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Competition Law

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Enforcement Trends

COMPETITION COMMISSION OF INDIA ("COMMISSION")

1. Commission orders an investigation into TASMAC's sale of beer in Tamil Nadu[1]

Information was filed against Tamil Nadu State Marketing Corporation Limited ("**TASMAC**") alleging contravention of Section 4 of the Competition Act, 2002 ("**Competition Act**"). TASMAC, is a wholly owned company of Tamil Nadu state government. It has an exclusive right to sell alcoholic products to consumers in Tamil Nadu. The informant purported that TASMAC shops sell only specific brands of beer, thereby excluding competing beer brands from the market.

Upon consideration of the information, at first, the Commission noted that TASMAC's activities are subject to the Commission's jurisdiction. The Commission, delineated the relevant market as the "market for procurement, marketing, distribution and sale of beer in the state of Tamil Nadu" given beer is not substitutable with other alcoholic beverages based on its manufacturing process, inputs, consumer preference, alcohol content etc. Moreover, given the different excise duty structure in each state, each state constituted a different relevant geographic market. It also concluded that TASMAC holds a dominant position by the virtue of Tamil Nadu Prohibition Act, 1937 that grants it exclusive rights to wholesale supply and retail sale of Indian Made Foreign Liquor ("**IMFL**").

The Commission observed that TASMAC's price list predominantly features beer from only three manufacturers, with popular brands often unavailable. The finding is corroborated by newspaper articles highlighting scarcity of well-known beer brands at TASMAC shops. The Commission also noted that the methodology adopted by TASMAC to place monthly orders for IMFL leads to re-stocking month on month not based on actual consumer demand but based on the previous month's sales. The brand and manufacturer wise procurement data substantiated that the share of certain brands was significantly high, and their market share had improved over time. In light of these observations, Commission was of the *prima facie* view that TASMAC appears to be abusing its dominant position by limiting market access to certain brands of beer in the state. Thus, it directed the Director General to initiate an investigation into TASMAC's practices.

2. Commission exonerates Microsoft from allegations of abuse of dominance for budling antivirus software with Windows OS[2]

An information was filed against Microsoft Corporation and Microsoft Corporation (India) Private Limited (collectively, "**Microsoft**"), alleging abuse of dominance in bundling and tying its antivirus software - Microsoft Defender with the Microsoft Windows Operating System ("**Windows OS**"). The Informant alleged that Microsoft Defender has been bundled and preinstalled since 2015 when Microsoft released the Windows 10 OS edition. It was alleged that third party antivirus apps struggle to compete effectively as only one default anti-virus app is allowed on Windows devices and being default is essential for an antivirus program's functionality. As per the Informant, third party app developers may get their software preinstalled through agreements but cannot have it pre-activated.

1. Chakra R Prabhakaran vs. Tamil Nadu State Marketing Corporation Limited, Case No. 2/2024.

The Informant alleged that third party antivirus developers face three key challenges in competing with Microsoft Defender: (i) they must sign the one-sided Antimalware API License and Listing Agreement to access Microsoft's Antimalware API which allows compatibility with Windows OS; (ii) they can only enter Windows OS via the Microsoft Store, sideloading or agreements with Original Equipment Manufacturers ("**OEMs**")[3] ; and (iii) the default antivirus app i.e., Microsoft Defender enjoys features such as real- time protection, background scanning, update notifications etc. which leaves third party apps at a disadvantage.

Microsoft was found to be *prima facie* dominant in the relevant market for licensable OS for desktops/laptops in India owing to its average market share of 70% during 2021-2024, reliance of top five computer manufacturers on Windows OS which collectively accounted for 85% of market share and presence across various segments of the computer system value chain through productivity software (e.g., Word, Excel PowerPoint and Outlook), hardware (e.g., Xbox consoles) and cloud services.

The Commission found that Microsoft does not compel users or OEMs to exclusively use Microsoft Defender. Users are free to install any third-party antivirus software, either through the internet or via the Microsoft Store, and can replace it with a non-Microsoft solution on Windows. Antivirus applications not registered through MVI program, can run parallel with Microsoft Defender, whereas for registered antivirus applications, Microsoft Defender will automatically disable its real-time protection functionality. In addition, it was found that OEMs are permitted to pre-install alternative third-party antivirus software on desktops and laptops running Windows OS. Moreover, it was noted that other OS providers, such as macOS and ChromeOS, also include built-in antivirus functionality in place. The Commission also noted that non-MVI antivirus developers are not restricted from distributing their applications on Windows and the same may be distributed through the Microsoft Store as well as direct downloads from websites. While non-MVI apps do not automatically disable Microsoft Defender, they can operate concurrently. Such apps undergo enhanced scrutiny to ensure that only legitimate software interacts with Microsoft Defender while maintaining user protection. The Commission held that Microsoft is allowed to pursue its legitimate interest by prescribing certain reasonable compatibility requirements.

