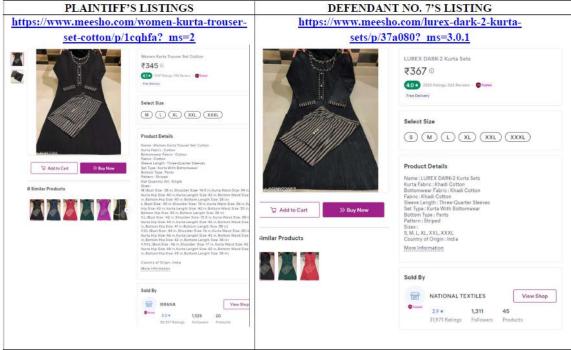
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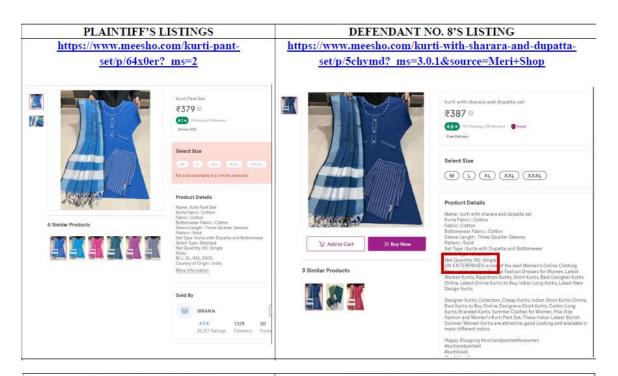


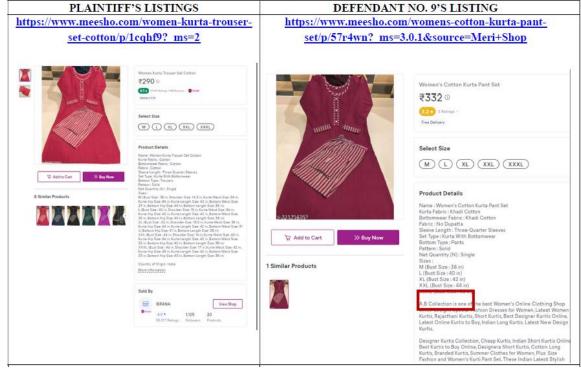


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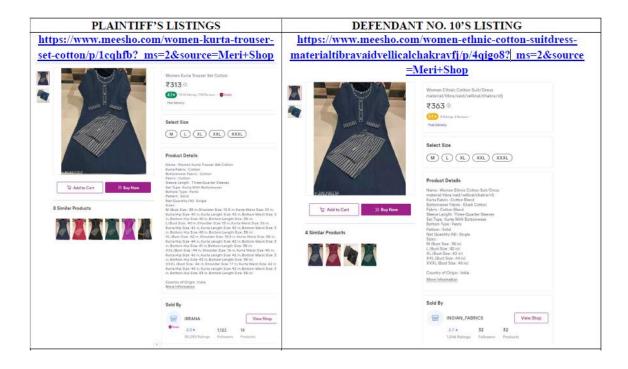




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- 20. Mr. Upadhyay contends that Defendants No. 2-10 are not only replicating the Plaintiff's products but are also using identical photographs for marketing purposes and deliberately pricing their goods lower to inflict financial harm on the Plaintiff. Despite the inferior quality of the Defendants No. 2-10's products, their external appearance is remarkably similar to that of the Plaintiff's offerings, creating a deceptive semblance of equivalence that misleads consumers.
- 21. Mr. Upadhyay argues that Defendant No. 1 is under an obligation to publish contact details of all sellers on its platform under Rule 5(3)(a) of Consumer Protection (E Commerce) Rules, 2020. Defendant No. 1 does not provide any contact information on its website at any point during the transaction process. Furthermore, even following the successful purchase of counterfeit products via Defendant No. 1's website, the invoices failed to disclose the names and addresses of Defendants No. 2 to 9. The Plaintiff

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sought to rectify this lack of transparency by submitting a grievance via email on the 23rd of February, 2024, directly to Defendant No. 1, requesting the disclosure of Defendants No. 2 to 9's details. Despite this attempt, Defendant No. 1 did not furnish the requested information. Given these circumstances, Defendant No. 1 cannot claim the protections ordinarily afforded under Section 79 (1) of the Information Technology Act, 2000. The omission of essential contact information, combined with the failure to respond to legitimate requests for transparency regarding the entities involved in the sale of counterfeit goods, suggests that Defendant No. 1 is complicit in the activities of Defendants No. 2 to 9. Such conduct not only contravenes the legal obligations incumbent upon e-marketplaces but also implicates Defendant No. 1 in aiding and abetting the other Defendants in their infringing activities. Consequently, Defendant No. 1's operations, as conducted, are in violation of the regulatory framework established for ecommerce platforms, thereby disqualifying it from availing itself of the specific immunities provided under section 79 (1) of the Information Technology Act, 2000.

