



ECONOMIC  
LAWS  
PRACTICE  
ADVOCATES & SOLICITORS

# MARKET MATTERS – ANTITRUST BRIEF MAY 2026



# CONTENTS

I. THE SUPREME COURT SETS ASIDE THE NCLAT JUDGMENT UPHOLDING CCI'S SUSPENSION OF ITS APPROVAL OF AMAZON'S ACQUISITION IN FUTURE COUPONS. ....	2
II. THE CCI INITIATES AN INVESTIGATION INTO PERNOD RICARD AND LIQUOR RETAILERS FOR ALLEGED ANTI-COMPETITIVE BEHAVIOUR. ....	3
III. THE CCI PENALIZES MANIPAL HEALTH SYSTEMS AND MANIPAL EDUCATION & MEDICAL GROUP FOR DELAYED NOTIFICATION OF ACQUISITION IN AAKASH. ....	5
IV. THE CCI CLOSES ABUSE OF DOMINANCE ALLEGATIONS AGAINST CERTAIN DELHI HOSPITALS INCLUDING MAX, FORTIS, SIR GANGARAM, AND ST. STEPHENS. ....	6
V. THE NCLAT SETS ASIDE AN ORDER AGAINST GRASIM AND REMANDS THE MATTER TO THE CCI. ....	8
VI. THE NCLAT UPHOLDS THE CCI'S DISMISSAL OF ABUSE OF DOMINANCE ALLEGATIONS AGAINST KERALA STATE BEVERAGES CORPORATION. ....	9
VII. IN THE NEWS .....	11
VIII. STATISTICS .....	12

## I. THE SUPREME COURT SETS ASIDE THE NCLAT JUDGMENT UPHOLDING THE CCI'S SUSPENSION OF ITS APPROVAL OF AMAZON'S ACQUISITION IN FUTURE COUPONS.

On May 27, 2026, the Supreme Court set aside the National Company Law Appellate Tribunal's (**NCLAT's**) judgment dated June 13, 2022 (**NCLAT Judgement**), which had upheld the Competition Commission of India's (**CCI's**) order dated December 17, 2021 (**CCI Order**), putting in abeyance its November 2019 approval for a proposed investment by Amazon.com NV Investment Holdings LLC (**Amazon**) into Future Coupons Private Limited (**Future Coupons**). Through the CCI Order, Amazon was also directed to notify the CCI afresh and a penalty of ~INR 2 billion (~USD 21 million) was imposed on Amazon. The NCLAT had upheld the CCI's directions but reduced the penalty imposed on Amazon by INR 10 million (~USD 100 thousand). The Supreme Court has also directed any penalty amounts already deposited by Amazon to be refunded with applicable interest.

### Background.

---

In September 2019, Amazon had notified the CCI regarding its proposed investment into Future Coupons Private Limited (**Future Coupons**), which would include: (i) issuance of 9,183,754 class A voting equity shares of FCPL to Future Corporate Resources Private Limited (**FCRPL**); (ii) transfer of 13,666,287 shares of Future Retail Limited (**Future Retail**) from FCRPL to Future Coupons, representing 2.52% of FRL's share capital; and (iii) Amazon's acquisition, through a preferential allotment, of 49% of Future Coupon's share capital (together, the '**Transaction**'). Amazon had also stated that the shareholders agreement between Amazon and Future Coupons (**FCPL SHA**), would include rights such as a requirement for Amazon's consent before Future Coupons decides on any matter requiring its consent under the shareholders agreement between Future Coupons and Future Retail (**FRL SHA**), even though Amazon would not have any direct shareholding in Future Retail.

The CCI approved the Transaction through its order dated November 28, 2019 (**Approval Order**). Subsequently, in March 2021, Future Coupons sought initiation of proceedings before the CCI on the correctness of disclosures made by Amazon in notifying the Transaction. On June 4, 2021, the CCI issued a show cause notice (**SCN**) to Amazon and through the CCI Order, noted that Amazon's disclosures did not enable a proper evaluation of the Transaction, since it was portrayed as a limited investment into Future Coupons.

### Supreme Court's findings.

---

- **Amazon had not failed to notify the inter-connected arrangements of the Transaction to the CCI.** The Supreme Court noted the obligation to provide all interconnected steps and arrangements in single notice to the CCI, explaining the substance of the entire arrangement. The Supreme Court noted that copies of the FRL SHA along with the rationale for Amazon's rights were provided to the CCI and the FRL-related aspects were examined prior to the CCI granting its approval. The Supreme Court held that if connected arrangements have been provided to the CCI, any flaws in their presentation or labelling cannot subsequently be categorized as a "*non-notification*".
- **Amazon had not failed to notify the complete Transaction to the CCI.** The Supreme Court noted that once the CCI has been notified and has granted its approval, a penalty for "*non-notification*" could not have been imposed for how the material 'ought' to have been disclosed. The Supreme Court observed that Amazon had placed both the FRL SHA and the Business Commercial Agreements on record, and the CCI proceeded to approve the Transaction

without treating the filing as partial or fragmented notification. The Supreme Court held that a disagreement on the characterization of interconnected arrangements cannot convert an approved notification into a failure to notify the CCI and *only* a failure to notify an interconnected arrangement can attract a penalty for “*non-notification*”.