Noting the sustained presence of leading cybersecurity firms in India such as Symantec, Norton, McAfee etc. and the fact that many developers of antivirus software routinely introduce new features and enhance their offerings, the Commission held that Microsoft's inclusion of Defender neither led to any market foreclosure nor stifled technical or scientific development. Further, no evidence suggested Microsoft extracted technologically privileged information from other antivirus software registered with it.

Accordingly, the Commission did not find Microsoft to be abusing its dominant position in contravention of the Competition Act.

2. XYZ And Microsoft Corporation, Microsoft Corporation (India) Private Limited, Case No. 03/2024.
3. Entering through Microsoft Store requires joining the Microsoft Virus Initiative ("MVI") program while sideloading is a complex process. MVI program requires developers to disclose substantial commercial and proprietary technological information which is then exploited by Microsoft under the guise of ensuring security and compatibility.

3. Commission dismisses allegations of abuse by Delhi International Airport Limited and GMR Airports Limited in operating Indira Gandhi International Airport[4]

An information was filed against Airports Authority of India[5] ("**AAI**"), Ministry of Civil Aviation ("**MoCA**")[6] , Delhi International Airport Limited ("**DIAL**"), GMR Airports Limited ("**GAL**")[7] and Fraport AG Frankfurt Airport Services Worldwide ("**Fraport AG**")[8] alleging abuse of dominance in the operation of the Indira Gandhi International Airport, Delhi ("**IGI**").

DIAL is a joint venture, formed as a consortium, between GAL, AAI and Fraport AG. GAL is a leading global company engaged in designing, constructing and operating worldclass sustainable airports. Fraport AG is a German transport company which operates the Frankfurt Airport and holds interests in the operation of several other airports around the world. GAL entered into an agreement with the Government of India through MoCA for development, construction, operation and maintenance of IGI in April 2006 for 30 years. The agreement is further extendable by another 30 years at the option of GAL.

It was submitted by the Informant that GAL, through DIAL, has the right to maintain, manage and operate IGI as per the Operation, Management and Development Agreement ("**OMDA**"). GAL enters into agreements to give space to business entities, hotels and business houses which are desirous of operating from the airport premises. As per OMDA, DIAL has the right to sub-contract third party entities for providing services such as parking and lounge services.

It was alleged that DIAL awarded tenders to companies in which GAL held interest, thereby monopolizing services at IGI. The management of parking services was awarded to Delhi Airport Parking Services Private Limited ("**DAPSL**") wherein GAL is one of the major stakeholders. Similarly, Encalm, was granted the right to manage lounges at IGI, and its shareholders held positions in the board of directors of GAL. Furthermore, it was purported that DIAL imposed unfair conditions or exorbitant charges including 13% fee in all its tender seeking services at IGI.

Upon perusal of the information, Commission observed that OMDA grants exclusive rights to DIAL to undertake non-aeronautical services such as management of airline lounges and vehicle parking services at the IGI. It includes the right to contract/ subcontract with third parties, as well as allows DIAL to hold shares in entities incorporated to perform these

4. Fight Against Corruption (NGO) and Other Vs. Airports Authority of India and Others, Case No. 12/2024.
5. AAI is a statutory body under the ownership of the MoCA, responsible for creating, upgrading, maintaining, and managing civil aviation infrastructure in India.
6. MoCA is the nodal ministry responsible for the formulation of national policies and programs for the development and regulation of civil aviation in India.
7. GAL is an airport platform company engaged in designing, constructing, and operating airports.
8. Fraport AG is a German transport company and holds interests in the operation of several other airports.

non-aeronautical services. Commission found that DIAL awarded tenders through a competitive bidding process, in compliance with the OMDA. Regarding allegations pertaining to parking services, the Commission found that DIAL carried out a competitive bidding process in which ten domestic and international entities participated and based on a technical and financial evaluation of the bids, a consortium of Greenwich and Tenaga was identified as the highest bidder. Greenwich and Tenaga, being the highest bidders in tender pertaining to parking services, incorporated special purpose vehicle ('SPV') i.e., DAPSL in accordance with the bid documents. Thereafter, DIAL opted to acquire 49.9% shareholding in DAPSL again in line with the bid requirements. On the other hand, Encalm, the provider of airport lounges services at IGI, was found to have no relation with DIAL or GAL. No shareholders of Encalm were found to hold any directorship in DIAL/GAL or vice versa. Furthermore, Commission found that 13% fee on tenders is a continuation of the charges previously levied by AAI, and the same is being levied uniformly on all the service providers with no further increase. Accordingly, the Commission dismissed the information.

