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INSIDE

- In a first, the CCI 'settles' antitrust probe against Google2
- CCI penalizes suppliers of Digital Cinema Equipment for indulging in anti-competitive practices2
- CCI dismisses bid rigging and cartelization allegations in the Locomotive supply case.....3
- CCI dismisses allegations of anti-competitive practices by J&K Bank3
- CCI notifies the Competition Commission of India (Determination of Cost of Production) Regulations, 2025.....4
- CCI penalizes Mudhra Labs and other parties for Gun- Jumping4
- CCI approves acquisition of AAM India Manufacturing Corporation Private Limited by Bharat Forge Limited with voluntary modifications5



As we dive into the May Edition of our Competition Law Newsletter, we are thrilled to connect with you once again. This month we have curated a blend of exciting updates and noteworthy CCI Orders that happened last month.

In a first, the CCI ‘settles’ antitrust probe against Google

The Competition Commission of India (“CCI”) vide order dated [21.04.2025](#) under Section 48A of the Competition Act, 2002 (“Act”) accepted a settlement proposal (by majority of 3:1) from Google LLC (“OP”) in relation to the alleged anti-competitive practices in the smart TV operating systems market. The genesis of the case lies in an Information filed by Kshitiz Arya and Purushottam Anand which contained allegations against Google that it indulged in abuse of dominance by imposing restrictive clauses on smart TV manufacturers through the Television App Distribution Agreement (“TADA”) and Android Compatibility Commitments (“ACC”).

The Director General (“DG”), after a thorough enquiry submitted his report to the CCI and found that Google’s agreements forced manufacturers to pre-install Google apps, limiting competition and restricting the development of Android forks. The report also highlighted concerns about denial of market access and exclusive dealing.

In response, Google submitted a settlement proposal to the CCI under Section 48A of the Act and proposed a New India Agreement, offering a standalone license for the Google Play Store to smart TV manufacturers without requiring pre-installed apps. Additionally, Google agreed to waive the ACC requirement for non-Google devices and allow manufacturers to develop competing smart TV operating systems.

The CCI accepted the settlement proposal and directed Google to comply with the settlement conditions and pay a settlement amount of INR 20.24 crore. This amount was determined after providing a 15% discount as per the CCI Settlement Regulations. Interestingly, one member of the CCI passed a dissent order and recommended that the settlement proposal be rejected.

The decision of the CCI in the instant case is a welcome step and will potentially open doors for ending long protracted litigations.

CCI penalizes suppliers of Digital Cinema Equipment for indulging in anti-competitive practices

The CCI vide order dated [16.04.2025](#) has penalized UFO Moviez India Ltd. (“UFO Moviez”), Scrabble Digital Ltd (“Scrabble Digital”), and Qube Cinema Technologies Pvt. Ltd (“Qube Cinema Technologies”) for violating sections 3(4)(a), 3(4)(b) and 3(4)(d) of the Act read with Section 3(1) of the Act for indulging in anti-competitive practices in the Digital Cinema Equipment (DCE) market. In the Information filed by PF Digital Media Services Ltd (“Informant 1”) and producer Ravinder Walia (“Informant 2”), it was alleged that the opposite parties engaged in exclusive agreements that restricted competition and market access.



The DG's investigation found that UFO Moviez and Scrabble Digital imposed restrictive clauses in the lease agreements for DCE with cinema theatre owners, forcing them to use their post-production services as well. Similarly, Qube Cinema Technologies was found to have engaged in similar practices amounting to tie-in arrangements and refusal to deal, leading to a foreclosure of competition.

As a result, the CCI penalized UFO Moviez and Scrabble Digital to the tune of INR 1.04 crore and imposed a penalty of INR 1.65 crore on Qube Cinema and directed them to modify their agreements and remove the clauses found to be restrictive.

CCI dismisses bid rigging and cartelization allegations in the Locomotive supply case

The CCI vide order dated [30.04.2025](#) dismissed allegations of bid rigging and cartelization in the procurement of Motor Suspension Units (MSU) for electric locomotives. The Chief Material Manager/ Banaras Locomotive Works, Varanasi had filed a Reference before the CCI highlighting suspicious bidding patterns in tenders awarded to Kharagpur Metal Reforming Industries Pvt. Ltd. and Kay Pee Equipment Pvt. Ltd.

The Referring authority raised concerns regarding collusive bidding and restricted supplier competition. However, upon review of the evidence submitted, including the bid rates, IP addresses, bid submission dates and times, awarded tender rates, awarded quantities, and other relevant data regarding the bidders involved in the tender process, the CCI did not find any evidence of cartelization or bid rigging.