- **Amazon had not made any false statement, material omission, or willful oppression in notifying the CCI.** The Supreme Court noted that while internal communications may provide context, the executed transaction structure is relevant for the CCI’s review. The Supreme Court observed that the CCI had relied on Amazon’s internal communications to demonstrate that the Transaction was a strategic arrangement involving FRL and not merely an investment in FCPL, as put forth in the CCI notification. The Supreme Court noted that the fact that these internal communications pre-dated binding transaction documents demonstrate that these could not substitute the CCI’s statutory inquiry into the combination notice. The Supreme Court held that when the CCI has approved a transaction, it is not appropriate to impose a penalty for material omission, false statement or willful oppression, unless the omitted material affected the CCI’s review.
- **The CCI did not have the jurisdiction to re-examine a transaction after a year of its approval.** The Supreme Court noted that there is a limitation under the Competition Act, 2002 (**Competition Act**) preventing the CCI from inquiring into a combination upon expiry of one year from its approval. Once this limitation expires, the CCI may initiate penal proceedings for misstatements but is barred from re-reviewing the transaction through directions such as approval abeyance or compelling re-notification. The Supreme Court also noted that for an exercise of this narrow recall power by the CCI, a material omission or false statement must be shown, and even then, the recall power will remain subject to the limitation period.
- **The CCI did not have the power to put its approval in abeyance or direct a re-notification.** The Supreme Court further noted that the CCI has the power to pass ancillary directions in case of contraventions concerning failure to provide information, but this power cannot be expanded to put granted approvals in abeyance. The Supreme Court also noted that the CCI’s SCN set out broad themes and did not provide Amazon with a clear opportunity to respond to the CCI’s intended directions.
- **The CCI must adopt fair regulatory conduct.** The Supreme Court set out certain principles which must guide the CCI’s functioning. It noted that the CCI must act within the statute and any proceedings, penalties, and directions must emanate from the Competition Act and its rules/ regulations. Further, it emphasized procedural fairness as essential for lawful regulation, decision making as a safeguard against arbitrariness, and the importance of proportionality and restraint to fair economic regulation.

The order can be accessed [here](#).

## II. THE CCI INITIATES AN INVESTIGATION INTO PERNOD RICARD AND LIQUOR RETAILERS FOR ALLEGED ANTI-COMPETITIVE BEHAVIOUR.

On May 4, 2026, the CCI directed an investigation into Pernod Ricard India Private Limited (**Pernod**), a liquor manufacturer, and seven other entities engaged in liquor retail. The complaint filed alleged bid-rigging by certain liquor manufacturers and other wholesalers and retailers, in tenders of the Department of Excise, Entertainment and Luxury Tax (**Excise Department**) for supply of country liquor and Indian Made Foreign Liquor (**IMFL**) in the National Capital Territory (**NCT**) of Delhi in 2022-23. It also alleged that certain liquor manufacturers used the industry association platform, International Spirits and Wines Association of India, to decide on strategies and to avoid competition. It was

also alleged that Pernod entered into anti-competitive arrangements with favoured wholesalers and retailers, providing them financial assistance and discounts with a view to induce them to push Pernod's brands. The complaint also alleged that there was an anti-competitive understanding amongst certain liquor manufacturers and retailers pursuant to which writ petitions that had been filed by a retailer against other retailers were withdrawn.

### The CCI's *prima facie* opinion.

---

- **Insufficient information/ evidence of bid-rigging in the Excise Department's tenders.** The CCI noted that the Excise Department negotiated with bidders for the tenders issued in 2019-20, 2020-21, and 2021-22 for supply of country liquor and recommended rates to bidders. The CCI found that there was insufficient information to indicate bid-rigging in the tenders for supply of country liquor and IMFL.
- **Insufficient evidence of cartelization amongst liquor manufacturers.** The CCI also observed that there was insufficient evidence of any anti-competitive understanding amongst the liquor manufacturers owing to which Brindco Sales, a retailer, withdrew writ petitions filed against Indo Spirits, Khao Gali, and other retailers, concerning cartelization and earnest money deposit cross-funding.
- **Pernod's position in the relevant market.** The CCI defined the relevant market as the '*market for sale and supply of IMFL in the NCT of Delhi*'. The CCI noted the state regulated nature of liquor trade and the specific implementation of the Delhi Excise Policy, 2021-22, aimed to bring reforms to the liquor trade in Delhi. The CCI then observed that since 2019, Pernod had significant market shares in wines, spirits, and liquors falling under the IMFL category, observing that such market shares indicated a position of strength in the market.
- **Pernod had anti-competitive arrangements with certain retailers to induce brand pushing.** The CCI found that the arrangements between Pernod and its favoured retailers would likely distort demand by moving retail demand to Pernod from its competitors and would also restrict consumer choice. Considering this, the CCI took note of specific mechanisms deployed to increase demand in the market which involved guiding retailers away from dealing in competing products. The CCI noted that Pernod provided financial assistance in the form of corporate guarantees to certain retailers with whom it had strategic partnerships. Credit notes were also offered by Pernod only to its favoured retailers and not to other retailers, even if they had undertaken a larger volume of sales.

