ELP ECONOMIC LAWS PRACTICE
ADVOCATES & SOLICITORS

MARKET MATTERS – ANTITRUST BRIEF
AUGUST 2026

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I. THE CCI PENALIZES REKHA AGENCIES AND SS MARKETING FOR BID-RIGGING; EXONERATES JK TYRES, CEAT

On August 21, 2026, the Competition Commission of India (**CCI**) imposed penalties of ~ INR 130 thousand (~ USD 1.3 thousand) on Rekha Agencies and ~ INR 210 thousand (~ USD 2.2 thousand), respectively, on Rekha Agencies and SS Marketing, the authorized representatives of JK Tyre & Industries Limited (**JK Tyres**) and CEAT Limited (**CEAT**), respectively, for engaging in bid rigging in respect of tenders floated by state transport undertakings.

Background.

In 2019, the CCI's inquiry was initiated following a reference by the Director of State Transport of Haryana (**Procuring Authority**) to the CCI, concerning suspected bid-rigging by JK Tyres. In September 2018, the Procuring Authority issued a tender for procurement of tyres and only JK Tyres participated in this tender. Based on an evaluation of JK Tyres' bid, it was observed that the rates quoted were significantly higher than the previous year's approved rates, with increases of 34-39% across various tyre sizes, despite the raw material cost having increased only by 12.55%. The Procurement Authority also noted that in three previous tenders, JK Tyres was the only bidder despite the presence of other tyre manufacturers in India.

Based on the Procuring Authority's reference, in November 2019, the CCI directed the Director General (**DG**) to investigate the matter. During the investigation, the DG obtained CCI's approval to include other tyre manufacturers, including CEAT, Michelin India Private Limited, Continental India Private Limited. The DG submitted an investigation report in July 2023 and following the CCI's direction, submitted a supplementary investigation report in December 2024 followed by another supplementary investigation report in February 2025. Based on the evidence collected by the DG, the CCI added Rekha Agencies and SS Marketing as opposite parties. The DG's investigation concluded that JK Tyres and CEAT had engaged in collusive behaviour through Rekha Agencies and SS Marketing, in violation of the Competition Act, 2002 (**Act**). The DG's investigation did not find any evidence of collusion with respect to the other tyre manufacturers.

The CCI's key findings.

- ***JK Tyres and CEAT were not involved in the exchange of bid prices between Rekha Agencies and CEAT*****.** The DG's investigation had found that JK Tyres and CEAT had submitted identical bid prices in response to a certain tender, through their authorized representatives. The DG had further found that Rekha Agencies and SS Marketing were involved in finalizing pricing and bid quotations in coordination with JK Tyres and CEAT and had exchanged bid prices prior to the bid submission.

  The CCI noted that Rekha Agencies and SS Marketing were authorized representatives of JK Tyres and CEAT and were actively involved in the tendering process on behalf of these tyre companies. However, the CCI noted that while the authorized representatives had exchanged bid prices of their respective tyre companies before the bid submission, there was no evidence indicating that JK Tyre and CEAT had participated in or had knowledge of exchange of such bid prices and these exchanges took place without authorization from JK Tyre and CEAT, respectively.

- ***Higher bid prices quoted by JK Tyres were not indicative of collusion*****.** The CCI also noted that an increase in bid prices quoted by JK Tyres in the absence of collusion, cannot establish a contravention. The CCI noted that bidding strategies can depend on different commercial considerations including anticipated costs, risk allocation, procurement specifications, expected margins. The mere quoting of higher prices compared to previous submissions cannot be indicative of bid-rigging.

Direction and penalties.

