

I. CCI initiates investigation against Google in India in relation to abuse of dominance

The Competition Commission of India (CCI) has ordered an investigation against Alphabet, Inc. Google and its Indian subsidiaries for alleged abuse of dominance in relation to the Unified Payment Interface (UPI) 'Google Pay' installed on smartphones running Google's Android mobile operating systems.

The CCI considered that Google was *prima facie* dominant in the market for apps facilitating payment through UPI in India.

It was alleged that Google mandates use of Google Pay for purchasing apps and in-app purchases in the Google Play Store, while excluding other payment options and their service providers from such purchases made on its ecosystem. The CCI considered the imposition of such exploitative and exclusionary condition as *prima-facie* unfair in terms of Section 4(2)(a) of the Competition Act, 2002 (Act).

It was also alleged that Google encourages pre-installation and opting of Google Pay as the default payment option on new smart mobile devices using the Android OS at the time of initial set up. The CCI observed that pre-installation of Google Pay may create a sense of exclusivity and default as users may not opt for downloading competing apps. Such conduct of Google was considered *prima-facie* violative of Section 4 of the Act.

It was also alleged that Google has provided search bias to its Google Pay app in the Play Store by placing it as the top result for queries even when it may not be the most relevant result based on specific queries. The CCI considered that such conduct is exclusionary and violative of Section 4(2) of the Act.

The CCI has ordered a detailed investigation against Google and its subsidiaries for the

above conduct for alleged violation of Section 4 of the Act.

[Case: *XYZ vs Alphabet, Inc. & Others* CCI Case No. 07 of 2020, decision dated 09 November 2020]. The full text of the order may be accessed [here](#).

II. CCI dismisses case against Security Printing and Minting Corporation of India (SPMCIL) for alleged abuse of dominance

The CCI has dismissed a case against Indian Government's exclusive currency and security paper manufacturer for abuse of dominance in relation to tender for procurement of ball bearings.

In a case filed by a supplier/distributor for one of the tenders of the opposite party, it was alleged that the supplier's bid was rejected by SPMCIL without assigning any specific reason.

The CCI considered that in the market for procurement of ball bearings in India, SPMIL does not enjoy any significant buyer power as other such procurers exist in the market. As such, its conduct cannot be a subject matter of scrutiny under Section 4 of the Act. The CCI noted that the rejection was due to non possession of a valid certificate from the original equipment manufacturer.

The CCI noted that the Informant had not supplied any data to support its allegations and dismissed the case.

[Case: *Mr. Deepak Sultania vs Security Printing and Minting Corporation of India Limited & Ors.* Case No. 41 of 2020, order dated 12 November 2020]. The full text of the order may be accessed [here](#).

III. CCI approves the acquisition of Future Group's retail business by Reliance

The CCI has approved the acquisition of retail and wholesale undertaking as well as the

logistics and warehousing undertaking of Future Group by Reliance Industries Limited, through its subsidiaries. The acquisition is a horizontal combination as both the entities/groups are engaged in retails and associated businesses.

The CCI has approved the said combination as per the information available on the website of the CCI. The detailed order of the CCI is yet to be made public.

[**Case:** Notice given by (i) Reliance Retail Ventures Limited & (ii) Reliance Retail and Fashion Lifestyle Limited. Notice No. C-2020/09/771.] The summary of the notice may be accessed [here](#).

IV. CCI deletes requirement to separately disclose the non-compete restrictions in the merger notification

The CCI, vide amendment regulations dated 26 November 2020, has modified the extant combination regulations by dispensing certain disclosure requirements in the combination notices. Parties to combination are no more required to give separate details regarding their non-compete restrictions, in the combination notice. In this regard, CCI has omitted item 5.7 of Form I of Schedule II to the Combination Regulations.

[(F.No.CCI/CD/Amend/Comb.Reg1/3(2)/01/20 20 in the Gazette of India, Extraordinary, Part III, Section 4, dated 26 November, 2020. The full text of the notification may be accessed [here](#).]

V. CCI dismisses allegations of cartelization against liquor suppliers in Haryana

The CCI has dismissed a case of cartelization against Lakeforest Wines Private Limited, Ashir Marketing (India) Private Limited, and Sarja Associates Private Limited for alleged cartelization in supply of Imported Foreign Liquor (IFL) in Haryana.

It was alleged that the OPs have cartelised to limit and control the supply of IFL as well as rigged the tenders floated by the Excise and Taxation Department, Government of Haryana for the license for supply of IFL in the state of Haryana.

It was alleged that even though OPs are three separate companies, they have common directors, common chartered accountants and same email-IDs. It was alleged that the companies engage in rotational bidding each year for the tenders issued in Haryana.

The CCI noted that the Informant has not furnished any evidence of meeting of minds or collusion. No details or documents relating to the tenders which are alleged to have been rigged have been furnished by the Informant. On account of lack of evidence to establish a *prima-facie* case, the CCI dismissed the case.

[**Case:** XYZ vs Lakeforest Wines Private Limited and Ors. Case No. 36 of 2020, order dated 17 November 2020]. The full text of the order may be accessed [here](#).]

This update is intended merely as an announcement to highlight recent developments. The information is general and should not be considered or relied on as legal advice. For any further enquiries, please contact the following:



Kunal Mehra, Partner
(kunal@duaassociates.com)



Danish Khan, Principal Associate
(danish@duaassociates.com)