CHANDHIOK & MAHAJAN
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COMPETITION LAW

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WRIT COURTS

Delhi High Court upholds CCI's decision to allow builders' association to participate in a cartel investigation against grey cement manufacturers.

On 08 September 2026, the Delhi High Court (**DHC**) dismissed UltraTech Cement Limited's (**UltraTech**) challenge against the Competition Commission of India's (**CCI**) decision allowing the Builders' Association of India (**BAI**) to participate in an investigation against grey cement manufacturers (**GCMs**), finding no procedural unfairness. (Ultratech Cement Limited v. Competition Commission of India & Anr., LPA No. 8 of 2024)

Background

In July 2019, the CCI initiated an investigation against alleged price-fixing by GCMs. In December 2021, it rejected BAI's request to participate while the DG's investigation was pending. The DHC upheld this rejection, clarifying BAI could reapply after the Director General's (**DG**) investigation report (**DG Report**) was submitted. Following submission of the DG Report, the CCI accepted BAI's renewed request, and UltraTech challenged that approval before the DHC.

Key Findings of the DHC

- **BAI has substantial and obvious interest in the outcome**: The DHC upheld the CCI's rationale for allowing BAI to join, as BAI is the largest consumer and is directly affected by GCMs' alleged conduct.
- **Earlier rejection did not bar later approva**l: The CCI granting the second application was not a reversal of its prior ruling, but recognition that the proceeding had progressed to a new phase following completion of the DG's investigation.
- **No procedural unfairness**: The DHC rejected UltraTech's claim of denied notice, noting UltraTech knew of BAI's involvement since October 2022, when the CCI gave BAI access to the non-confidential DG Report. The impleadment order merely formalised this.
- **No direct prejudice to UltraTech**: Permitting BAI to review and submit comments on the DG Report is not a ruling against UltraTech but helps the CCI reach a well-informed conclusion.

C&M TAKE

The ruling reinforces the *in rem* nature of proceedings (i.e., not a personal dispute) under the Competition Act, 2002 (**Competition Act**) confirming the CCI's exclusive authority over third-party participation and that any party showing sufficient interest to assist the investigation will be granted standing at the appropriate stage.

CCI - KEY ENFORCEMENT UPDATES

CCI grants HP India and its resellers leniency in relation to rigging of government procurement bids for laptops, desktops and printing supplies

On 13 July 2026, the CCI published two separate rulings holding that employees of HP India Sales Private Limited (**HP India**) colluded with authorised resellers on Government e-Marketplace (**GeM**) tenders for personal computing devices (i.e., laptops and desktops) and printing consumables, respectively. The investigation was initiated based on HP India's voluntary disclosures under the leniency framework. Acknowledging the material disclosures and cooperation extended by HP India, the CCI granted it a substantial penalty reduction. (*Cartelisation amongst HP India and its resellers in the sale and supply of* (i) Personal System Products in India (Suo Moto Case No. 07 of 2020) and (ii) Supplies Products in India (Suo Moto Case No. 07 of 2020)).

Background

Leniency application: The 'Lesser Penalty' programme **(Leniency**) under the Competition Act, 2002 (**Competition Act**) allows entities/individuals to disclose cartel arrangements in exchange for reduced penalties. HP India self-reported under this framework, securing first marker status for itself and its employees, becoming eligible for up to a 100% penalty waiver.

Key Findings of the CCI

Based on HP India's submissions, emails and WhatsApp records on record, and statements recorded during the investigation, the CCI found the collusive conduct comprised the following:

- **Customer allocation:** Before GeM, specific HP-authorised resellers serviced particular government customers based on established relationships. GeM opened tenders to resellers nationally, so resellers sought to restrict other resellers from tenders floated by their existing customers.
- **MAF issuance as a control mechanism:** HP India's employees facilitated this by selectively issuing Manufacturer's Authorisation Forms (**MAFs**) to legacy resellers or their nominees, and by monitoring prices and discounts and acting against non-compliant resellers.
- **Cover bids:** Resellers sought HP India's support in arranging dummy bids at higher prices to meet minimum participation criteria and improve the pre-designated reseller's chances of winning.
- **Coordination among resellers:** Resellers also used emails and WhatsApp to coordinate bid pricing, cover bids and tender participation.

Penalties and remedies

After the leniency reduction, a combined penalty of INR 138 crore was imposed on HP India across both proceedings, along with penalties on its employees and most resellers involved. The CCI also issued a cease-and-desist order and directed competition law compliance training.