The CCI considered relevant mitigating factors, including the size of the players, and decided to impose a penalty of ~ INR 130 thousand (~ USD 1.3 thousand) on Rekha Agencies and ~ INR 210 thousand (~ USD 2.2 thousand) on SS Marketing. The CCI also found two individuals of these entities liable for the contravening conduct. However, the CCI closed penalty proceedings against Shri Amit Agarwal (co-owner of SS Marketing) upon his demise, on humanitarian grounds. Shri Vidya Sagar Gadhok (Managing Director of Rekha Agencies) was penalized with ~ INR 640 thousand (~ USD 6.7 thousand). The CCI also directed the parties to cease and desist from indulging in such practices.

The order can be accessed *here*.

BEYOND THE BRIEF

The CCI has, in its decisional practice, penalized parties even for exchanging commercially sensitive information, including bidding rates, where such exchanges compromise the integrity of the bidding process. In the present case, although the DG found JK Tyres and CEAT guilty of bid-rigging based solely on the exchange of pricing information between their authorized representatives, the CCI disagreed with the DG's findings. In the absence of any evidence of an arrangement between JK Tyres and CEAT, and particularly where their authorized representatives had not been authorized to exchange their bid prices with each other, the CCI found that a contravention could not be sustained.

This highlights an important consideration for businesses, particularly those that routinely participate in tenders through authorized representatives, in that businesses may not necessarily be held liable for the actions of authorized representatives where such conduct is clearly beyond the scope of their mandate. Businesses must carefully delineate the terms and scope of engagement of their authorized representatives, to mitigate the risk that any anti-competitive conduct by such a representative may be attributed to the business they represent.

II. THE CCI PENALIZES TWO AGRICULTURAL INPUT DEALERS' ASSOCIATIONS FOR COLLUDING TO BOYCOTT 'AGROSTAR', AN ONLINE E-COMMERCE AGRI-INPUTS PLATFORM

On August 21, 2026, the CCI imposed penalties of ~ INR 80 thousand (~ USD 800) and ~ INR 400 thousand (~ USD 4 thousand) on Agro Input Welfare Association (**AIWA**) and the Agro Input Dealers Association (**AIDA**) for issuing directions to members resulting in the boycott of 'Agrostar', an agri-input platform operated by Ulink Agritech Private Limited (**Ulink**).

Background.

Ulink Agritech Private Limited (**Ulink**) is an agri-tech startup, providing consultation and agri-tech services to farmers through its call centre, mobile application (Agrostar), franchisee stores, and doorstep access of agri-inputs to farmers. Ulink has also tied up non-exclusively with retail stores (*i.e.*, Saathi stores) that procure products from Ulink and supply to farmers. Ulink filed information before the CCI alleging that AIDA and AIWA had threatened Saathi stores, called upon associations' members to boycott online agri-input platforms, and sought to prevent manufacturers and dealers from supplying to online platforms. Ulink alleged that this conduct restricted the supply and distribution of agri-inputs and impeded the growth of technology-enabled players.

In January 2024, the CCI directed an investigation by the DG and the investigation found that AIDA had sought to compel online agri-input retailers to discontinue their online business. While the associations cited the absence of requisite certificates, the DG noted that Ulink held the required license and certificate. It also noted that the associations restricted agri-input distributors from supplying to the Agrostar platform by threatening non-cooperation, and resultantly, Agrostar's franchisee retail partners sent communications to Agrostar cancelling their respective dealerships. Further, the associations' diktat also led to the closure of several Saathi stores. The investigation concluded that the associations had targeted Ulink's business and was impacted by the boycott call by the associations against tech-enabled players like Ulink.

The CCI's findings.

The CCI noted that AIDA and AIWA actively initiated, coordinated, and enforced a boycott campaign against online agri-input sales. Communications issued by AIDA explicitly required members to discontinue sales to online platforms and submit written confirmations of compliance. The CCI observed that these directives went beyond expressing regulatory concerns, attempting instead to control the commercial decisions of market participants. Importantly, the CCI found that this conduct was not merely advisory. Dealership cancellations, discontinuation of supplies, and other communications demonstrated the active implementation of the boycott, which effectively limited and controlled the supply of agri-inputs and their markets. The CCI further stated that suppressing technology-driven, innovative e-commerce business models, which benefit farmers and small retailers by allowing small-quantity orders hinders technical development in the sector.

