

KK SHARMA
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Competition Commission of India Orders Cease and Desist in Bid-Rigging in Ordnance Services

The Competition Commission of India (**'Commission'**/ **'CCI'**) has ordered a cease and desist from anti-competitive practices in a Reference filed by CP Cell, Master General of Ordnance Branch, Directorate General of Ordnance Services, (**'DGOS'**/**'Informant'**) under Section 19(1)(b) of the Competition Act, 2002 (**'Act'**), against M/s KKK Mills (**'OP-1'**/ **'KKK Mills'**) and M/s Sankeshwar Synthetics Pvt. Ltd. (**'OP-2'**/ **'SSPL'**), alleging that OP-1 and OP-2 (collectively referred to as **'OPs'**) entered into an agreement resulting in collusive bidding, by quoting identical rates i.e., Rs.122.75/-, in the re-tender for procurement of Underpants Woollen, essentially violating the provisions of Section 3(3)(d) read with Section 3(1) of the Act. As per the information, the re-tender was held in 2020-2021 (**'Re-Tender'**) after the initial tender dated 11.07.2019 (**'Initial Tender'**) was cancelled by the Informant on account of suspicion of cartelization between KKK Mills and SSPL (OPs), quoting the exact same price i.e., Rs. 127.90/-.

In its prima facie opinion, the Commission, observing that KKK Mills and SSPL quoted the same price of Underpants Woollen in the Initial Tender and the Re-Tender, emphasized the conduct of the OPs and the existence of price parallelism and ordered the Director General (**'DG'**), under Section 26(1), to investigate the contravention of Section 3 of the Act. The DG in its investigation report identified two issues – whether OPs have violated Section 3 of the Act by bid rigging/collusive bidding and if, yes, who are the individuals to be held responsible under Section 48 of the Act.

On the basis of call data records, emails exchanges (showing distribution of profits and sharing of supply orders between OPs), bank transactions, related party transactions (between OP-2 and one firm M/s Jainson Hosiery Industries), time of submission of bids, and overall conduct of the OPs quoting identical price (in both the Initial Tender and the re-tender) in dividing supply orders and maintaining consistent pattern of cooperation, the DG observed that the OPs behaviour and conduct was not coincidental or market driven, and have caused or will likely cause Appreciable Adverse Effect on Competition (**'AAEC'**), violating Section 3(3) of the Act. In regards to the individuals liable, the DG held Shri Vikas Gupta, Partner of OP-1 and Shri Anuj Jain, Director of OP-2, liable under Section 48 of the Act.

The OPs refuted the findings and stated that the identical price quotes were merely a coincidence. However, the Commission noted that during the investigation OPs failed provide the detailed procedure of how the quoted rates were determined in Initial Tender and Re-Tender. The Commission further observed that the contention of the OPs that the tender was in the nature of a Rate Contract is not maintainable as the terms and conditions were finalised after the competitive bidding process and the Rate Contract was applied after the bidding process.

The OPs further contended that, as the purchaser of the Re-Tender is Ministry of Defence, the concerned market was in the nature of "Oligopsony", in which prices being similar is not a sure-shot indication of cartelization. Rejecting this, the Commission, relying on the investigation report of the DG, observed that in the present matter, apart from government procurers, the product – textile or hosiery items – are also sold in the open market, and, therefore, even if the OPs were not able to secure supply order from tendering authorities, they can still remain in the market by selling their products to private buyers, and even to other government buyers, like Central Reserve Police Force, Indo Tibetan Border Police, Border Security Force, Home Guard and Central Industrial Security Force, as well.

Based on the above, and considering the repetitive conduct OPs of not only quoting identical prices but doing so within the gap of only few minutes, on not one but two occasions (in Initial Tender and Re-Tender), the Commission observed that the OPs had pre-arranged understanding and identical quotations were not mere coincidence. The Commission further observed that, in the absence of anything put forth by the OPs to suggest the contrary, the OPs in the present case had fixed the rates to be quoted by them to become the L-1 bidders in the Re-Tender.

