



MOOT PROPOSITION

SYMBIOSIS LAW SCHOOL, HYDERABAD

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8TH NATIONAL MOOT COURT COMPETITION, 2024

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- 1. Daksh, a seventeen-year-old first-year law student recently moved back to his hometown with his parents to study law as a foreign citizen at the Sui Generis Law Institute, Avarna. Although his parents ensured that he attained British citizenship and lived his childhood in London, United Kingdom, his parents wanted to reconnect with their roots as well as his grandparents. Due to this reason, they wished to return to the Republic of Avarna. Closely attached to traditional beliefs and conservative values, Daksh's parents were glad to return to their homeland.
- 2. Daksh grew up watching liberal content and at an early stage of his teenage life was exposed to the idea of exploring one's gender as well as sexual identity, finding it intriguing. Contrary to his parents' mindset, Daksh did not identify with any particular gender or sex. During the Gender and Sexuality Law lecture in law school, Daksh happened to sit beside Aadit, with whom he immediately struck a deep conversation. Daksh and Aadit spoke about their mutual interests in art, music, and sports, and found that they had a lot in common. To stay in regular touch, upon their very first exchange, Daksh and Aadit exchanged their CoolConnect tags, and added each other's profiles.
- 3. CoolConnect was a new social media platform which had infectiously proliferated among almost all teenagers. The App had an attractive interface which could keep users scrolling endlessly, for hours on the platform, without stopping. On CoolConnect, users could share their daily experiences through images, videos as well as reels. Daksh incessantly texted with Aadit on CoolConnect. To entice Aadit, Daksh would also make routine purchases from a marketplace on the platform, through a fake identity card, posing to be 18 years of age. CoolConnect had a business model where it made its service available under two options:
 - i. free, with advertisements and promotional content, including that of financial services such as easy loans, and

- ii. through an ad-free, subscription-based model, which was ad free basis a payment of 20 Avarna coins, the equivalent of 25% of Daksh's monthly allowance (for reference, Daksh's allowance was comparable to the average allowance received by most social-media using children in Avarna). Daksh, still a teenager surviving on the allowance provided by his parents, opted for the free service, which seemed like an easy decision to make.
- 4. To promote and generate revenue out of the free version of its platform, CoolConnect specified in its privacy notice for the free users that CoolConnect will monitor the activities of all its users. Children could also use the CoolConnect platform with the help of verifiable parental consent, as required under Avarna's new data protection law. With respect to children, CoolConnect had a policy of not identifying a specific user as such, but to put them into specific categories as per their preferences and then display ads accordingly. Based on their preferences, CoolConnect enabled sellers on its platform to determine which category of users to send the specific advertisements to. For example, users who preferred content relating to makeup or who had made past purchases on CoolConnect's marketplace received advertisements relating to makeup. CoolConnect showed advertisements to users based on the broad groups that they belonged to. For example, users previously purchasing a particular product received the same ad subsequently.
- 5. CoolConnect also monetizes its free services by providing social media profile data of free users to its business partner, KrazyMoney, a lending service provider which offered instant loans to users. KrazyMoney was able to provide loans with the help of IKnowYourWorth, a credit scoring platform, and CoolConnect's business partner. Under CoolConnect's privacy notice for the free service option, users were required to allow access to the personal data that they shared with CoolConnect with IKnowYourWorth, to scrape through CoolConnect's social media profiles which were not set as restricted to the existing connections/close friends of users, in the privacy settings. CoolConnect provided the relevant information to IKnowYourWorth which in turn scraped the profiles of users which were visible to other CoolConnect users, basis social behaviour of users, clothing of users as well as hobbies and activities engaged by users, which helped the platform determine the credit worthiness of users through unconventional means, enabling access to credit to a larger section of the society.