Direction and penalties.

The CCI directed the associations and concerned officials to cease and desist from the contravening conduct. While the CCI determined a penalty of 10% of average relevant income, considering the nature and gravity of the contravention and the nature of the industry; it ultimately imposed a 5% penalty on the average relevant income of each association and its concerned officials, considering that this was their first violation and that they had cooperated during the proceedings. The CCI also directed the associations to undertake competition law compliance training and submit a compliance report within sixty days of receipt of the order.

The order can be accessed *here*.

IN THE NEWS

- On August 8, 2026, the CCI organized the Meeting of Heads of Building for Resilience, Innovation, Cooperation and Sustainability (**BRICS**) Competition Authorities in Udaipur, Rajasthan. In the inaugural session, the CCI chairperson highlighted the shared responsibility of the BRICS competition authorities in preserving and promoting competitive markets that foster efficiency, consumer welfare, innovation, and opportunities for businesses to compete on merit. Referring to the global transition towards renewable energy and sustainability, she noted that continued collaboration among BRICS competition authorities would contribute to fostering fair and competitive renewable energy markets while advancing the shared objectives of sustainable growth and energy security. She also emphasized that, amidst evolving market dynamics and emerging enforcement challenges, competition law interventions must remain principled, evidence-based, and firmly anchored in the core objectives of competition law. A Joint Statement of Heads of BRICS Competition Authorities titled "Strengthening Cooperation to Promote Fair Competition, including in Renewable Energy Markets", was also adopted during the conference.

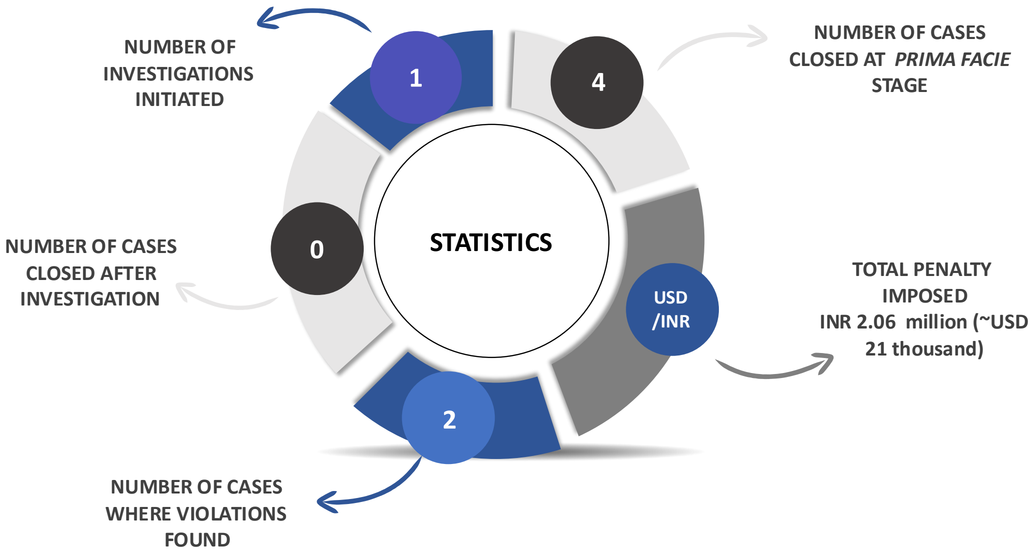
- On August 10, 2026, the Parliamentary Standing Committee on Finance (**SCF**) presented its 37th report to the Lok Sabha. The report follows up on the actions taken by the government in the light of recommendations set out under SCF's previous report on the CCI's role and effectiveness in regulating digital markets. The report includes key highlights and recommendations by the SCF, including (i) a push for *ex-ante* regulation through a revised Digital Competition Bill that designates virtual assistants services as core digital services; (ii) prioritizing the protection and competitive growth of MSMEs and startups by issuing a "Strategic Steer" policy directive to the CCI, alongside establishing a formal e-commerce code of conduct to mandate platform neutrality, and introducing clear guidelines to curb deep discounting and predatory pricing; (iii) urging sector-specific review of deal value thresholds for data-heavy acquisitions; (iv) recommending a reduced 10% penalty deposit tier for MSMEs during appeals instead of the flat 25% requirement; and (v) capacity building and increased resource allocation for the CCI's Digital Markets Division, including proposed staff expansions, algorithmic auditors, and higher budget allocations. The government is expected to respond to the recommendations set out in the report.

