

CASE SUMMARY

Title: Swiggy vs Zomato

Case Overview

Swiggy, the food delivery giant, has filed a commercial dispute against its competitor Zomato in Bangalore City Civil Court. The dispute centers around accusations of unfair competitive practices and breach of market conduct. Swiggy claims that Zomato disrupted exclusive partnerships, employed predatory pricing strategies, and unauthorizedly used proprietary AI algorithms. Zomato denies all allegations, asserting fair competition and independent algorithm development. Zomato has also counterclaimed for defamation. Key developments include Swiggy presenting detailed evidence and Zomato requesting more time for technical documentation. The next hearing is scheduled for December 14, 2023.

Places

- **Name:** Bangalore City Civil Court
Date: October 10, 2023
- **Name:** Indiranagar, Bangalore
Date: August-September 2023
- **Name:** Bandra, Mumbai
Date: August-September 2023
- **Name:** Karavalli, Bangalore
Date: September 2023
- **Name:** Bademiya, Mumbai
Date: September 2023

People

Name: Swiggy
Role: Plaintiff
Info: Swiggy Private Limited, headquartered in Bangalore, Karnataka

Name: Zomato
Role: Defendant
Info: Zomato Media Private Limited, headquartered in Gurugram, Haryana

Organizations

Name: Swiggy
Role: Plaintiff
Info: Swiggy Private Limited, headquartered in Bangalore, Karnataka, is a food delivery giant.

Name: Zomato
Role: Defendant
Info: Zomato Media Private Limited, headquartered in Gurugram, Haryana, is a major competitor in the food delivery sector.

Timeline

Date: October 10, 2023
Event: Case Filed

Date: October 15, 2023
Event: Zomato's Preliminary Statement Submitted

Date: November 12, 2023
Event: First Hearing

Date: December 14, 2023
Event: Next Hearing Date

Actions Taken

Action: Filed a commercial dispute

By: Swiggy

Action: Submitted preliminary statement

By: Zomato

Action: Presented detailed evidence

By: Swiggy

Action: Requested additional time for technical documentation

By: Zomato

Claims

Claim: Exclusive Partnerships Disruption

By: Swiggy

Claim: Predatory Pricing Strategy

By: Swiggy

Claim: Unauthorized Use of AI Algorithms

By: Swiggy

Claim: Fair Competition

By: Zomato

Claim: Independent Algorithm Development

By: Zomato

Claim: Counterclaim for Defamation

By: Zomato

Legal Framework

Strengths

Swiggy has already presented detailed evidence supporting their claims, which strengthens their position.

The allegations of predatory pricing and unauthorized use of AI algorithms, if proven, can significantly impact Zomato's defense.

Weaknesses

Zomato has requested additional time for technical documentation, which could potentially weaken Swiggy's case if they cannot counter this request effectively.

Swiggy must prove that Zomato's actions directly led to disruption of exclusive partnerships.

Rules

Rule: Competition Act, 2002

Reason: This act deals with anti-competitive agreements, abuse of dominant position, and regulation of combinations, which are relevant to Swiggy's claims of unfair competitive practices and predatory pricing.

Rule: Intellectual Property Rights (IPR) Laws

Reason: Swiggy's claim of unauthorized use of proprietary AI algorithms would fall under IPR laws, which protect against the infringement of proprietary technologies.

Past Judgments

Citation: Vaibhav Raj vs Swiggy, Bundl Technologies Pvt Ltd . on 24 April, 2023

Reason: This case involved consumer complaints against Swiggy and provides insights into how similar legal arguments were presented and adjudicated.

File: [doc1](#)

Citation: Ajay Kumar Sharma vs Zomato Pvt. Ltd. on 4 August, 2022

Reason: This case involved consumer complaints against Zomato related to service deficiencies, which may provide context on how Zomato has handled legal disputes.

File: [doc2](#)

Citation: Swiggy Bundl Technologies Pvt Ltd vs Vikas Garg on 18 August, 2022

Reason: This case illustrates Swiggy's previous legal strategies and outcomes in disputes, which could be relevant for their current litigation approach.

File: [doc4](#)

Citation: Rishabh Wadhera vs M/S McDonald's Restaurant on 29 March, 2023

Reason: This case provides a precedent for claims related to unfair trade practices, which are central to Swiggy's current case against Zomato.

File: [doc6](#)

Evidence and Support

Swiggy has already presented detailed evidence supporting their claims, which strengthens their position.

Case Strategy

Highlight the detailed evidence presented by Swiggy to substantiate claims of exclusive partnership disruption, predatory pricing, and unauthorized use of AI algorithms.

Use the Competition Act, 2002 to emphasize the anti-competitive nature of Zomato's actions.

Leverage Intellectual Property Rights (IPR) laws to argue the unauthorized use of proprietary AI algorithms by Zomato.

Opposition Weaknesses

Zomato has requested additional time for technical documentation, which may indicate they are not fully prepared.

Defense Arguments

Zomato may argue fair competition and independent development of AI algorithms to counter the allegations.

Zomato's counterclaim for defamation can be used to shift focus and possibly discredit Swiggy's claims.

Cross-examination Questions

What specific actions did Zomato take that led to the disruption of exclusive partnerships with Swiggy?

Can Zomato provide detailed evidence of their independent development of AI algorithms?

How does Zomato justify its pricing strategies in the context of fair competition?

Risk and Outcome Analysis

Potential Outcomes

If Swiggy's claims are substantiated, Zomato may face penalties under the Competition Act, 2002, and could be ordered to cease unfair practices.

If Zomato's defense holds, Swiggy's claims may be dismissed, and Swiggy may be liable for damages related to the defamation counterclaim.

Risk Factors

There is a risk that Zomato's request for additional time for technical documentation may delay the proceedings and affect the momentum of Swiggy's case.

Swiggy must ensure that their evidence is robust enough to withstand cross-examination and counterclaims.

Financial Impact

Potential financial implications for Zomato include penalties, damages, and loss of market share if found guilty of unfair practices.

Swiggy may incur legal costs and possible damages if Zomato's defamation counterclaim is upheld.

Appeal Potential

If the case does not go in favor of Swiggy, there is a potential for appeal based on the interpretation of the Competition Act, 2002, and IPR laws.

Settlement and Negotiation

Settlement Options

Swiggy and Zomato could explore a settlement where Zomato agrees to modify its business practices and compensate Swiggy for any losses incurred.

Negotiation Tactics

Highlighting the strength of Swiggy’s evidence to push for a favorable settlement.

Proposing mediation to avoid prolonged litigation and additional legal costs.

Courtroom and Trial Management

Courtroom Procedures

Ensure all documentary evidence is well-organized and readily accessible during the trial.

Prepare for potential objections from Zomato regarding the admissibility of evidence.

Document Checklist

Detailed evidence of exclusive partnership disruptions.

Financial records showing predatory pricing impacts.

Technical documentation of AI algorithm development.

Public Relations and Client Communication

Public Relations Impact

The case might affect public perception of both companies, highlighting the importance of maintaining a positive public image through transparent communication.

Client Communication

Regular updates to Swiggy's legal team and executives regarding case developments.

Clear communication of potential risks and outcomes to manage expectations.