



CIVIL

Madras High Court Grants Interim Injunction Against Shaadi.com for Misleading Advertisements

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On January 10, 2025, the Madras High Court delivered a significant judgment in the case of Matrimony.com Ltd versus People Interactive (I) Pvt. Ltd. (Shaadi.com), addressing the contentious issue of misleading advertisements in the online matrimony sector. The court's decision underscores the importance of protecting consumers from deceptive marketing practices and upholding the principles of fair trade and truthful advertising.

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Case Background

The case, O.A. No.389 of 2024, was filed by Matrimony.com Ltd, represented by its authorized signatory Mr. K. Krishnan, against People Interactive (I) Pvt. Ltd., the company behind Shaadi.com. Matrimony.com sought a permanent injunction against Shaadi.com for using misleading advertisements that violated the Code for Self-Regulation of Advertising Content in India, the Cable Television Networks Rules, 1994, and the Cable Television Networks (Regulation) Act, 1995.

Issues in Contention

The primary issues in contention were:

- Misleading Advertisements:** Matrimony.com alleged that Shaadi.com's advertisements, particularly the "30 day money back guarantee," were misleading and violated the regulatory standards.
- Unfair Trade Practices:** The applicant sought to restrain Shaadi.com from using slogans that were deceptive and exploitative, arguing that these practices were against the interests of consumers.

Arguments Advanced by Each Side

Applicant's Arguments: Matrimony.com contended that Shaadi.com's advertisements, particularly the "30 day money back guarantee," were misleading and violated the Code for Self-Regulation of Advertising Content in India. The applicant highlighted that they had filed multiple complaints with the Advertising Standards Council of India (ASCI), which upheld these complaints and directed Shaadi.com to modify or withdraw the advertisements. Despite these directions, Shaadi.com allegedly failed to comply, leading to further complaints and decisions by ASCI.

Respondent's Arguments: Shaadi.com argued that the decisions of ASCI were recommendatory and not binding, citing the Division Bench Judgment of the Delhi High Court in *Sameer Jain and another vs. Union of India and others* (W.P.(C) No.9823 of 2017). The respondent claimed that the terms and conditions of the "30 day money back guarantee" were clearly stated in their advertisements and website, and thus, the advertisement was not misleading.

Observations of the Court

The Madras High Court, presided over by Justice RMT. Teekaa Raman, made several key observations:

- Doctrine of Caveat Emptor and Caveat Venditor:** The court noted that the principle of "caveat emptor" (let the buyer beware) has been significantly diluted by the Consumer Protection Act, shifting some responsibility to the seller ("caveat venditor") to ensure that services meet legal requirements.
- ASCI's Role:** The court concurred with the Delhi High Court's view that ASCI is a recommendatory body and its decisions are not binding. However, the court emphasized that this does not absolve the respondent from the responsibility of ensuring that their advertisements are not misleading.
- Misleading Advertisements:** The court found that Shaadi.com's advertisements were highly misleading. The terms and conditions were not clearly displayed or communicated, making it difficult for the average consumer to understand them. The

court cited ASCI's findings that the "30 day money back guarantee" was likely to lead to widespread disappointment and was in contravention of the Code.

4. **Legal Obligation:** The court held that despite ASCI's non-binding recommendations, the respondent had a legal obligation not to mislead the public. The court cited the Cable Television Networks Rules, 1994, and the Code for Self-Regulation of Advertising Content in India.

Legal Provisions and Previous Case Laws Referred

1. **Cable Television Networks Rules, 1994:** These rules prohibit advertisements that violate the Code for Self-Regulation of Advertising Content in India.
2. **Code for Self-Regulation of Advertising Content in India:** This code sets standards for advertisements to be honest, truthful, decent, safe, and fair.
3. **Sameer Jain and another vs. Union of India and others (W.P.(C) No.9823 of 2017): Summary:** The Delhi High Court held that ASCI is a recommendatory body and its recommendations are not binding. **Relevance:** The court agreed with this view but emphasized that this does not absolve the respondent from the responsibility of ensuring truthful advertisements.

The court allowed the application and granted an interim injunction against the respondent. Shaadi.com was restrained from using the "30 day money back guarantee" in their advertisements until the final disposal of the suit.

The court held that Shaadi.com's advertisements were misleading and deceptive, violating the Cable Television Networks Rules, 1994, and the Code for Self-Regulation of Advertising Content in India. Despite ASCI's non-binding recommendations, the respondent had a legal obligation not to mislead the public. The court emphasized the need to protect the general public from deceptive advertising practices, even if the regulatory body's decisions are recommendatory.

Conclusion

The Madras High Court's order in Matrimony.com Ltd versus People Interactive (I) Pvt. Ltd. highlights the importance of protecting consumers from deceptive marketing practices. The court's judgment highlights the legal obligations of companies to ensure that their advertisements are truthful and not misleading, even if regulatory bodies like ASCI provide only recommendatory guidance. This case serves as a reminder to businesses of the importance of adhering to ethical advertising standards and the potential legal consequences of failing to do so.

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