C&M TAKE

Problematic juxtaposition of penalty and leniency frameworks: The CCI weighed aggravating factors while determining the penalty percentage, without adequately balancing the mitigating factors specified in CCI's Penalty Guidelines, instead applying those mitigating factors to the leniency reduction percentage. This departs from the distinct criteria governing the CCI's discretion to grant a leniency reduction (covered separately in specific regulations applicable for leniency).

Conflating the two frameworks disregards their intended sequencing (penalty determined first, then leniency reduction applied) and undermines the leniency framework's independent operation.

Chilling effect on the Indian leniency regime: more concerning is the CCI's departure from its precedent of granting full immunity to the first-in applicant, particularly one that led to discovery of the conduct.

A penalty of roughly INR 138 crore after reduction will create significant uncertainty around the benefits of self-reporting, as applicants must now weigh legal costs and prolonged investigations against continuing risk of significant penalties. This is likely to have a chilling effect on voluntary disclosures and, ultimately, cartel detection in India.

C&M TAKE

CCI recalls its order initiating investigation against Google's real money gaming policies

On 8 September 2026, the CCI closed its inquiry into Google, recalling its earlier direction to investigate alleged abuse of dominance in Google's pilot allowing certain real money gaming apps (**RMGs**) on the Play Store (**RMG Pilot**). This is the first time the CCI has recalled an order initiating investigation. (Winzo Games Private Limited v. Google LLC and others, Case No. 42 of 2022)

Background

The CCI had initiated the investigation based on a complaint filed by Winzo Games Private Limited (**Winzo**) alleging that Google had abused its dominant position by (i) admitting only select RMG categories to its RMG Pilot, (ii) restricting ads to those select RMG categories, and (iii) displaying warnings when users paid Winzo via Google Pay.

Rather than face a full investigation, Google filed a commitment application offering remedies in exchange for closure of proceedings. After revisions based on CCI's feedback, Google's final offer committed to opening the Play Store and ads to all skill-based RMGs, which the CCI published for public comment.

Legislative change

While commitment proceedings were underway, the Promotion and Regulation of Online Gaming Act, 2025 came into force from 1 May 2026, which prohibits offering, distributing or advertising RMGs and facilitating payments for them, regardless of whether it is a game of skill or chance. This rendered the CCI's inquiry moot.

Google then revised its offer to fully close the RMG Pilot, and Winzo sought to withdraw its complaint.

Key Findings of the CCI

- **Elimination of the relevant market:** The new law made the relevant market itself unlawful, leaving no scope for discrimination claims within any lawful market.
- **No meaningful remedy survives:** Since the CCI's role is to restore competitive markets and protect consumers, continuing would achieve neither, so no meaningful relief survives.
- **No revision or withdrawal necessary:** Google's revised offer could not be executed as it assumed RMGs could be legally distributed in India. However, it observed that Winzo's withdrawal had no effect since the proceedings are *in rem* (that is, not a personal dispute).
- **Recall through inherent powers:** Given the supervening legislation and the lack of any meaningful purpose in continuing the inquiry, the CCI used its inherent powers to recall its direction to investigate Google's conduct.

The decision confirms that orders initiating investigation are administrative in nature and may be reviewed and recalled.

C&M TAKE

CCI exonerates tyre manufacturers J.K. Tyre and CEAT, but holds intermediaries liable for bid rigging in tyre procurement tender

On 21 August 2026, the CCI found that Rekha Agencies and SS Marketing, liaisoning representatives of J.K. Tyre & Industries Limited (**J.K. Tyre**) and CEAT Limited (**CEAT**) respectively (collectively, the **Intermediaries**), engaged in bid rigging under the Competition Act by exchanging pricing information ahead of a 2013 Himachal Pradesh tyre tender. The CCI exonerated the manufacturers, finding the intermediaries' conduct could not be attributed to them (State of Haryana v. J.K. Tyre & Industries Limited & Ors., Reference Case No. 01 of 2019).

Background

The case originated from a reference by the State of Haryana alleging cartelisation in a September 2018 online tender for steel radial tyres. The key facts are as follows:

- J.K. Tyre was alleged to be the sole bidder across three rounds, quoting prices 34–39% above approved rates, far exceeding the ~12.55% rise in raw material costs.
- The CCI directed the DG to investigate, who later expanded the scope to other major tyre manufacturers.
- The DG uncovered emails showing that the Intermediaries exchanged pricing details before a separate Himachal Road Transport Corporation tender, with figures matching the actual bids to the second decimal place in this tender.
- The DG concluded that J.K. Tyre, CEAT and their Intermediaries engaged in bid rigging in the Himachal Pradesh bid. No sufficient evidence was found against the other tyre manufacturers.

