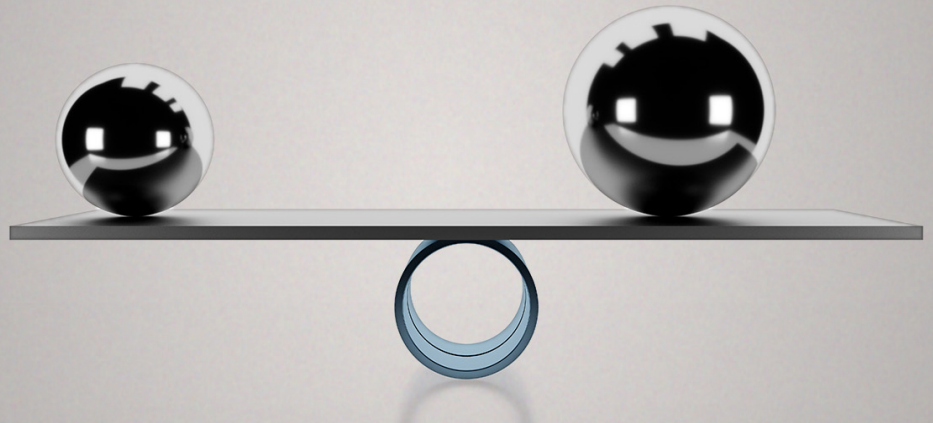


October 2025



Indian Competition Law Roundup – September 2025

In this Roundup, we highlight some important developments in Indian competition law in September 2025.

In summary:

- The Supreme Court of India (**Supreme Court**) confirmed that the Competition Commission of India (**CCI**) does not have the jurisdiction to review conduct covered by the Patents Act, 1970 (**Patents Act**).
- The Bombay High Court (**Bombay HC**) dismissed Asian Paints Limited's (**APL**) petition challenging the CCI's decision to investigate APL for its alleged abuse of dominant position, based on an information filed by Grasim Industries Ltd. (Birla Paints Division) (**Grasim**).
- The National Company Law Appellate Tribunal (**NCLAT**) upheld the CCI's order dismissing the allegations of abuse of dominance against the Directorate General of Foreign Trade (**DGFT**) and others, on the basis that the alleged misconduct (a change in export policy) related to the sovereign functions of the government, which falls outside the purview of the Competition Act.
- The CCI closed its investigation into GMR Hyderabad International Airport Limited (**GMR**) and GMR Aero Technic Limited (**GAT**) in relation to its alleged abuse of dominant position.
- The Supreme Court upheld the CCI's order in relation to the Kerala Film Exhibitors Federation (**KFEF**) and clarified that the CCI is entitled to impose both financial penalties and behavioural remedies where proportionate, including on the office-bearers of the infringing party.
- The NCLAT dismissed the appeals by Austere Systems Pvt. Ltd. (**Austere**) and others in relation to bid-rigging tenders, clarifying that in certain cases total turnover must be considered for the computation and imposition

of penalties. The NCLAT also clarified the concept of 'single economic entity' as a defence in bid-rigging cases.

Jurisdiction of the CCI

Supreme Court clarifies CCI's jurisdiction in patent licensing cases

On 2 September 2025, the Supreme Court ruled in favour of Monsanto Holdings Pvt. Ltd. (**Monsanto**) and Telefonaktiebolaget LM Ericsson (Publ) (**Ericsson**), and confirmed that the CCI does not have the jurisdiction to investigate alleged anti-competitive practices by patentees in the context of patent licensing.¹

The dispute originated from complaints against Monsanto and Ericsson regarding alleged abuse of dominant position and imposition of unfair licensing terms for patented technologies, specifically, Monsanto's genetically modified cotton seed technology and Ericsson's standard essential patents for telecom equipment.

The CCI initiated investigations under Sections 3 and 4 of the Competition Act, alleging excessive royalties and unreasonable licensing conditions. The patentees challenged the CCI's jurisdiction, arguing that such matters fall exclusively under the Patents Act, which provides a comprehensive framework for regulating patent rights, including remedies for anti-competitive conduct through the Controller of Patents and civil courts.