The CCI noted that the CAG Report of 2025 (**CAG Report**) stated that the Delhi Excise Policy, 2021-22 prohibits entities with interests in distilling/ brewing and wholesale distribution from holding a retail license. The CAG Report had also identified instances of relationships between wholesalers and retailers, highlighting the concentration of wholesale distribution amongst three entities and an instance where a wholesaler supplied a significant portion of its stock to a retailer. The CCI observed that such arrangements could facilitate brand pushing, and *prima facie* found Pernod's arrangements with wholesalers and retailers aimed at such brand pushing and increase its market to be anti-competitive exclusive dealing arrangements.

The order can be accessed [here](#).

### III. THE CCI PENALIZES MANIPAL HEALTH SYSTEMS AND MANIPAL EDUCATION & MEDICAL GROUP FOR DELAYED NOTIFICATION OF ACQUISITION IN AAKASH.

On May 20, 2026, the CCI imposed a penalty of INR 5 million (~USD 52 thousand) on Manipal Health Systems Private Limited (**Manipal Health Systems**) and Manipal Education and Medical Group India Private Limited (**Manipal Education & Medical Group**) (collectively, “**Acquirers**” and part of the “**Manipal Group**”) for failing to notify an acquisition of 7.39% and 3.64% shareholding, respectively, in Aakash Educational Services Limited (**Aakash**) (**2025 Transaction**).

#### Background.

---

- **Approval of the 2024 Transaction.** On July 23, 2024 (**2024 Order**), the CCI approved an acquisition of 39.61% shareholding in Aakash by Manipal Health Systems and 8.25% shareholding in Aakash by MEMG Family Office LLP (**MEMG FO**) (the ‘**2024 Transaction**’). The proposed acquisition of 8.25% by MEMG FO was not consummated due to ongoing litigation before various fora, involving the seller’s shareholding in Aakash. Following this:
  - In November 2024, Aakash’s Articles of Association (**AoA**) were amended to grant additional governance and shareholding rights to Manipal Health Systems (**AoA Amendment**).
  - In February 2025, MNI Ventures, an affiliate of the Acquirers, acquired an additional stake of 7.75% and 0.84% in Aakash from certain Blackstone entities (collectively, “**Blackstone Acquisition**”).
  - Following these steps, the 2025 Transaction was completed on April 30, 2025, increasing the Acquirers’ (and affiliates’) equity shareholding in Aakash to 58.39%.
- **Notification to the CCI in 2025.** On May 9, 2025, the Acquirers notified the 2025 Transaction to the CCI (**2025 Notification**), which was approved on June 24, 2025.

#### SCN.

---

On June 24, 2025, the CCI issued an SCN observing that the 2024 Order did not approve the rights granted to Manipal Health Systems through the AoA Amendment and the subsequent Blackstone Acquisition. The CCI noted that the Blackstone Acquisition increased the Acquirers’ (including their affiliates’) shareholding in Aakash to more than 50%, making exemptions from notification to the CCI unavailable to these transactions.

#### Acquirers’ response to the SCN.

---

- **Financial and administrative irregularities of Aakash.** The Acquirers submitted that Aakash and its parent company, Think & Learn Private Limited (**T&L**), had faced financial and management issues since 2022. In 2023-2024, the Manipal Group extended multiple loans to T&L and Aakash and, following a default of INR 20 billion (~USD 208 million) in debentures, Manipal Health Systems converted the debentures into 39.61% shareholding. The additional 8.25% acquisition (which was also approved by the 2024 Order), was not completed due to ongoing litigation. The Blackstone Acquisition and the 2025 Transaction were undertaken to provide further financial support to protect Aakash and its stakeholders.