Key Findings of the CCI

- **No vicarious liability for unauthorised acts of intermediaries:** No direct communication or meeting of minds was found between the key managerial personnel of J.K. Tyre and CEAT. The Intermediaries acted independently, without authorisation, knowledge, or ratification by the manufacturers. Absent a principal-agent linkage for the impugned conduct, the manufacturers were exonerated.
- **Higher bid prices alone do not establish cartelisation:** Higher bid prices alone, without evidence of collusion, cannot prove bid rigging, as enterprises remain free to set bidding strategies independently.
- **Pre-bid exchange of sensitive pricing amounts to illegal bid rigging:** The Intermediaries' pre-bid exchange of identical pricing in the HP tender compromised the independence of the bidding process and harmed competition, regardless of J.K. Tyre and CEAT ultimately losing the tender.
- **Penalties and remedies:** Given the Intermediaries are small, first-time offenders, the CCI applied the standard penalty methodology (up to 10% of average turnover for the preceding three years) rather than the higher cartel penalty (up to 3x profit for the cartel's duration), imposing approx. INR 1.3 lakhs on Rekha Agencies, INR 2.1 lakhs on SS Marketing, and INR 6.4 lakhs on Shri Vidya Sagar Gadhok (Managing Director, Rekha Agencies), along with cease-and-desist orders.

CCI holds trade associations liable for orchestrating boycott of online agri-input platforms; imposes penalties on associations and office-bearers

On 21 August 2026, the CCI found that the Agro Input Dealers Association (**AIDA**) and Agro Input Welfare Association (**AIWA**) orchestrated an unlawful boycott of tech-enabled agri-input e-commerce platforms, limiting and controlling supply of services. The CCI also held four individual office-bearers personally liable for initiating, coordinating and enforcing the boycott. (Ulink Agritech Private Limited v. Agro Input Dealers Association & Others, Case No. 06 of 2023)

Background

Ulink Agritech (**AgroStar**), an agritech start-up filed a complaint alleging that AIDA and AIWA coordinated a boycott campaign, coercing seed and chemical manufacturers to stop supplying products to AgroStar and threatened physical partner stores (Saathi Stores) with commercial consequences if they did not sever ties. The DG's investigation found a 5 August 2022 letter from AIDA demanding manufacturers stop selling through online platforms and declare their position in writing, and found that AIDA's President and its Secretary (also AIWA's Coordinator) held commercial interests as dealers and seed producers for whom online platforms were an emerging competitive threat.

AIDA and AIWA argued they were not-for-profit welfare societies, not 'enterprises' under the Competition Act, and that their communications were legitimate regulatory advocacy.

Key Findings of the CCI

- **Trade associations are enterprises under the Competition Act:** The CCI reaffirmed that trade associations fall within the definition of 'enterprise', and not-for-profit status does not immunise them from antitrust scrutiny where collective decisions limit market supply or distribution.
- **Boycott went beyond legitimate advocacy:** The CCI distinguished legitimate government representations from anti-competitive coercion, noting (i) demands for written confirmations from seed and pesticide firms sought to dictate independent market players' strategies, and (ii) dealership cancellations, supply discontinuations and office-bearer admissions showed the boycott was actively implemented.
- **Individual liability of office-bearers:** The CCI rejected the defence that office-bearers acted solely in a representative capacity with due diligence. Mr. Manmohan C. Kalantri (President, AIDA) and Mr. Arvindbhai Jerambhai Patel (Secretary, AIDA / Coordinator, AIWA) were held liable as persons in charge of the associations' affairs. Mr. Pravinbhai Patel (General Secretary, AIDA) and Mr. Sanjay Kumar Raghuvanshi (National Spokesperson, AIDA) were held liable for their active role in drafting and disseminating coercive communications.
- **Penalties and remedies:** The CCI issued cease-and-desist orders against all contravening parties and, given the standard methodology (up to 10% of average turnover), reduced the rate to 5% considering cooperation and first-offence status. It also directed compliance training and a compliance report within sixty days, with penalties ranging between INR 0.09 lakhs and 4.99 lakhs across office-bearers and associations.