On appeal, a Division Bench of the Delhi High Court quashed the CCI's proceedings, holding that: (i) the CCI had no jurisdiction over the exercise of patent rights, Chapter XVI of the Patents Act governs such issues; and (ii) once a settlement is reached

¹ Competition Commission of India v. Monsanto Holdings Pvt. Ltd. & Ors., Supreme Court, SLP(C) No. 25026/2023 (2 September 2025).



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between the informant and the patentee, the requirement for an investigation is lost.²

The Supreme Court emphasized that the original informants (in the matter before the CCI) had already reached a settlement and, therefore, there was no justification to interfere with the Delhi High Court's order. The Supreme Court also clarified that any questions of law regarding the interplay between the Patents Act and the Competition Act remain open and may be addressed in future cases. Accordingly, all pending applications were disposed of.

This judgment reinforces the primacy of the Patents Act over the Competition Act in matters concerning the exercise of patent rights, particularly where remedies for anti-competitive conduct are already provided for under the Patents Act. The Supreme Court's decision upholds the principle that special legislation prevails over general legislation in case of a conflict, and that sector-specific regulators (such as the Controller of Patents) have exclusive jurisdiction over issues arising from the exercise of rights conferred by such special statutes.

The Supreme Court's decision also highlights the importance of settlements between parties in regulatory proceedings, as such settlements may render further investigations unnecessary.

Bombay High Court dismisses APL's appeal

On 12 September 2025, the Bombay HC dismissed APL's writ petition challenging the CCI's order under Section 26(1) of the Competition Act that directed the DG to investigate APL's alleged abuse of dominant position, based on an information filed by Grasim.³ APL made three principal arguments in its petition: (i) the CCI had not afforded APL a pre-referral hearing, as was established practice; (ii) since the CCI had previously considered and dismissed similar allegations against APL, as per Section 26(2A) of the Competition Act, the CCI should have either declined to re-inquire into APL's conduct or recorded reasons for its decision to re-open the investigation; and (iii) when directing the DG to investigate APL, the CCI published an order on its website, following which it published a revised order the next day. APL contended that there were material differences between the two orders, which raised concerns about the legality of the orders.

The Bombay HC affirmed the CCI's discretion to direct a DG

investigation at the *prima facie* stage without requiring a pre-referral hearing. The Bombay HC also clarified that Section 26(2A) of the Competition Act is an enabling provision, which is designed to avoid duplication when closing matters. Finally, the Bombay HC clarified that procedural irregularities in the uploading of orders will not vitiate the validity of those orders, provided that the authenticated and signed order is duly uploaded and communicated, and no prejudice is shown to any party.

NCLAT rules Competition Act not applicable to exercise of sovereign function

On 23 September 2025, the NCLAT pronounced its judgment in the appeal filed by Beach Mineral Producers Association and Mr. V Velmurugan against the CCI's order passed under Section 26(2) of the Competition Act.⁴

The CCI had dismissed allegations of abuse of dominance against DGFT, Director General, DGFT and Indian Rare Earths Limited (**IREL**) in relation to a notification dated 21 August 2018 issued by the DGFT, which brought the export of beach sand minerals under State Trading Enterprises (**STE**), placing IREL, an STE, in a dominant position.

The NCLAT upheld the findings of the CCI and held that any activity of government in relation to sovereign functions, particularly atomic energy, is not covered under the provisions of the Competition Act. Accordingly, Section 4 of the Competition Act is not applicable to the case.

Abuse of Dominance

CCI closes investigation into GMR and GAT for abuse of dominance

On 15 September 2025, the CCI closed its investigation into GMR and GAT in relation to allegations of abuse of dominance, in contravention of Section 4 of the Competition Act, based on an information filed by Air Works India (Engineering) Private Limited (**Air Works**).⁵

Air Works is engaged in the business of providing Maintenance, Repair and Overhaul (**MRO**) services of aircrafts to airlines. GMR owns and operates the Rajiv Gandhi International Airport (**RGIA**) in Hyderabad as its sole concessionaire. GAT is an indirectly wholly owned subsidiary of GMR and is also engaged in the business of providing third-party MRO services at RGIA.