- **The Blackstone Acquisition was exempt from notification to the CCI.** The Blackstone Acquisition resulted in Manipal Group’s shareholding in Aakash being ~39.61% and this was eligible for the statutory exemption, where: (i) an acquirer already holds 25% or more shares or voting rights in a target and the additional acquisition does not result in an increase beyond 50%; and (ii) such additional acquisition does not lead to a change in control. Further, the approved 8.25% acquisition (part of the 2024 Transaction), which would have increased the shareholding of the Acquirers and their affiliates in Aakash over 50%, was stalled by litigation. Even if the 8.25% acquisition was considered by the CCI, the 2025 Transaction would remain exempt since the total shareholding in Aakash would exceed 50% but would not lead to a change in control.
- **The AoA Amendment did not result in a change in control.** The Manipal Group, through Manipal Health Systems, had a shareholding of more than 25% in Aakash at the time of the AoA Amendment and already exercised ‘negative’ control. The AoA Amendment did not confer any new or enhanced operational control and therefore, there was no change in control over Aakash.
- **Acquirers were constrained to proceed with the 2025 Transaction.** The 2025 Transaction was completed before notifying the CCI, on account of extenuating circumstances, such as financial distress of Aakash’s key shareholder (T&L), Aakash’s financial vulnerability, and protection of Acquirers’ rights due to T&L’s insolvency proceedings.

#### The CCI’s findings.

---

- **Acquirers failed to notify the 2025 Transaction.** The CCI held that the Blackstone Acquisition, the AoA Amendment, and the 2025 Transaction were all completed without notifying the CCI. The CCI also emphasized that, regardless of submissions on the notifiability of the Blackstone Acquisition and the AoA Amendment, the 2025 Transaction was consummated without the CCI’s approval.
- **Prior contravention.** The CCI noted that this was not the first instance of contravention, as even in the 2024 Transaction, Manipal Health Systems had consummated the acquisition of a 39.61% stake in Aakash without notifying the CCI.
- **Mitigating factors and penalty.** The CCI considered the mitigating circumstances, including the voluntary disclosure of the transaction, extension of full cooperation in providing the material and documents sought by the CCI.

The order can be accessed [here](#).

## IV. THE CCI CLOSES ABUSE OF DOMINANCE ALLEGATIONS AGAINST CERTAIN DELHI HOSPITALS INCLUDING MAX, FORTIS, SIR GANGARAM, AND ST. STEPHENS.

On May 21, 2026, the CCI closed an abuse of dominance case against certain Max Super Specialty hospitals,<sup>1</sup> certain Fortis hospitals,<sup>2</sup> Indraprastha Apollo Hospital, New Delhi, Batra Hospital & Medical Research Centre, New Delhi, St.

---

<sup>1</sup> Max Super Specialty Hospital (Patparganj, Delhi), Max Smart Super Specialty Hospital (Saket, Delhi), Max Super Specialty Hospital (Shalimar Bagh, New Delhi), BLK Max Super Specialty Hospital (New Delhi), Max Multi Specialty Centre (Pitampura, Delhi), and Max Multi Specialty Centre (Panchsheel Park, Delhi).

<sup>2</sup> Fortis Ft. Lt. Rajan Dhall Hospital, Vasant Kunj, Delhi, and Fortis Escorts Heart Institute and Research Centre Ltd., New Delhi.

Stephen's Hospital, Delhi, and Sir Ganga Ram Hospital, New Delhi (collectively “**Hospitals**”). The CCI passed 12 separate orders exonerating all the Hospitals.<sup>3</sup>

In November 2015, the CCI had directed the Director General (**DG**) to investigate allegations of collusion between Becton Dickinson India, a disposable syringe manufacturer and Max Super Specialty Hospital, Patparganj, Delhi (**Max Patparganj**), to print higher maximum retail prices on the disposable syringes that were sold at the in-house pharmacy of Max Patparganj. Considering the DG’s investigation report submitted in October 2017 (**First Report**) and the parties’ submissions, the CCI noted that the allegations of collusion were not substantiated.

In the First Report, the DG had found Max Patparganj to have abused its dominance by compelling patients to purchase products only from its in-house pharmacy, being ‘aftermarket abuse’. The CCI directed a further investigation, observing that the DG had not investigated such aftermarket conduct in detail. In December 2021, the DG submitted a supplementary investigation report (**Supplementary Report**) finding Max Patparganj and eleven other hospitals (set out above) to have abused their dominance through excessive pricing for room rent, medical tests, medical devices, consumables, and medicines.

The CCI subsequently conducted separate final hearings for each hospital on the respective Supplementary Reports and issued separate final orders for each hospital, adopting broadly similar reasoning.

### The CCI’s analysis.

---

- **Relevant market.** On considering the First Report, the CCI directed the DG to consider the relevant market as the ‘*market for healthcare service/ facilities in the after-market for in-patients in super speciality hospitals*’. In the Supplementary Report, the relevant markets defined were: (i) ‘the market for provision of healthcare services/ facilities for treatment of ailment by private super speciality hospitals’ (**Primary Product**); and (ii) the aftermarket for post-operative treatment of inpatients, including medical consumables, medicines, medical equipment, medical tests, etc. However, the CCI noted the absence of factors such as consumers’ inability to determine lifetime costs upfront and switch providers without incurring costs and defined a unified relevant market instead, *i.e.*, ‘*market for provision of healthcare services by super speciality hospitals*’ and also expanded the relevant geographic market from Delhi to Delhi-NCR.

