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Economic Laws | Governance, Regulations and Risk | Public Affairs and Policy

- Agricultural Input Dealers Penalized Rs. 10,64,577 by CCI for Boycott of Online Sale of Agri-Inputs

HEARD AT THE BAR

- 11-year cartel of agricultural machinery fined nearly PLN 136 million by UOKiK
- New York Investment Firm agrees to pay $250M for repeated violation of Merger Compliance

BETWEEN THE LINES

- CCI Imposes A Cumulative Penalty of Rs. 9,83,415/- for Bid-Rigging in Tender for Tyres

Agricultural Input Dealers Penalized Rs. 10,64,577 by CCI for Boycott of Online Sale of Agri-Inputs

The Competition Commission of India **('CCI'/ 'Commission')** in Ulink Agritech Private Limited v. Agro Input Dealers Association & Ors. (Case No. 06 of 2023), found the Agro Input Dealers Association **('AIDA'/ 'OP-1')**, a national-level association of agro-input dealers, Agro Input Welfare Association **('AIWA'/ 'OP-2'),** a state-level association operating in Gujarat, President of AIDA **('OP-3')** and Secretary of AIDA and Co-ordinator of AIWA **('OP-4')** liable for engaging in anti-competitive conduct aimed at restricting the online sale and distribution of agricultural inputs, such as fertilizers, pesticides, nutrients, seeds, sprayers and related products. The Commission held that the conduct of Opposite Parties **('OPs')** contravened Section 3(3) (b) read with Section 3(1) of the Competition Act, 2002 **('Act'),** and imposed monetary penalties on the associations and individuals responsible.

The Information was filed by Ulink Agritech Private Limited **('Ulink'/ 'Informant'),** a start-up providing consultation to farmers through the app "AgroStar" and dealing in agricultural inputs across west India and parts of central India. As per the Informant, it operates under the private label of AgroStar as well as on a non-private label basis (i.e., distribution of products as received from manufacturers/ dealers) and has tie-up with numerous retail 'Saathi Stores', across the five states on a non-exclusive basis. The Saathi Stores, branded as 'AgroStar ki laal dukan', purchase both private-label and non-private-label agricultural inputs from Ulink and further supply the same to farmers. The Informant alleged that the certain associations – including AIDA and AIWA – had initiated a coordinated campaign against online agricultural input platforms and had pressured manufacturers, dealers and retailers not to deal with online platforms, including Ulink.

It was alleged that retailers operating as Saathi Stores were threatened with consequences, including termination of dealership relationships. The Informant further alleged that AIWA had called upon its members to boycott online companies and that the both the associations had sought to persuade manufacturers to discontinue supplies to online platforms. The Informant stated that the Insecticides (Second Amendment) Rules, 2022, notified on 24.11.2022, which introduced Rule 10(E) to the Insecticides Rules, 1971, expressly permitted the sale of insecticides through e-commerce entities subject to applicable legal requirements.

After considering the Information, the responses of the OPs and the Informant's rejoinder, the CCI formed a prima facie view that the decision of the associations to stop sales through online platforms fell within Section 3(3)(b) of the Act. The Commission accordingly directed the Director General **('DG')** to investigate under Section 26(1), including the role of individuals under Section 48.

The DG relied upon, inter alia, communications issued by AIDA to manufacturers, messages circulated among members, responses from manufacturers supporting the initiative, communications concerning dealership cancellations and evidence concerning the effect of the boycott campaign on Ulink's business. It was found that AIDA and AIWA had engaged in a boycott of online sales and had thereby limited the channel of supply and distribution of agri-input products. It further found that the conduct discouraged the growth of technology-enabled players such as Ulink. The OPs contended that they were not-for-profit welfare associations and did not undertake commercial activities. According to them, their communications represented legitimate regulatory advocacy concerning compliance and public safety rather than an anti-competitive agreement. They argued that there was no enforceable boycott, monitoring mechanism or disciplinary action against members and that market supply had not been restricted. They also contended that the presumption of Appreciable Adverse Effect on Competition **('AAEC')** under Section 3(3) could arise only after establishing an agreement and that their conduct was protected as an exercise of rights under Articles 19(1)(a) and 19(1)(c) of the Constitution.

The Informant, on the other hand, characterized the conduct as a coordinated boycott intended to prevent manufacturers and retailers from dealing with online platforms. It submitted that the associations had used letters, WhatsApp communications and other forms of communication to coordinate and enforce the boycott and that the campaign had adversely affected Ulink's retail network and business expansion.