- 22. Furter, Mr. Upadhyay argues that Plaintiff's sales experienced a significant decline coinciding with the appearance of similar-looking products, which utilized identical photographs, on Defendant No. 1's platform. This correlation suggests a direct impact on the Plaintiff's market performance attributable to the consumer confusion induced by the Defendant No.2-10's actions in distributing counterfeit products that mimic the Plaintiff in both appearance and presentation.
- 23. Ms. Endlaw counters the allegations directed at Defendant No. 1, arguing that as an 'intermediary', Defendant No. 1's responsibilities are

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limited to removing URLs of look-alike images and products from its platform, contingent upon receiving a court order to do so. She asserts her readiness to comply with any such takedown orders issued by this Court in the instant proceedings, indicating a willingness to adhere to the legal requirements for intermediaries under the relevant statutes.

- 24. The Court, having considered the submissions presented and the comparative chart of look-alike products provided by the Plaintiff, finds that a prima facie case has been established. It appears that Defendants No. 2 to 9, along with the unidentified Defendant No. 10, are egregiously exploiting the Plaintiff's product images, listing visuals, and product designs for their financial gain, leveraging the Plaintiff's reputation. Such sellers are unequivocally not entitled to replicate the Plaintiff's photographs, images, or product designs in such a manner, thereby inflicting harm upon the Plaintiff. While this Court acknowledges the pivotal role of e-commerce platforms in offering new opportunities for small designers and enterprises, it is imperative that these platforms are not exploited to facilitate the imitation of products and the infringement of intellectual property rights. The production of look-alike products, misuse of product images that infringe upon the Plaintiff's copyrights undermines the integrity of fair trade and competition, warranting intervention to protect the Plaintiff's lawful interests.
- 25. There is also an obligation upon the E-Commerce platform to ensure that complete details of the sellers are available on the platform so that the consumer is aware of the sellers from whom the product has been purchased and the entity, who is listing the product. The Consumer Protection (E-Commerce) Rules, 2020, notified on 23rd July, 2020, imposes an obligation as per section 5, on the e-commerce platform to give the full geographic

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address, customer care number, rating and other feedback about the seller for enabling consumers to make informed decision at the pre-purchase stage. 26. Under these circumstances and considering the complete imitation, which has been indulged by Defendant Nos.2 to 9 and other unknown Defendants, the Plaintiff has made out a case for grant of an *ex-parte ad interim* Injunction. It is also in the interest of consumers that such look-alike products are not permitted to be sold. Balance of convenience is also in favour of the Plaintiff. Irreparable harm would be caused if the injunction is not granted, as on online platforms and marketplaces, it is extremely easy for sellers to proliferate the images and continue to dupe customers.

(1) Defendants No. 2 to 9, along with any other sellers who are showcasing their products on the Meesho.com platform, are hereby prohibited from reproducing, copying, publishing, or imitating any designs of the Plaintiff's clothing. This injunction also extends to the prohibition against reproducing any images related to the Plaintiff's products, including photographs.

Accordingly, following directions are being issued in the matter:

- (2) The aforesaid Defendants are also restrained from duplicating any of the Plaintiff's designs, as illustrated above for comparative purposes, as well as any other designs/images belonging to the Plaintiff concerning its clothing line.
- (3) The Defendant No.1 shall reveal all the available details of the aforesaid sellers including the address, mobile numbers, email addresses, total sales made by the sellers, GST details, payments made to the sellers since the time listings have been put up.

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(4) The Plaintiff shall give a complete list of infringing URLs to counsel for Defendant No.1 within seven working days in order to enable the Defendant No.1 to take down the said listings. The said taking down shall be carried out within 72 hours.

(5) While Ms. Endlaw has assured that Defendant No.1 is complying with this requirement, the Court nonetheless directs that Defendant No. 1 must take definitive action to ensure that the geographic address of all sellers is clearly displayed in the invoice published on the platform. This would enhance transparency and accountability among sellers utilizing the platform, facilitating easier resolution of any disputes or inquiries related to copyright or trademark infringement, and ensuring compliance with legal and regulatory requirements.

27. Reply to the applications be filed within four weeks from the service of the present order along with the paper book. If any of the sellers/defendants wish to seek modification of the present order, they are given liberty to move an appropriate application.

28. Compliance of Order XXXIX Rule 3 CPC be made within one week.

29. List on 1st August, 2024.

SANJEEV NARULA, J

FEBRUARY 29, 2024 *nk*

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