- 6. Daksh had previously purchased certain gifts for Aadit from the money that he had taken from his parents for purchasing study materials. Daksh was also actively a part of several queer groups on CoolConnect. These groups were private to the users that formed the group. However, CoolConnect had access and visibility over such groups and their activities which it processed for training its algorithm, as well as to better offer services and products to its users. Daksh's parents found his usual and incessant requests for financial support suspicious, as these were far more than his peers. His parents were aware that he used CoolConnect since they had provided their verifiable parental consent for his use. So, when the Digital Personal Data Protection Act, 2023 was notified and enforced in Avarna, without telling Daksh, in order to find out more about what was going on, his parents submitted a 'right to access' request to CoolConnect in the capacity of data principals, soon after his eighteenth birthday. Upon further follow up and inquiries into the past purchases made by Daksh, his parents found access to sufficient information to indicate that he was engaging in same-sex relations. Shocked to find this out, Daksh's parents immediately disowned him, restricting his access to funds which were strictly meant for completing his studies, until he decided to become 'straight'.
- 7. In dire need of finances to survive law school, maintain his relationship and a vibrant social life, Daksh sought an instant loan from KrazyMoney. However, KrazyMoney declined to provide the loan. Daksh was surprised to receive a rejection from the lending platform, since he had decent cash flows. Daksh filed a right to access request under the DPDP Act with KrazyMoney which revealed that KrazyMoney was processing personal data provided to it by CoolConnect. Much to his surprise, he went back and reviewed CoolConnect's privacy notice to observe that one of the purposes specified in the privacy notice, for the free service, was to share data with its business partners for alternative credit scoring for financial purposes.

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8. Perceiving this as an invasion into his privacy, and upon the failure of CoolConnect to address his grievances, Daksh spoke to his law professor Professor Jhumpa Sen the Professor of Gender and Sexuality, Privacy Law as well as Constitutional Law in Sui Generis Institute. Professor Sen, a believer in 'live and let live' and a crusader for civil liberties, decided to aggressively pursue litigation through various fora. Professor Sen

was of the opinion that Daksh's fundamental right to privacy was being violated by the practices of CoolConnect, and its business partners; that

- i. His personal data was shared with his parents without his consent.
- ii. CoolConnect had forced users to accept a free service and slipped in terms which they were not even properly made aware of, i.e., the consent was not properly informed.
- iii. To access the service for free, users were forced to provide access to their social media data for alternative credit scoring by the platform's partner, and;
- iv. CoolConnect is responsible for protecting the right to privacy as a fundamental right even though it is a private entity, as the right to privacy can be affected/infringed by private players as well.
- 9. The PIL also sought compensation under Article 32 of the Constitution of Avarna, since compensation was unavailable under the DPDP Act. Further, Daksh filed a complaint with the Data Protection Board. CoolConnect, in response to the complaints, claimed that it had diligently specified the purposes for which the personal data of its users would be processed. It also claimed that there was nothing unlawful about its business practices; that users who paid for the service were not shown any ads and their data was not scraped for credit scoring purposes. In an interview, CEO Ramtas Toofan, who took pride in the platform stated, "users who want the service for free cannot have the cake and eat it too" and that their platform is not a charity.
- 10. The Data Protection Board of Avarna, the principal regulator under Avarna's Digital Personal Data Protection Act, 2023 ("DPDP Act") as well as the appellate authority upon further appeal rejected the contentions of the petitioner/claimant. Professor Sen had also independently filed a complaint with the Central Authority under the Consumer Protection Act, 2019 of Avarna, which was also rejected both at the first instance as well as on appeal by the National Commission. The hearings for appeals from these independent complaints/petitions are now before the Hon'ble Supreme Court of Avarna, being heard jointly along with a writ petition filed by Daksh under article 32 of the Avarnian Constitution filed given his constitutional law expertise.

The following issues are to be heard and finally decided by the Hon'ble Court:

- 1. Whether a writ petition against CoolConnect by or on behalf of Daksh, a foreign citizen, would be admissible under article 32 of the Avarnian Constitution?
- 2. Whether CoolConnect breached the provisions of DPDP Act?
- **3.** Whether CoolConnect's pay or consent model is an unfair trade practice under the Consumer Protection Act, 2019?
- **4.** Whether KrazyMoney breached the DPDP Act by not obtaining consent independently from or presenting a notice to CoolConnect users for processing their personal data, or whether KrazyMoney is merely a data processor acting on CoolConnect's behalf?

Laws of the Republic of Avarna are pari materia to the laws of the Republic of India.