CCI finds fee-fixing cartel among Debenture Trustees but imposes no penalty

On 2 September 2026, the CCI found that the Trustees' Association of India (**TAI**) and member Debenture Trustees (**DTs**)- IDBI Trusteeship Services Limited (IDBI), Axis Trustee Services Limited (**Axis**) and SBI CAP Trustee Company Limited (**SBI**); collectively fixed benchmark fees for debenture trusteeship services in FY 2020-21 and 2021-22, amounting to price-fixing and limiting supply. No monetary penalty was imposed given mitigating factors, including TAI's nil income during the contravention period. (Muthoot Finance Limited v. Trustees' Association of India & Ors., Case No. 29 of 2021)

Background

Muthoot Finance, a listed NBFC, sought a fee quotation from IDBI for an INR 982 crore debenture issuance. IDBI quoted higher fees, attributing the increase to a pricing mechanism fixed by TAI, and warned by email that any deviation would bring adverse repercussions. Muthoot alleged TAI and its members had collectively fixed

fees under the pretext of a 2019 SEBI circular requiring DTs to disclose minimum fees. The DG's investigation found TAI had fixed a 'Benchmark Pricing' structure from 1 April 2021, requiring members not to price below it, with breaches to be '*dealt with suitably including initiation of appropriate action*'.

Key Findings of the CCI

- **Collective fee-fixing and supply restriction:** TAI fixed and monitored compliance with a minimum benchmark fee, pressuring non-member DTs to join or follow it. For instance, forcing non-member MITCON to withdraw a lower HUDCO bid and resubmit higher. The CCI held this reduced issuer choice, inflated costs and restricted supply.
- **Jurisdiction affirmed despite sectoral regulator:** The CCI rejected arguments that SEBI's sectoral authority ousted its jurisdiction, relying on *Competition Commission of India v. Bharti Airtel (Civil Appeal No. 11843 of 2018, Supreme Court)*. SEBI itself confirmed in a November 2023 letter that the CCI was the competent authority to decide this matter.
- **No abuse of dominant position:** With 26 registered DTs, no single entity was dominant, and the Competition Act does not recognise collective dominance.
- **Penalties and remedies:** The CCI directed all parties to cease and desist but imposed no monetary penalty, given TAI's nil income during the contravention period and member DTs' deviations from the Benchmark Pricing, while warning that recurrence would be treated as aggravated recidivism.

CCI closed a total of 14 complaints within the quarter

While most complaints were closed for lack of sufficient evidence, key legal principles arising from these closures are set out below:

- A bidder's high win rate and coincidental matching of product specifications in the tender alone are not sufficient to prove bid rigging. (Adv. Aditya Tripathi and another v. Godrej & Boyce Mfg. Co. Ltd. and others, Case No. 7 of 2025)
- A Clause restricting dealers from dealing in competition brands without consent does not amount to exclusive supply or refusal to deal if it is demonstrated that no dealers were actually blocked from taking other dealerships. (Rajeev Bakshi v. M/s Nissan Motor India Pvt. Ltd, Case No. 9 of 2026)
- Capping MRP with no floor price restrictions does not amount to resale price maintenance. (Rajeev Bakshi v. M/s Nissan Motor India Pvt. Ltd, Case No. 9 of 2026; Ms. Meher Mansi Tatineni and Hensel Electric India Private Limited, Case No. 8 of 2026)
- Termination clause having a bilateral 90-day notice clause requiring no stated reason is a standard freedom-of-contract term, not an anticompetitive practice. (Rajeev Bakshi v. M/s Nissan Motor India Pvt. Ltd. Case No. 9 of 2026)
- Safeguards such as having an independent probity auditor and board review were enough to ensure that related-party contracts were awarded on an arm's length basis. (Swami Kartik Sharma and Airports Authority of India, Ministry of Civil Aviation, Delhi International Airport Limited, Case No. 27 of 2025)
- Mere parallel or similar pricing in a market is not sufficient to establish collusion. (Goutam Mohanta v. Reliance Jio Infocom Limited and Others, Case No. 13 of 2026)
- A case of denial of market access, exclusive dealing or refusal to supply will not be made out if there were alternative suppliers and the party remained free to sell elsewhere. (XYZ v. Jindal Stainless Limited and Ors, Case No. 30 of 2025)