The CCI also separately assessed the conduct in the “*market for provision of healthcare services/facilities for in-patients admitted for elective treatment to the respective super-specialty hospital*”, recognizing that in limited situations, such as post-surgical stay, switching costs may outweigh the cost of continuing treatment.

- **Max Patparganj had not engaged in excessive pricing.** The CCI, considering the two-pronged test laid down in *United Brands*<sup>4</sup> (*i.e.*, whether pricing is “*excessive*” relative to cost, and whether it is “*unfair*” in itself or compared to competing products), disagreed with the DG’s findings considering the following:
  - **Room rents.** Room rent comparisons relied on inappropriate benchmarks, such as comparison of rents with nearby three/ four-star hotels and government hospitals and lacked a cost analysis across comparable hospitals.

---

<sup>3</sup> The orders passed by the CCI set out findings on the same issues, with certain factual differences based on the hospital involved. This summary provides an overview of the CCI order regarding Max Patparganj.

<sup>4</sup> *United Brands v. Commission of the European Communities*, Case 27/76.

- **Medical tests and devices.** These were incorrectly compared by the DG with standalone diagnostic labs rather than comparable hospitals. The CCI noted that the DG's comparison of prices of tests offered by hospitals with standalone labs was inadequate, considering that hospitals charge higher prices for such tests accounting for 24x7 operation of hospital labs, faster turnaround time, and superior quality standards.
- **Consumables and medicines.** These were assessed against procurement prices without accounting for operational costs or benchmarking against comparable providers. The CCI disagreed with the DG's approach of determining profit margins, noting that procurement prices do not cover overhead expenses such as storage, supply chain management cost, operational cost, inventory management cost, etc. The CCI also noted that prices for consumables and medicines must be compared amongst super speciality hospitals or pharmacies near hospitals, instead of comparing with procurement prices. The CCI further observed that no consumable or medicine was sold by Max Patpanganj above its Maximum Retail Price.

The order can be accessed [here](#).

## V. THE NCLAT SETS ASIDE AN ORDER AGAINST GRASIM AND REMANDS THE MATTER TO THE CCI.

On May 5, 2026, the NCLAT set aside the CCI's order dated March 16, 2020, which found Grasim Industries Limited (**Grasim**) to have contravened the Competition Act and imposed a penalty of ~INR 3 billion (~USD 31.4 million). The NCLAT directed the CCI to provide Grasim an opportunity to be heard on aspects where the CCI differed from the DG's findings of no contravention.

### Background.

---

On March 16, 2020, the CCI found Grasim to have abused its dominant position in the 'market for supply of Viscose Staple Fibre (VSF) to spinners in India' and imposed a penalty of ~INR 3 billion (~USD 31.4 million). The CCI concurred with the DG's finding that Grasim was dominant in the relevant market and that it had abused its dominance through unfair and discriminatory pricing of VSF and imposing supplementary obligations on its customers by compelling them to submit sale and production data as a mandatory condition to claim pricing discounts.

The DG did not find any contravention by Grasim pertaining to non-disclosure of its pricing/ discounting policy and refusal to sell to traders/ intermediaries. However, the CCI differed from these findings by requiring Grasim to make its discount policy easily and publicly accessible and not to impose any end-use restrictions on buyers. Grasim contended that the CCI's directions on these two counts were contrary to the DG's findings and that the CCI should have provided Grasim with a notice of such disagreement prior to its conclusion.

### The NCLAT's findings.

---

The NCLAT remanded the matter to the CCI, noting:

- **The CCI's directions to publicize the pricing/ discount policy and remove end-user restrictions were in disagreement with the DG's findings.** The NCLAT noted that while the DG had found Grasim's discount/ pricing policy as discriminatory, it had not found its non-disclosure to be a contravention. Therefore, the CCI's direction to Grasim to make its pricing/ discounting policy easily and publicly accessible differed from the DG's finding.

Secondly, the DG had found that Grasim does not sell to traders/ intermediaries, however, these traders/ intermediaries are not precluded from importing VSF for onward supplies to spinners. Therefore, the CCI's direction to Grasim to remove any end-use restriction on the buyers of VSF allowing them to use the same for spinning or trading or any other purpose, differed from the DG's finding.