Consequently, the CCI closed the case under Section 26(2) of the Act.

CCI dismisses allegations of anti-competitive practices by J&K Bank

The CCI vide order dated [30.04.2025](#) dismissed allegations of violation of Section 3 and 4 of the Act by Jammu and Kashmir Bank ("**J&K Bank**").

The Informants contended that J&K Bank has an exclusive Memorandums of Understanding ("**MoU**") with institutions such as J&K Police, University of Jammu, University of Kashmir, and various automobile dealers, due to which the employees of these institutions are forced to use its banking services. They also accused the Bank of imposing a 'tie-in arrangement' by requiring fixed deposits for locker facilities.



Following a thorough review, the CCI determined that such agreements are common in business and do not restrict competition. The Commission found no prima facie case against the J&K Bank and decided to close the case under Section 26(2) of the Act.

CCI notifies the Competition Commission of India (Determination of Cost of Production) Regulations, 2025

The CCI on 07.05.2025 has notified the CCI (Determination of Cost of Production) Regulations, 2025 ("**Cost Regulations**"). The Cost Regulations replace the erstwhile CCI (Determination of Cost of Production) Regulations, 2009.

The Cost Regulations aim to modernize the framework for assessing predatory pricing under the Act. The Cost Regulations provide that the default benchmark for assessing predatory pricing is the average variable cost, serving as a proxy for marginal cost. Further, in specific cases, the CCI may consider other cost measures such as average total cost, average avoidable cost, or long-run average incremental cost, depending on industry specifics. In particular, the definition of 'total cost' has been revised to explicitly include depreciation and to exclude financing overheads.

The modernised framework allows for case-by-case assessment and will enable the CCI to consider the unique features and evolving dynamics of digital markets when evaluating alleged predatory conduct.

CCI penalizes Mudhra Labs and other parties for Gun- Jumping

The CCI, vide order dated [07.03.2025](#) imposed a penalty of INR 5,00,000 on Matrix Pharma Private Limited ("**Acquirer**"), Mudhra Labs Private Limited ("**Mudhra Labs**"), Mudhra Lifesciences Private Limited ("**Mudhra Lifesciences**"), Mudhra Pharmacorp LLP ("**Mudhra Pharmacorp**"), Kotak Strategic Situations India Fund II ("**KSSIF/ Investor 1**"), Kotak Alternate Asset Managers Limited ("**KAAML/ Investor 2**"), and Kingsman Wealth Fund PCC Aurisse Special Opportunities Fund ("**Kingsman**") for failing to notify the CCI about a change in the transaction structure for which the above mentioned parties had sought the CCI's approval. The CCI noted that though these parties had filed a Notice bearing Combination Registration No. C-2024/04/1139 in relation to the acquisition of Tianish Laboratories Pvt. Ltd. ("**Target**"), which the CCI had approved on 28.04.2024, the structure of the transaction underwent a change after the CCI approval but was never notified to the CCI. The CCI observed that such change ought to have been intimated to the CCI and held the parties guilty of violation of Section 43A of the Act.



CCI approves acquisition of AAM India Manufacturing Corporation Private Limited by Bharat Forge Limited with voluntary modifications

The CCI, on 22.04.2025, approved the acquisition of 100% shareholding of AAM India Manufacturing Corporation Private Limited ("**AAMMCPL**") by Bharat Forge Limited ("**BFL**"), subject to compliance of voluntarily modifications offered by the Parties.

The modifications included that prior to the acquisition, (a) AAMCPL will hive-off (i) its 'Pune Business Office' which is engaged in the provision of captive IT support and product engineering services, and (ii) components business division that purchases vehicle components and exports the same to other group entities of AAMCPL (as pass-through sales), to one or more affiliates of its parent company – American Axle & Manufacturing Holdings Inc. (AAM Holdco), and (b) e-axle assembly lines that are currently housed in AAM Auto Component (India) Private Limited, another wholly owned subsidiary of AAM Holdco in India.

The CCI found that the voluntary modifications offered by the parties were sufficient to allay the concerns arising from the high market shares of the parties and approved the acquisition.



This newsletter is only for general informational purposes, and nothing in this edition of the newsletter could possibly constitute legal advice (which can only be given after being formally engaged and familiarizing ourselves with all the relevant facts). However, should you have any queries, require any assistance, or clarifications with regard to anything contained in this newsletter (or competition law in general), please feel free to contact G.R. Bhatia/ Arjun Nihal Singh, at the below mentioned coordinates. © Luthra and Luthra Law Offices India 2025. All rights reserved.

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