Regarding coordination between the OPs, the Commission, on the basis of call records, bank transactions and emails, indicating that OPs were in contact with each other, bilaterally, and also through the firm M/s Jainson Hosiery Industries, observed that the contention of the OPs that there is no cogent evidence against them is without any substance.

[\(Continued on next page\)](#)



In view of the above, the Commission held that the OPs engaged in bid ridding/ collusive bidding in the Re-Tender, contravening Section 3(3)(d) of the Act and further held Partner of OP-1 and Director of OP-2 liable under Section 18 of the Act. To this effect, the Commission, considering that imposing penalty on average total turnover of the OPs, who have the status of MSMEs, would severely impact their functioning, issued a cease and desist order on the OPs.

[\(Order dated 02.01.2026\)](#)

Competition Markets Authority Clears Beacon Rail Lux Holdings S.à r.l. acquisition of Eversholt UK Rails Limited in Sector Concerning ROSCOs

U.K.'s Competition and Markets Authority ('CMA') cleared the acquisition of Eversholt UK Rails Limited ('Eversholt') by Beacon Rail Lux Holdings S.à r.l., ('Beacon Rail') both operating as rolling stock leasing companies ('ROSCOs') in Great Britain, observing that the transaction met the jurisdictional thresholds under the Enterprise Act 2002, and does not cause substantial lessening of competition ('SLC').

The CMA separated product markets for the leasing of 'passenger trains' and 'freight locomotives', with Great Britain as the relevant geographic market. The CMA, considering that the Parties had a high combined share of supply in freight locomotive leasing, observed that market shares were not a reliable indicator of competitive dynamics in the concerned sector due to long-term leasing arrangements, limited asset mobility, and the non-interchangeability of different locomotive classes.

The CMA observed that the Parties had not competed against each other for existing freight locomotive lease renewals or for financing new-build freight locomotives over the past decade. Noting that Eversholt was regarded as a legacy player with limited prospects of becoming a significant competitor in new-build freight locomotives, and that the presence of

alternative financing options, including other ROSCOs, direct procurement, and infrastructure investors, the CMA concluded that the merger would not give rise to a realistic prospect of an SLC. Accordingly, the merger was not referred for a Phase 2 investigation.

[\(Order dated 16.01.2026\)](#)

Bundeskartellamt clears Abbot Laboratories and Exact Sciences merger in the domain of Oncological Molecular Diagnostics.

The German Competition Authority, the Bundeskartellamt, cleared the merger between Abbott Laboratories, a company engaged in pharmaceuticals, nutrition products, medical technology and diagnostics, including molecular diagnostics, and Exact Sciences Corporation, a biotechnology company specialising in molecular diagnostics for the early detection of cancer and the guidance of personalised treatment. Granting approval to the transaction, the President of the Bundeskartellamt stated that although both companies are active in the field of oncological molecular diagnostics in Germany, the genetic tests offered by them are based on different technologies and serve distinct clinical functions, and therefore cannot be regarded as substitute products.

The authority noted that molecular diagnostics, particularly genetic testing, are becoming increasingly important in cancer detection, treatment selection and follow-up care. Despite both parties distributing breast cancer-related tests in Germany, their products address different stages of diagnosis and treatment decision-making. The Bundeskartellamt further observed that Abbott's market presence in oncological molecular diagnostics in Germany remains relatively limited, and that the sector is characterised by strong innovation and competition from established players such as Roche, Thermo Fisher and Danaher.

[\(Press release dated 30.01.2026\)](#)



Heard at the BAR

Legal news from India and the world

Poland Competition Authority Imposes Penalty on Oltens 1 For Minimum Resale Prices

The Competition Authority of Poland, Urząd Ochrony Konkurencji i Konsumentów (Office of Competition and Consumer Protection) ('UOKiK') imposed penalty on Oltens 1 (and its managers), a company dealing in bathroom sanitary wares, for imposing mandatory minimum resale prices on online shops for its products, thereby undercutting competition from independent sellers. Oltens 1 supplied sanitary ware to business partners selling through online shops and other channels. Its price lists specified purchase prices and included "suggested net/gross retail prices", which effectively functioned as minimum prices for online sales. The President of UOKiK found that the company had infringed Polish and EU competition law by agreeing with its partners on minimum resale prices for Oltens sanitary ware sold online, thereby restricting price competition between retail sellers. UOKiK imposed penalties on Oltens and its two managers. However, the authority applied the leniency programme, under which cooperation and provision of evidence led to a 45 per cent reduction in fines. As a result, Oltens 1 was fined PLN 256,300, while penalties imposed on the two managers were also significantly reduced.