- **The CCI did not provide an opportunity of hearing to Grasim.**
  - The NCLAT noted that the CCI is required to provide an opportunity of hearing where the CCI differs from the DG's findings.<sup>5</sup> The CCI differed from the DG's findings in this case without providing Grasim with a notice of such disagreement, depriving Grasim of an opportunity to defend itself.
  - The NCLAT also noted that through a newly introduced requirement under the Competition Act, upon completion of a further investigation by the DG or a further inquiry by the CCI, the CCI may either close the matter or find a contravention. However, the CCI must issue a show cause notice to an opposite party indicating the contravention alleged and provide a reasonable opportunity of being heard.<sup>6</sup> This new requirement reaffirms the position taken by the NCLAT in its previous decisions.

The NCLAT's order can be accessed [here](#).

## VI. THE NCLAT UPHOLDS THE CCI'S DISMISSAL OF ABUSE OF DOMINANCE ALLEGATIONS AGAINST KERALA STATE BEVERAGES CORPORATION.

On May 20, 2026, the NCLAT dismissed an appeal filed by the Confederation of Indian Alcoholic Beverage Companies and the Association of Distillers, Brewers and Vintners of India (collectively, '**Industry Associations**'), against a CCI order dated October 21, 2021 (**2021 Order**). The CCI had, at the *prima facie* stage, dismissed allegations against Kerala State Beverages (Manufacturing and Marketing) Corporation Limited (**Kerala State Beverages Corporation**) and Travancore Sugar and Chemicals Limited (**Travancore Chemicals**), concerning procurement and wholesale distribution of branded alcoholic beverages in Kerala.

### Background.

---

Before the CCI, the Industry Associations had alleged that Kerala State Beverages Corporation, as a government corporation, was the exclusive purchaser of alcoholic beverages from private manufacturers and had abused its dominant position in the market for procurement and wholesale distribution of alcoholic beverages in Kerala, through:

- Unilateral fixation of purchase prices, without consultation with manufacturers and without any nexus with production costs;
- Arbitrary tender conditions, such as undefined penalties, acceptance/ rejection of offers without reasons, etc.;
- Discriminatory treatment between government brands and private brands in terms of price increases, margins, cash discounts, and unloading priority at depots; and

---

<sup>5</sup> *Board of Control for Cricket in India v. CCI*, 2015 SCC OnLine Comp AT 238; and *Interglobe Aviation Ltd. v. CCI*, 2016 SCC OnLine Comp AT 291.

<sup>6</sup> Proviso to Section 26(9), Competition Act, 2002.

- imposition of additional charges without any basis including a 10% administrative charge.

Through the 2021 Order, the CCI dismissed the Industry Associations' allegations and closed the matter. The CCI had observed that Kerala State Beverages Corporation's price fixation mechanism was transparent, as manufacturers submitted detailed cost sheets certified by chartered accountants and procurement prices were determined considering relevant cost components. The CCI also noted that the continued participation of multiple manufacturers in the tender process indicated commercial viability, with no evidence of any exit of any manufacturer from the market. The CCI noted that pricing and procurement of alcoholic beverages takes place in a highly regulated statutory framework and state instrumentalities can control pricing in accordance with law. The preference accorded to the government-owned Travancore Chemicals was also noted to be limited to a single brand of rum, disclosed upfront in the tender, with no demonstrated distortion of competition or consumer choice. The CCI also did not find any evidence of discrimination due to discounts, unfairness of tender clauses, charges contrary to contractual terms, etc.

## The NCLAT's Findings.

---

The NCLAT upheld the CCI's 2021 Order, observing:

- **The Industry Associations did not provide substantial evidence to support allegations.** The NCLAT noted that the Industry Associations failed to furnish concrete evidence, including actual cost sheets, financial data demonstrating losses, data on price distortion, or evidence of market exit by any manufacturer. The NCLAT noted that sample cost cards submitted by the Industry Associations were not factual data, which could have enabled the CCI to form a *prima facie* view.
- **Kerala State Beverages Corporation determined prices according to the rate contract.** The NCLAT noted that given the regulated nature of the market, the Kerala State Beverages Corporation determines prices taking into account various factors such as cost, the relevant clause of the rate contract regarding pricing control did not appear to be abusive, and the CCI cannot determine pricing.
- **Preferential treatment to Travancore Chemicals was according to the declared policy.** The NCLAT noted that preferential treatment to Travancore Chemicals was as per declared policy and was permissible under the rate contract. Further, the Industry Associations were unable to demonstrate the impact, if any, on consumer choice due to preference given to one brand supplied by Travancore Chemicals.
- **The differential discount structure was justified.** The differential cash discount structure, which applied lower discounts to fast-moving brands and higher discounts to slow-moving ones, was commercially justified to offset distribution costs incurred by the Kerala State Beverages Corporation. The Industry Associations could not demonstrate if these discounts resulted in actual losses or discriminatory treatment among manufacturers.
- **Informants must file a holistic information with the CCI.** The NCLAT emphasized the duty of informants to conduct reasonable due diligence and file a holistic, complete information before the CCI. The NCLAT noted that since the Industry Associations failed to supply concrete evidence despite ample opportunities, the CCI correctly closed the matter at the *prima facie* stage.