- Difference in online and in-restaurant prices are justified on account of the extra services provided in an online business model. Revealing additional fee progressively at checkout does not raise a competition concern as users retain the ability to abandon the order before payment is made. (R. Suresh v. Eternal Limited (formerly zomato Limited), Case No. 22 of 2026)
- A non-compete clause barring the distributor from selling competitors' products is generally permissible when intended to encourage brand specification. (Ms. Meher Mansi Tatineni and Hensel Electric India Private Limited, Case No. 8 of 2026)
- Delay in delivery is an operational/contractual matter between a buyer and seller with no inherent competition dimension. A one-off transactional or contractual advantage a seller has over a single paying customer who has already committed by booking does not equate to market dominance. (Mr. Rushab Aggarwal and Mercedes-Benz Financial Services India Pvt. Ltd, Mercedes-Benz India Pvt. Ltd, Global Star Auto LLP, Case No. 18 of 2026)
- A regulator's exercise of statutory regulatory powers, as opposed to commercial conduct, is not amenable to CCI scrutiny. (Advocate Ramkishan Saraswat and The Secretary Ministry of Electronics and Information Technology and Others, Case No. 26 of 2026)
- State funded welfare and policy measures influencing passenger choice does not in itself amount to unfair or discriminatory condition or exclusion. (Bipin T. Alappat, Jose and The State of Kerala, K.S.R.T.C., Case No. 27 of 2026)
- Demonstrable recovery of average variable costs throughout rebuts the claim of predatory pricing. (Damodar Valley Corporation and West Bengal State Electricity Distribution Company Limited, Case No. 13 of 2025)
- Agreements between enterprise and end consumer are excluded from the scope of inquiry of vertical restraints. A manufacturer may legitimately prescribe technical/consumable specifications tied to warranty coverage for safety, performance and reliability reasons, provided such conditions are disclosed. (Mrs. Bharti Sharma and Mahindra & Mahindra Ltd., Sri Durga Automobiles, Case No. 28 of 2026)

MERGER CONTROL UPDATES

COMBINATION TRACKER

	JULY	AUGUST	SEPTEMBER
Number of Approvals	6	6	10
Number of Notifications	8	5	2
Green Channel Approvals	1	1	0
Form I (excluding GC)	5	5	10
Form II	1	0	1
Approvals with Modifications	0	0	0
Invalid Notice / Notice Withdrawn	0	0	0
Gun Jumping	0	0	1
Exempt	0	0	1

CCI penalises Lloyds Metals for gun-jumping after corporate guarantee found to amount to prepayment of consideration

On 8 September 2026, the CCI imposed a penalty of INR 15 lakhs on Lloyds Metals and Energy Limited (**LMEL**) for breaching standstill obligations. The CCI found that LMEL gave effect to part of a transaction involving Thriveni Earthmovers and Infra Private Limited (**TEIL**) by issuing a corporate guarantee before merger approval, which functioned as prepayment of consideration. (Combination Registration No. C-2025/03/1254)

Background

- LMEL notified a combination involving: (i) LMEL subscribing to 79.82% of TEIL's equity; (ii) demerger of the mining development and operations (**MDO**) business from Thriveni Earthmovers Private Limited (**TEMPL**) into TEIL, with consideration as redeemable preference shares (**RPS**) payable after six years; and (iii) TEIL acquiring Lloyds Surya Private Limited. The CCI approved the combination on 13 May 2025.
- However, before receiving approval, LMEL had issued a corporate guarantee of INR 1,745 crore to Catalyst Trusteeship Limited, backing debentures issued by Mahaprabhu Projects Private Limited (**MPPL**), controlled by a TEMPL promoter, with TEMPL issuing an equal counter-guarantee releasable on approval. The debentures were issued and proceeds reached MPPL before CCI approval, prompting a show cause notice to LMEL.

Key Findings of the CCI

- **Corporate guarantee amounted to prepayment of consideration:** The CCI found the corporate guarantee to be neither inherent nor proportionate to the stated aim of securing deferred consideration. It took effect before closing, and the debenture proceeds meant consideration was not truly deferred, letting the MDO sellers receive funds immediately while LMEL locked in the valuation.
- **Counter-guarantee did not constitute an effective safeguard:** The CCI rejected LMEL's argument that the counter-guarantee neutralised risk, noting that prepayment may facilitate tacit collusion by reducing the target's incentive to compete independently, regardless of reversibility.
- **Existing cross-shareholdings irrelevant:** The CCI rejected LMEL's argument that existing Lloyds-Thriveni cross-shareholdings meant the arrangement didn't alter competitive dynamics, noting common shareholding doesn't imply a single economic entity, and that LMEL inconsistently argued the groups were closely linked while also treating MPPL as independent.

CCI invalidates Apollo Micro Systems' merger notification for failure to meet substantial business operations threshold

On 22 September 2026, the CCI invalidated Apollo Micro Systems Limited's (**AMS**) notification for its proposed acquisition of 41.33% of Premier Explosives Limited (Premier), finding Premier lacked substantial business operations (**SBO**) in India. (Combination Registration No. C-2026/08/1452)

This is the second such order in under a year, following the CCI's invalidation of Kedaara II Continuation Fund's notice for its stake acquisition in Lenskart Solutions Limited, finding the transaction to be an exempt intra-group restructuring.

AMS filed given that the transaction breached the INR 2,000 crore deal value threshold. However, Premier's FY 2025-26 turnover was below INR 500 crore, failing the SBO test; AMS acknowledged this, stating the notice was filed on a precautionary basis to ensure regulatory compliance.

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