[\(Press release dated 08.01.2026\)](#)

Allcargo Logistics Fined Rs. 50,00,000/- By Competition Commission of India Under Section 43A

The Commission imposed a penalty under Section 43A of the Act on Allcargo Logistics Limited (**'Allcargo'**) for not notifying its acquisition of 30% stake in Gati-Kintetsu Express Private Limited (**'Gati Express'**/ **'Target'**) from KWE- Kintetsu World Express (S) Pte. Ltd. (**'KWE Singapore'**) and KWE Kintetsu Express (India) Private Limited (**'KWE India'**) (collectively, **'KWE'**).

The Commission, upon becoming aware of Allcargo's acquisition of 30% stake in Target from KWE (**'Transaction'**) through public domain, directed Allcargo Gati Limited (**'AGL'**) (a subsidiary of Allcargo holding 70% stake in Target) to furnish certain information and documents in relation to the Transaction under Section 36(4) of the Act for the purposes of assessing the requirement of further proceedings under Section 20(1) and/or Section 43A of the Act.

The Commission observed that the change in control over the Target from joint control to sole control, as Allcargo already indirectly held 70% shareholding in the Target (through AGL), necessitated the requirement of notifying the Transaction to the Commission. In response to this, Allcargo stated that since Allcargo was already a majority shareholder – by virtue of AGL's holding of 70% stake in the Target – acquiring a minority stake of KWE in the Target resulted in no change in the management and control of Gati Express.

The Commission observed that KWE had negative control (power of veto) over the Target, which signified joint control of both Allcargo and KWE on the Target prior to the Transaction and, therefore, pursuant to the Transaction, Allcargo acquired sole control of the Target. The Commission defined 'control' as a *"matter of degree and can be expressed as positive control or majority control, negative control, sole control, joint control etc. Further, control can be gained either by negotiating and acquiring control conferring rights under the inter se agreements/arrangements between the parties or by acquiring a shareholding which by itself is sufficient to confer control"*.

The Commission, on the basis of above, observed that a notice under Section 6(2) of the Act should have been filed by Allcargo before the consummation of the Transaction and accordingly, a Show Cause Notice (**'SCN'**) was issued by the Commission to Allcargo under Section 43A read with Regulation 48 of the Competition Commission of India (General) Regulations, 2009 (**'General Regulation, 2009'**) vide which Allcargo was called upon to show cause as to why penalty should not be imposed upon it for contravention of Section 6(2) of the Act.

On in-depth perusal of the Shareholder's Agreement of Target (**'SHA'**) and the response of Allcargo to the SCN, the Commission, considering the change in nature of control of Gati Express – from joint to sole control – as shown by the extent of shareholding and the nature of rights provided under the SHA, observed that "control" can be both de jure and de facto and KWE had de jure negative control over the Gati Express, by the virtue of shareholdings and rights under the SHA which got transferred to Allcargo.


The Commission, distinguishing between the act of notifying the combination and the assessment of a combination for likelihood of AAEC, stated that assessment is separate exercise which is undertaken after the notification of the combination. In light of this, the Commission held that the assessment of AAEC cannot be made the basis for requirement of filing of notice of a transaction. The Commission further observed that the concept of control is a matter of degree in the competition law practice and that the belief where an entity has de jure control, other forms of control become irrelevant is wrong, as all degrees and forms of control constitute control

Based on above, the Commission observed that by consummating the Transaction without filing a notice, Allcargo had contravened the provisions of Section 6(2) and therefore is liable for penalty under Section 43A of the Act. In this respect, the Commission imposed a penalty of Rs. 50,00,000 (Rupees Fifty Lakhs Only) on Allcargo.

[\(Order dated 08.01.2026\)](#)

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