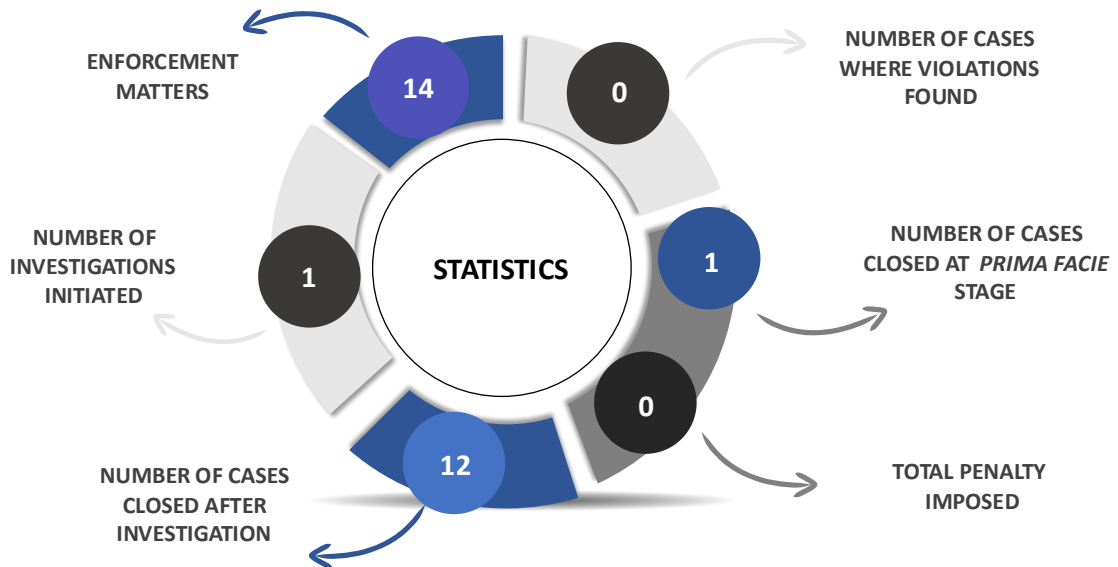
The NCLAT order can be accessed [here](#).

# IN THE NEWS

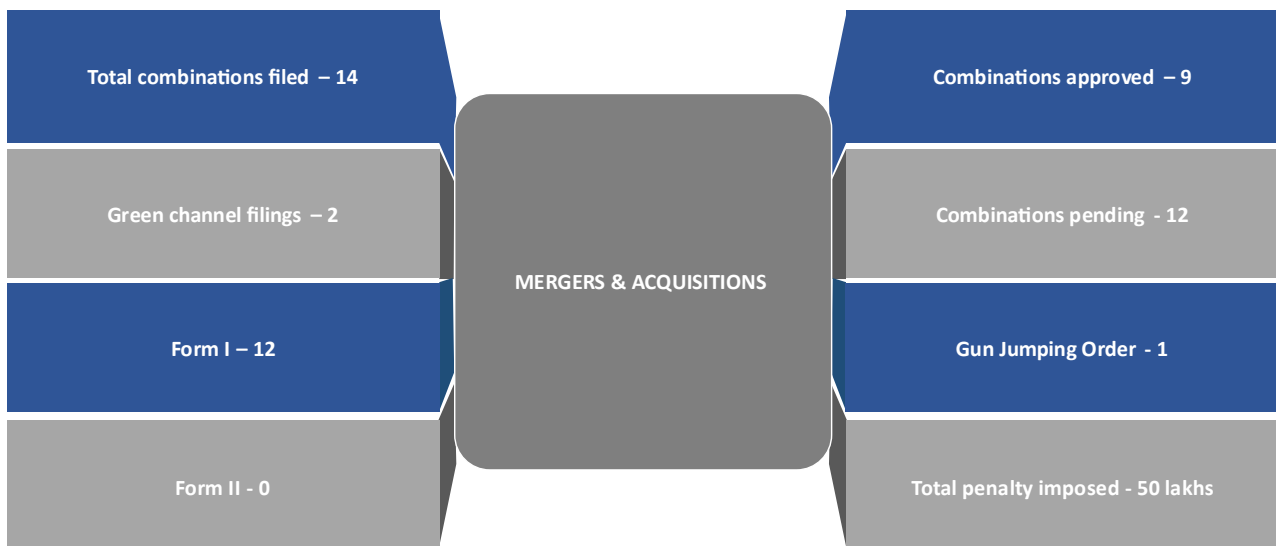
- Reportedly, certain foreign paint manufacturers have approached the CCI, alleging that the Government's quality control mandates for paints and varnishes create an uneven playing field by shielding domestic companies while also raising consumer prices. The manufacturers contend that Bureau of Indian Standards (**BIS**) compliance, specifically new 2025 orders, that have changed the inspection method for obtaining the Indian Standards Institute mark, are an added layer of checks before a product can be cleared. For foreign manufacturers, the BIS norms are stated to temporarily constrain imports, which reduces their competitiveness and allows domestic players to increase their prices. The foreign manufacturers' concerns emanate from the allegedly more cumbersome nature of the certification process for them as compared to domestic manufacturers.
- On May 15, 2026, the Delhi High Court (**HC**) directed Apple to cooperate with the CCI in the ongoing proceedings against it. The HC's direction is in response to Apple's plea seeking a direction to pause the CCI's proceedings against it till the pendency of the writ filed by Apple challenging the CCI's powers to impose penalties based on global turnover. The Delhi HC has directed the CCI to refrain from passing a final order till July 15, 2026 (the next date of hearing before the HC).
- On May 20, 2026, the CCI held its 17th Annual Day commemoration in New Delhi, with Comptroller and Auditor General (**CAG**) of India Shri K. Sanjay Murthy attending as the Chief Guest. In his address, the CAG observed that competition has become increasingly central to India's economic future, underpinning growth, innovation, investment and consumer welfare. CAG also highlighted the close synergy between competition enforcement and public auditing, noting that the two mechanisms complement each other in ensuring that government marketplaces remain transparent and competitive.