4. Commission dismissed allegation of bid-rigging by Gokul Agro and Gokul Agri in tenders for supply of ration for Armed Forces[9]

Army Purchase Organisation ("**APO**") is responsible for the supply of ration items including tinned, packaged, dry ration and animal ration for the Armed Forces. In a reference to Commission, APO alleged bid-rigging in tenders invited by it for procurement of edible oil, by Gokul Agro Resources Ltd. ("**Gokul Agro**") and Gokul Agri International Ltd ("**Gokul Agri**") on account of being sister companies.

The Commission reiterated that mere commonality of ownership does not itself imply bid rigging in absence of material factors indicating manipulation of the bidding process. Further, the Commission observed that the Gujarat High Court, in 2015, had approved the scheme of de-merger of Gokul Refoils & Solvent Limited, Gokul Agro and Gokul Agri. The Commission observed that Gokul Agro and Gokul Agri appeared to be independent entities with no common directors.

The Commission observed, from the data furnished along with the reference for 15 occasions of bidding, that bidders other than Gokul Agro and Gokul Agri had also participated and won. It was found that in only 4 occasions out of 15, Gokul Agro or Gokul Agri emerged as the L1 bidders and the percentage difference between their bid ranged between 0.42% to 10.46%. On 7 occasions, the winner was another party. The Commission, noting that there is no evidence to indicate any collusion, dismissed the allegation.

5. Commission dismissed allegations of anti-competitive conduct in tender floated by PWD authority of Akola, Maharashtra for construction of Olympic standard swimming pool[10]

The director of Renaissance Aqua Sports (P) Ltd. ("**Informant**"), one of the bidders in the tender for construction of new Olympic standard pre-engineered swimming pool in Akola, Maharashtra floated by Public Works Division Akola, Maharashtra ("**PWDA**") filed an

9. ADGST (SM) Army Purchase Organisation and M/s Gokul Agro Resources Ltd., M/s Gokul Agri International Ltd., Case No. 03/2024.
10. Mr. Vinish Khanna And M/s A&T Europe SpA; M/s Myrtha Pools India Private Limited; Public Works Division Akola, Maharashtra, Case No. 15/2024.

information against PWDA, A&T Europe SpA ("**A&T**"), and Myrtha Pools India Private Limited ("**Myrtha**") for violating Section 3 and Section 4 of the Competition Act. A&T is an Italian company engaged in business of making stainless steel pools. It operates in India through its wholly owned subsidiary Myrtha.

Informant alleged that PWDA is abusing its dominant position by mandating bidders to purchase the technology and material for building the pool from A&T, rather than allowing free competition for the project. It was further alleged that only bidders that have a Memorandum of Understanding ("**MoU**") with A&T were selected irrespective of their experience and expertise. The Informant alleged that 3 bidders participated in the bidding process and the Informant's company was disqualified for not having an MoU with A&T.

The Commission observed that although PWDA is a government department, it is interfacing with the market by inviting tenders and hence it is an enterprise under the Competition Act. Thereafter, the Commission delineated the relevant market as the "market for procurement of services for construction of swimming pools in India". However, the Commission concluded that PWDA is not dominant in the relevant market as it is not the sole procurer of such services. State PWD and private entities like hotels, clubs, housing societies etc. also undertake such projects on need basis.

On the issue of anti-competitive practices, Commission found that PWDA had evaluated various technologies prior to concluding that pre-engineered technology, such as that provided by Myrtha, was the most suitable for the project. The Commission found that PWDA allowed all bidders with the required specifications and technology to participate in the tender. Moreover, the Commission noted that the Informant's company was disqualified on grounds unrelated to the requirement of purchase from A&T. In light of these findings, the Commission concluded that there was no violation of the Competition Act.