  The report can be accessed *here*.

- On August 18, 2026, the CCI notified the CCI (Commitment) Amendment Regulations, 2026 (**Amendment Regulations**), introducing revisions to the commitments framework under the Act. Issued after stakeholder consultations on the draft amendment regulations, the Amendment Regulations extend the deadline to file a commitment application post the CCI's *prima facie* order from 45 days to 60 days, increase the timeline for placing complete applications before the CCI for preliminary review from 7 days to 15 working days, and extends the overall timeline to conclude commitment proceedings from 130 working days to 180 working days, along with other amendments to streamline processes concerning defect rectifications, fee adjustments.

  Our alert on the CCI (Commitment) Amendment Regulations, 2026 can be accessed *here*.

IV. STATISTICS



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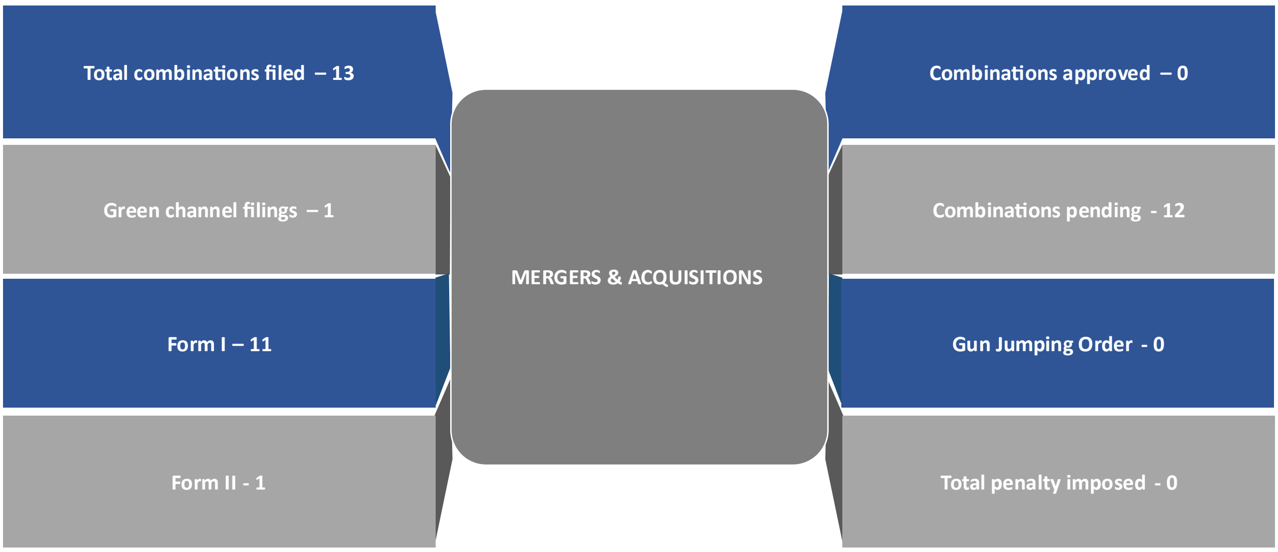

We hope you have found this information useful. For any queries/clarifications please write to us at insights@elp-in.com

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