The CCI Chairperson Smt. Ravneet Kaur, in her welcome address, reflected upon the CCI's journey. She identified artificial intelligence (**AI**) as the most consequential and difficult challenge facing the regulator, noting that AI has changed the scale and speed of potential anti-competitive conduct, that the tools have become very sophisticated, and that the opacity of AI systems makes it very difficult to detect what is actually happening. She emphasized the need for capacity building within the CCI, including the hiring of specialists in data science and forensic analysis to address emerging challenges in digital markets.

## VIII. STATISTICS



## MERGERS & ACQUISITIONS



We hope you have found this information useful. For any queries/clarifications please write to us at [insights@elp-in.com](mailto:insights@elp-in.com)

### KEY CONTACTS:

**Ravisekhar Nair, Partner** – [RavisekharNair@elp-in.com](mailto:RavisekharNair@elp-in.com)

**Parthsarathi Jha, Partner** - [ParthJha@elp-in.com](mailto:ParthJha@elp-in.com)

**Abhay Joshi, Partner** – [AbhayJoshi@elp-in.com](mailto:AbhayJoshi@elp-in.com)



### MUMBAI

9th Floor, Mafatlal Centre  
Vidhan Bhavan Marg  
Nariman Point, Mumbai 400 021  
T: +91 22 6636 7000



### PUNE

1307, Nandan Probiz, 1501, Sai Chowk Road  
Laxman Nagar, Off Balewadi High Street,  
Balewadi, Pune - 411045  
T: +91 20 4912 7400



### DELHI NCR

#### NEW DELHI

Dr. Gopal Das Bhawan, 16th Floor,  
28, Barakhamba Road,  
New Delhi – 110 001.  
T: +91 11 41528400

#### NOIDA

9th Floor, Berger Tower, Sector 16 B,  
Noida, Uttar Pradesh - 201301.  
T: +91 120 6984 300



### BENGALURU

6th Floor, Rockline Centre  
54, Richmond Road  
Bengaluru 560 025  
T: +91 80 4168 5530/1



### CHENNAI

No 18, BBC Homes, Flat-7 Block A  
South Boag Road  
Chennai 600 017  
T: +91 44 4210 4863



### AHMEDABAD

C-507/508, 5th Floor, Titanium Square  
Thaltej Cross Roads, SG Highway,  
Ahmedabad - 380054  
T: +91 79460 04854



### GIFT CITY

GIFT CITY Unit No. 605,  
Signature, 6th Floor Block 13B,  
Zone – I GIFT SEZ, Gandhinagar 382355



[elplaw.in](http://elplaw.in)



[insights@elp-in.com](mailto:insights@elp-in.com)



[/elplaw.in](https://www.facebook.com/elplaw.in)



[/ELPIndia](https://twitter.com/ELPIndia)



[/company/economic-laws-practice](https://www.linkedin.com/company/economic-laws-practice)



<https://elppodcast.buzzsprout.com/>

#### DISCLAIMER:

The information contained in this document is intended for informational purposes only and does not constitute legal opinion or advice. This document is not intended to address the circumstances of any particular individual or corporate body. Readers should not act on the information provided herein without appropriate professional advice after a thorough examination of the facts and circumstances of a particular situation. There can be no assurance that the judicial/quasi judicial authorities may not take a position contrary to the views mentioned herein.