6. Commission dismissed allegations against Navodaya Vidyalaya Samiti and RailTel of anti-competitive conduct in Prime Minister Schools for Rising India scheme[11]

An information was filed against Navodaya Vidyalaya Samiti ("**NVS**") and RailTel Corporation of India Ltd. ("**RailTel**") alleging anti-competitive behaviour in a tender issued in pursuance of the Prime Minister Schools for Rising India scheme ("**PM SHRI scheme**"). NVS is an autonomous body under the Ministry of Education engaged in furthering the scheme through establishment of Jawahar Navodaya Vidyalaya ("**JNV**") schools across India. RailTel is a Mini Ratna Category-I Public Sector Undertaking, engaged in the business of telecom infrastructures.
NVS had appointed RailTel as the Project Management Consultant ("**PMC**") for supply and implementation of integrated infrastructure & IT solutions in JNV schools, and accordingly, issued a work order to RailTel. Pursuant to the work order, RailTel floated a tender for selection of a partner for supply and implementation of integrated infrastructure and IT solutions at multiple locations. Informant alleged that NVS abused its dominant position in appointing RailTel without providing any reasonable justifications and overlooking absence of prior experience in relation to the PM SHRI Scheme. Further, Informant alleged that RailTel

11. XYZ Vs. Navodaya Vidyalaya Samiti and Other, Case No. 25/2024.

abused its dominant position by issuing a request for proposal ("**RFP**") containing arbitrary technical qualifications without due regard to industry standards resulting in disqualification of many potential bidders. These terms pertained to minimum qualifying turnover of over INR 450 crores and mandatory Capability Maturity Model Integration ("**CMMI**") Certificate, non-disclosure of locations where the work is to be carried out, broad scope of work etc. In addition, the informant alleged that there was a tacit agreement between NVS and RailTel in awarding the tender.

At the outset, the Commission noted that the Informant had not provided any evidence to show that there was any bid rigging in the tender or any tacit agreement between NVS and RailTel in the award of the tender. As regards the allegations against NVS, Commission was of the view that mere selection or non-selection of an agency as PMC cannot be said to be abusive in absence of any supporting evidence. Further, the Commission observed that a procurer (in this case, RailTel) must have freedom to exercise its choice freely in the procurement of goods and services and while exercising such choice they may stipulate standards for procurement and the same ispo facto cannot be held anti-competitive. Accordingly, the Commission did not find any *prima facie* case of violation of the Competition Act by either NVS or RailTel.

NATIONAL COMPANY LAW APPELLATE TRIBUNAL ("NCLAT")

1. NCLAT reduces the penalty imposed by CCI on Google by 77% and partially sets aside the findings[12]

The NCLAT has partially upheld Google's appeal against the Commission's order of October 2022 which found Google to be abusing its dominant position with respect to its Play Store policies.

Commission had found that Google's Play Store policies required app developers to exclusively and mandatorily use only Google Play's Billing System ("**GPBS**") for receiving payments for apps distributed through the Google Play Store and for certain in-app purchases. This mandatory imposition was found to have been limiting technical development in the market for in-app payment processing services as well as causing denial of market access for payment aggregators and app developers. Further, it was observed that Google followed discriminatory practices by not using GPBS for its own app i.e., YouTube. While third party apps listed on the Play Store were mandatorily required to use GBPS and pay a service fee of 15/30% to Google, Google engaged a different payment processer for YouTube which entailed a service fee of 2.3%. Google was found to have been leveraging its dominant position in the market for licensable mobile Operating System ("**OS**") and app stores for Android OS (Play Store), to protect its position in the market for Unified Payments Interface ("**UPI**") enabled digital payment apps. It was found that due to Google's dominance, Google was able to give itself 15-45 days for settling payments with app developers, while as per industry practice, it only takes 3 days. Lastly, it was found that Google integrated its own UPI app i.e., GPay with a superior intent flow technology as opposed to its rivals which were

12. Alphabet Inc & Ors. vs. Competition Commission of India and Anr, Competition Appeal AT No. 04 of 2023.

integrated with collect flow technology[13]. Resultantly, Commission had imposed a monetary penalty of INR 936.44 crore (~USD 109 million) on Google in addition to remedial directions and a cease-and-desist order.

The NCLAT, in its judgement, has clarified the legal standards for an effects-based analysis under Section 4 of the Competition Act. It has held that in an effects analysis, both conduct leading to actual harm and conduct that is capable of causing such harm may be looked into.

NCLAT held that Commission's finding on mandatory imposition of GPBS and leveraging was based on material available on record and upheld these findings.