² *Telefonaktiebolaget LM Ericsson (Publ) v. Competition Commission of India*, High Court of Delhi, LPA 247/2016 (13 July 2023).

³ *Asian Paints Limited v. Competition Commission of India and Anr.*, High Court of Bombay, W.P. No. 2887 of 2025 (12 September 2025).

⁴ *Beach Mineral Producers Association v. Government of India & Ors.*, NCLAT, Competition Appeal (AT) No. 48 of 2019 (23 September 2025).

⁵ *Air Works India (Engineering) Private Limited v. GMR Hyderabad International Airport Limited and GMR Aero Technic Limited*, CCI, Case No. 30 of 2019 (15 September 2025).



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Following an investigation by the DG, the CCI closed the case against GMR and GAT without finding a contravention of Section 4 of the Competition Act. It found that although GMR was dominant in the market for provision of access to airport facilities / premises at RGIA, it had not limited the provision of Line Maintenance Services or technical development to the prejudice of consumers, there was no denial of market access and no leveraging by GMR.

Anti-competitive agreements

Supreme Court clarifies CCI's powers in relation to remedies

On 26 September 2025, the Supreme Court pronounced its judgment in the appeal filed by the CCI in relation to a finding of anti-competitive conduct by KFEF and its office-bearers, Mr. P.V. Basheer Ahmed and Mr. M.C. Bobby.⁶

Following an investigation by the DG, the CCI concluded that KFEF, Mr. Ahmed and Mr. Bobby had contravened Section 3 of the Competition Act. The CCI imposed penalty on KFEF, Mr. Ahmed and Mr. Bobby at the rate of 10% of their average turnover / income. The CCI also issued directions against KFEF that it shall not associate Mr. Ahmed and Mr. Bobby with its affairs, including administration, management and governance, in any manner for a period of two years, and the same obligations applied to Mr. Ahmed and Mr. Bobby.

On appeal, the Supreme Court upheld the CCI's remedies and confirmed that the CCI was entitled to impose financial penalties as well as behavioural remedies on infringing parties. The Supreme Court also clarified that the penalties on the office-bearers were proportionate. Mr. Ahmed and Mr. Bobby played an active role in restricting the exhibition of new

movies across the State of Kerala and had failed to establish that the anti-competitive decisions were made without their knowledge or that they had exercised all due diligence to prevent them from being committed. Further, Mr. Ahmed and Mr. Bobby were also found to have indulged in similar anti-competitive conduct in the past and continued to do so until the present case.

NCLAT dismisses appeals by Austere in bid-rigging case

On 23 September 2025, the NCLAT pronounced its judgment in the appeal filed by Austere and others against the CCI's order passed under Section 3 of the Competition Act, where the CCI held that Austere and others had participated in bid-rigging in tenders relating to soil sample testing.⁷

Although penalties are generally calculated on the basis of relevant turnover (i.e., the turnover relating to the product or service in respect of which the provisions have been contravened), the NCLAT noted that in the case at hand, almost all the bidders for soil testing were first-time bidders with no relevant turnover. In light of this, the NCLAT determined that the concept of relevant turnover in such cases would result in a nil penalty, allowing the parties to go scot-free. Thus, it upheld the CCI's approach of taking the total turnover for the computation and imposition of penalties.

Further, the NCLAT held that merely being categorised as "related parties" for certain transactions would not afford the parties the 'single economic entity' defence, if the entities are otherwise independent, with separate legal personality, separate commercial interests, and lack of common controlling ownership.

⁶ *Competition Commission of India v. Kerala Film Exhibitors Federation & Ors.*, Supreme Court, Civil Appeal No. 9726 of 2016 (26 September 2025).

⁷ *Austere Systems Pvt. Ltd. v. Competition Commission of India*, NCLAT, Competition Appeal (AT) Nos. 36, 40 & 48 of 2022 (23 September 2025).

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