However, as regards the finding that Google is discriminating by not applying GPBS and service fee of 15-30% on YouTube, it was observed by the NCLAT that YouTube is Google's own app, and the revenue of YouTube is the revenue of Google. The NCLAT held that not claiming fee of 15-30% on its own app cannot be said to be a discriminatory condition and set aside the Commissions' finding. Further, noting that payments with respect to Google Play by GPBS amounted to less than 1% of the wider digital payment ecosystem in India and that more than 99% market is open for other payment processors, it was held that Google's conduct of requiring app developers to use GPBS for apps hosted on the Play Store cannot be said to be resulting in denial of market access to payment aggregators. Moreover, it was held that when 99% of the market of payment through UPI was open and available, it cannot be held that Google has limited technical or scientific development by requiring app developers to use GPBS.

Lastly, NCLAT observed that the Commission had imposed penalty on Google's entire business operations in India instead of imposing penalty on the relevant turnover and modified the penalty amount to INR 216.69 crore (USD 29.89 million) from INR 936.44 crore (~USD 109 million).

Merger Control

1. Commission penalises Matrix Pharma for gun-jumping[14]

Matrix Pharma Private Limited ("**Matrix Pharma**"), a subsidiary of Mudhra Labs Private Limited ("**Mudhra Labs**"), filed a Form I notice seeking approval for its acquisition of Tianish Laboratories Private Limited ("**Tianish**"). Mudhra Labs is a subsidiary of Mudhra Lifesciences Private Limited ("**Mudhra Lifesciences**") and an affiliate of Mudhra Pharmacorp LLP ("**Mudhra Pharmacorp**"). Mr. Venkata Pranav Reddy Gunupati ("**Mr. Pranav**") is the ultimate

13. Intent flow technology is far superior and user friendly than collect flow technology, with intent flow offering significant advantages to both customers and merchants. The customers need not remember or enter their lengthy, alphanumerical VPA; don't have to switch to push/SMS notifications; don't have to shuffle between three apps/services (merchant app, SMS, UPI app) to complete a transaction. Success rate with the intent flow methodology is higher.
14. 1. Matrix Pharma Private Limited 2. Mudhra Labs Private Limited 3. Mudhra Lifesciences Private Limited 4. Mudhra Pharmacorp LLP. 5. Kotak Strategic Situations India Fund II 6. Kotak Alternate Asset Managers Limited and Other C-2024/04/1139.

owner and person in control of the Matrix Holding Group[15] . In February 2024, the Commission approved the acquisition of Tianish by Matrix Pharma. The approval also covered the investment received by Matrix Pharma from Kotak Strategic Situations India Fund II and Kotak Alternate Asset Managers Limited (collectively, "**Investors**") to fund the acquisition. However, subsequent to the approval, the structure of the transaction changed, and a fresh notice was filed.

As per the new structure, the Investors subscribed to optionally convertible debentures ("**OCD**") of Mudhra Labs instead of Matrix Pharma. Additionally, further funding was secured from (i) Kingsman Wealth Fund PCC Aurisse Special Opportunities Fund's ("**Kingsman**") subscription of compulsorily convertible preference shares ("**CCPS**") of Mudhra Lifesciences, and (ii) Mudhra Lifesciences[16] and Mudhra Pharmacorp's[17] respective investment in Mudhra Labs. Matrix Pharma utilised the proceeds of these investments, routed through Mudhra Labs, to acquire Tianish. These transactions altered the shareholding and control structure of Matrix Pharma. Previously, Matrix Pharma was directly owned and controlled by Mr. Pranav (99.26% shareholding) and his wife, Mrs. Swati Reddy Gunupati ("**Mrs. Gunupati**"). Post the alteration, Mrs. Gunupati no longer held any shares, and Pranav only has indirect shareholding[18] .

Upon consideration of the facts, the Commission opined that as these aforementioned transactions were for the purpose of funding Tianish's acquisition, they were interconnected. Therefore, Matrix Pharma should have filed a single notice covering all these interconnected steps before the Commission prior to consummation. Additionally, it noted that there were significant changes in the ownership of Matrix Pharma. The original notice did not address the competition implications of these changes.

Matrix Pharma argued that steps carried out before the filing of the notice were due to the commercial exigency caused by the demerger of the API business from Mylan India (Tianish's parent company). Tianish plays a critical role in the supply of AIDS drugs, and therefore, the steps were taken in good faith, under the assumption that the transaction had already been approved by the Commission and no new overlap is identified. It also claimed that the subsequent changes in its structure were not substantial, as there was no material change in the ultimate ownership.

The Commission rejected Matrix Pharma's submissions. The Commission emphasized that the change in the transaction structure should have been notified prior to execution. The mandatory notification requirement applied irrespective of whether the transaction would have an Appreciable Adverse Effect on Competition ("**AAEC**") in India. As a result, the Commission imposed a penalty of INR 5 lakh on Matrix Pharma.

15. Matrix Pharma, and its holding entities, namely, Mudhra Labs, Mudhra Lifesciences, and Mudhra Pharmacorp, together constitute the Matrix Holding Group.
16. Mudhra Lifesciences invested in Mudhra Labs by subscribing to equity shares (44.23% on a fully diluted basis) and CCPS (30.33% on a fully diluted basis).
17. Mudhra Pharmacorp subscribed to 25.44% equity shares of Mudhra Labs.
18. Mudhra Labs holds 100% equity shareholding in Matrix Pharma. Mudhra Lifesciences owns 74.56% (on a fully diluted basis) of Mudhra Labs and Mudhra Pharmacorp holds the remaining equity in it. Mr. Pranav holds 100% equity shareholding of Mudhra Lifesciences, and Kingsman holds CCPS (amounting to 42.75% of the post-conversion equity share capital on a fully diluted basis). In Mudhra Pharmacorp, Govipri Infra LLP and Sujatha Ravuri are partners along with Pranav.

Regarding the third-party investments, the Commission noted that the Kingsman funding was completed only after receiving green channel approval from the Commission. Furthermore, no steps have been taken to complete the investment by the Investors, and the same was awaiting Commission's approval. As a result, the Commission found that Kingsman and the Investors had not violated Section 43A of the Competition Act.

2. Commission approves Raj Petro's acquisition by Shell[19]

Shell Deutschland GmbH and Shell Overseas Investments B.V. ("**Shell Overseas**"), subsidiaries of Shell Plc (collectively, "**Shell Group**"), acquired 100% shareholding in Raj Petro Specialities Private Limited ("**Raj Petro**") from Brenntag (Holding) B.V., ("**Brenntag (Holding)**") and Brenntag Ingredients (India) Private Limited (collectively "**Brenntag Entities**"). Shell Overseas also acquired external commercial borrowing availed by Raj Petro from Brenntag SE, a group entity of Brenntag (Holding).

Commission observed that Shell Group and Raj Petro exhibited horizontal overlaps with regard to lubricants across different segments[20] . However, the combined market share for most of the overlapping products was found in the ranges of [0-5]% or [5-10]%; and for a few [10-15]% or [15- 20]%; with incremental market shares being in ranges of [0-5]% only. It also noted that vertical interface exists between Shell Group's manufacturing of base oil and Raj Petro's manufacturing of different types of lubricants. But the market share of Shell Group for base oil is only in the range of [0-5]%. In light of the miniscule overlaps, the Commission opined that the acquisition is not likely to have AAEC in India[21].

3. Commission approves acquisition of stakes in BW Coal Mine by NS Blackwater and JFE Steel[22]

NS Blackwater Pty Limited ("**NS Blackwater**") and JFE Steel Australia (BW) Pty Ltd ("**JFE**") acquired 20% and 10% interests in Blackwater coal mine ("**BW coal mine**"), an open-cut mine in Queensland, Australia, respectively. NS Blackwater and JFE are indirect wholly owned subsidiary of Nippon Steel Corporation[23] ("**Nippon Group**") and JFE Steel Corporation[24] ("**JFE Group**") respectively.

Commission observed that Nippon Group and JFE Group exhibit a miniscule horizontal overlap in the range of [0-5]% and [5-10]%, respectively with BW Coal Mines in the market for sale of coal (including the sub – segment of coking coal) in India. Further, an insignificant vertical linkage was found between BW Coal Mine's market for sale of coking coal (upstream) with market share in the range of [0-5]% and Nippon Group and JFE Group's market for sale of finished steel in India (downstream) with market share in the range of [5-10]% and

19. C-2025/01/1227 1. Shell Deutschland GmbH 2. Shell Overseas Investments.
20. Viz., Industrial, Commercial and Consumer; and other products such as automotive grease, gear oil, heavy duty diesel engine oil (off-highway), heavy duty diesel engine oil (on-highway), hydraulic Oil, industrial grease, transformer oil and coolants.
21. For full disclosure, Lakshmikumaran & Sridharan Attorneys represented Raj Petro in this transaction.
22. C-2024/12/1222 1.Nippon Steel Corporation 2. NS Blackwater Pty Limited 3. Steel Corporation 4 JFE Steel Australia (BW) Pty Ltd.
23. NS Blackwater is a wholly owned subsidiary of Nippon Steel Australia Pty Ltd., which, in turn, is a wholly owned subsidiary of Nippon Steel Corporation. As such, Nippon Steel is the holding company of NS Blackwater and ultimate parent entity of the Nippon Steel Group.
24. JFE Steel Corporation is ultimately owned by JFE Holdings, which is the ultimate parent entity of the JFE Group.

[15-20]%, respectively on the basis of production/shipment. In light of the above facts, Commission opined the transaction is not likely to cause AAEC, especially in presence of significant competitors.

4. Commission approves Tata Electronics 80% stake in Pegatron[25]

Tata Electronics Private Limited ("**Tata Electronics**"), engaged in the manufacturing of high-precision components like smartphone enclosures[26] has secured the Commission's approval in acquiring 80% equity share capital of Pegatron Technology India Private Limited ("**Pegatron**") in two tranches. Pegatron is involved in the provision of electronic manufacturing services ("**EMS**") for smartphones. In the first tranche, Tata Electronics will acquire 60% of the equity shares of Pegatron by way of share subscription. At or around this time, TEL Components Private Limited ("**TEL**"), a wholly owned subsidiary of Tata Electronics will transfer its business undertaking to Pegatron. Thereafter, Tata Electronics will infuse additional equity into Pegatron and/or undertake secondary acquisition such that Tata Electronics' shareholding will be 80% of the equity shares of Pegatron.

There are horizontal overlaps between the Tata Electronics and Pegatron in the market for the provision of EMS for smartphones in India. Further, a potential vertical overlap was found in the upstream market of manufacture and supply of smartphone enclosures in India (Tata Electronics) and the downstream market for the provision of EMS for smartphones in India (Pegatron). However, the Commission decided to leave the delineation of the relevant market open.

The Commission noted that the combined market share of Tata Electronics (including its subsidiaries) and Pegatron in the market of EMS for smartphones in terms of installed capacity, production, and in-India shipments were insignificant and in the range of 5-10%, 10-15% and 0-5% respectively. Similarly, as regards the vertical overlap, it was found that market share of Tata Electronics in the upstream market of manufacture and supply of smartphones enclosures and Pegatron in the downstream market of EMS for smartphones were insignificant to cause any AAEC in India.

5. Commission approves amalgamation in the animal healthcare sector[27]

Sequent Research Limited[28] , Viyash Life Sciences Private Limited[29] , Symed Labs Limited[30] , Appcure Labs Private Limited[31] , Vindhya Pharma (India) Private Limited[32] , Vandana Life Sciences Private Limited[33] , S.V. Labs Private Limited[34], Vindhya Organics Private Limited[35] ,

25. C-2024/11/1208 Tata Electronics Private Limited.
26. The frame of the phone on which other components/sub-assembles of a smartphone are assembled.
27. C-2024/12/1218 1. Sequent Scientific Ltd 2. Sequent Research Ltd 3. Viyash Life Sciences Pvt Ltd 4. Symed Labs Ltd 5. Appcure Labs Pvt Ltd 6. Vindhya Pharma (India) Pvt Ltd 7. Vandana Life Sciences Pvt Ltd 8. S.V. Labs Pvt Ltd 9. Vindhya Organics Pvt Ltd & Other.
28. Provider of analytical and testing services to the global pharmaceutical industry.
29. Engaged in development, manufacture and sale of APIs and intermediates for human healthcare.
30. Engaged in the manufacture and sale of APIs catering to a wide range of therapeutic areas.
31. Wholly owned subsidiary of Viyash.
32. Engaged in retail export and supply of intermediates.
33. Wholly owned subsidiary of Viyash but ceased all its business operations in October 2022.
34. Engaged in the production of various chemical products and is a manufacturer of bulk intermediates.
35. Engaged in development, manufacture and marketing APIs for human healthcare.

and Geninn Life Sciences Private Limited[36] engaged in a series of inter-connected steps to amalgamate with Sequent Scientific Limited, an animal healthcare company as the ultimate surviving entity. Commission found minuscule horizontal overlap in the active pharmaceutical ingredient sale market and contract development and manufacturing organization market. Similarly, it found insignificant vertical overlaps in various markets such as the upstream market for phentermine hydrochloride and downstream market for phentermine related formulations etc. In light of these facts, Commission opined the transaction is not likely to cause AAEC.

Legislative Development

Commission introduces Competition Commission of India (Manner of Recovery of Monetary Penalty) Regulations, 2025

With the objective of streamlining the procedures in relation to recovery of monetary penalty, the Competition Commission of India (Manner of Recovery of Monetary Penalty) Regulations, 2025 ("**Recovery Regulations, 2025**") was notified on 27 February 2025. The Recovery Regulations, 2025 repeal the Competition Commission of India (Manner of Recovery of Monetary Penalty) Regulations, 2011 ("**Erstwhile Recovery Regulations**"). Key features of Recovery Regulations 2025 are:

- *Expansion of Scope of Application:* In addition to an enterprise, Recovery Regulations 2025 include within its scope 'person' from whom any penalty is to be recovered as well as the 'legal heir' of such deceased person (wherever applicable). The liability of a legal heir is limited to the estate of the deceased bestowed upon it.

- *Demand Notice:* Demand notice for recovery of monetary penalty will be issued along with the order imposing penalty passed by the Commission. Enterprise/person will have at least 60 days from the date of receipt of the demand notice to deposit the penalty. Previously, the demand notice was issued after expiry of the time period specified in the order of imposition of penalty by the Commission.

- *Payment in instalments:* Commission may allow extension of time for payment or allow payment by instalments on an application filed before the expiry of the period mentioned in the demand notice for payment.

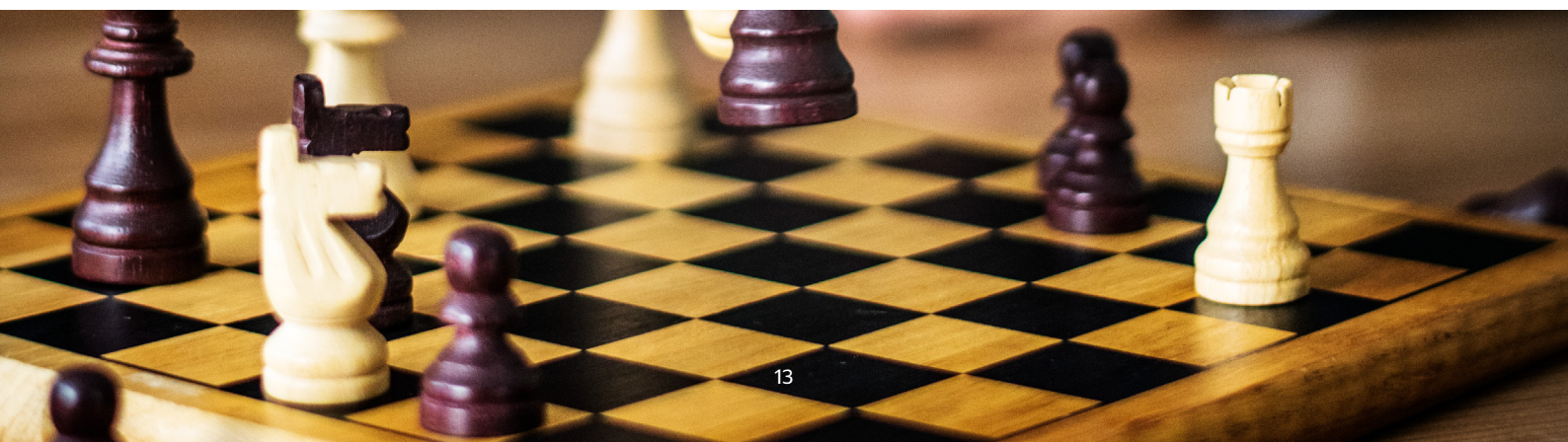
- *Interest on default:* If an enterprise/person fails to pay the penalty within stipulated time, they will be liable to pay simple interest at 1% on the outstanding amount for every month or part of the month. The liability to pay interest will commence from the day after the expiry of the period mentioned in the demand notice period and ends on the day the penalty is paid. The Erstwhile Recovery Regulations provided for an interest rate of 1.5%.

- *Simultaneous Recovery Proceedings:* A recovery certificate is issued when a party fails to deposit the penalty within the time specified under the demand notice. The recovery certificate, executed by the recovery officer, provides 15 days' time to deposit the

36. It has a wholly owned subsidiary, Vindhya Organics, engaged in the business of development, manufacture and marketing APIs for human healthcare.

outstanding penalty and interest, after which alternative recovery methods are employed. Recovery Regulations, 2025 clarify that recovery through attachment and sale of movable/immovable property of enterprise/person concerned can take place simultaneously along with the other modes of recovery employed by the recovery officer.

- *Reference to Income Tax Authorities:* Commission may make a reference to income tax authorities for recovery of the penalty after recording reasons in writing. Recovery proceedings by the Commission will stand sine die deferred if the income-tax authority initiates recovery action under the Income Tax Act, 1961.



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