The Commission, at the outset, rejected the contention that AIDA and AIWA fell outside the definition of an "enterprise" under Section 2(h) merely because they were associations and not-for-profit bodies.

The Commission considered AIDA's letter dated 05.08.2022 addressed to agri-input manufacturers, which is particularly relied upon by the DG. The Commission found that the language of the letter went beyond regulatory representation and indicated an exclusive nature cooperating only with companies continuing sales through offline channels and sought written confirmation of their position. According to the CCI, this demonstrated an intention to secure compliance with a collective boycott rather than merely communicate concerns.

The Commission also attached significant evidentiary value to admissions made by OP-3 during the investigation that manufacturers had been requested to discontinue supplies to online platforms and that retailers had been discouraged from dealing with such platforms.

(Continued on next page)

The CCI distinguished between legitimate regulatory advocacy and anti-competitive implementation. While representations made by the associations to Government authorities concerning regulatory issues were not, by themselves, considered violative, the coordinated communications directed at manufacturers and retailers were held to have crossed the line into controlling the commercial decisions of market participants. The Commission also relied on evidence of dealership cancellations, discontinuation of supplies, communications from market participants and admissions of office bearers to conclude that the boycott was actually implemented and was not merely advisory. The CCI further found that AIDA was the principal platform through which the boycott was initiated and coordinated, while AIWA participated in implementing the campaign in Gujarat.

The Commission relied on OP-3's admission during investigation that manufacturers were asked to stop supplying to online platforms and discouraged from dealing with them in future, and that he authorised OP-1's communications as Association President. OP-4 actively coordinated the boycott by circulating communications, issuing messages to members, acknowledging manufacturer support, and monitoring implementation.

The Commission rejected the OPs' plea that supply remained unlimited, as multiple manufacturers continued supplying and no shortage was evidenced. Relying on the DG's findings, it noted a significant decline in new store openings and repeat transactions between June-September 2022 and the same period in 2023, after the 05.08.2022 boycott call, alongside increased Saathi store closures, establishing AAEC.

The CCI held OP-1, OP-2, OP-3 and OP-4 to have contravened Section 3(3)(b) read with Section 3(1) of the Act and ordered for cease and desist under Section 27(a) of the Act. The Commission also decided to impose a cumulative penalty of Rs. 10,64,577/- on the OPs.

(Order dated 21.08.2026)

11-year cartel of agricultural machinery fined nearly PLN 136 million by UOKiK

The Office of Competition and Consumer Protection **('UOKiK')**, Poland's competition regulator, imposed a cumulative fine of PLN 136 million on AGCO Corporation **('AGCO')**, eight agricultural machinery dealers and five managers for participating in an 11-year cartel involving the sale of Valtra, Fendt and Massey Ferguson machinery and, in certain cases, spare parts.

UOKiK found that the cartel had been operating from 2012 to 2023, covering agricultural machineries from Valtra, Fendt and Massey Ferguson. According to UOKiK, the participants divided the Polish market by allocating geographical territories to particular dealers and restricting sales outside those territories.

The arrangement, as identified by the UOKiK, allegedly allowed dealers to exchange pricing information to ensure that customers outside their designated territories did not receive more competitive offers.

UOKiK observed that AGCO, the wholesale distributor of the three brands in Poland, was found to have played a coordinating role and intervened when dealers attempted to sell outside their allocated territories, by withdrawing discount policy from these outliers. It also monitored dealer conduct and helped resolve disputes between dealers.

AGCO was fined PLN 82.712 million, dealers were fined between PLN 0.9-16.8 million, and five managers personally. Agrotechnik, a dealer, received a 50% reduction for leniency cooperation.

(Press release dated 07.08.2026)

Heard at the BAR

Legal news from India and the world

New York Investment Firm agrees to pay $250M for repeated violation of Merger Compliance

The United States Department of Justice **('DOJ')** filed a proposed settlement penalizing KKR & Co. GP LLC **('KKR'),** a New York-headquartered global investment firm engaged in buying and selling of companies, to pay a civil penalty of $250,000,000 for failing to comply with Hart-Scott-Rodino Antitrust Improvements Act of 1976 **('HSR Act')** across numerous filings**,** which mandates a premerger filing of transactions above a threshold to DOJ's Antitrust Division and the Federal Trade Commission **('FTC')** to facilitate the enforcement of Section 7, which prohibits mergers and acquisitions that threaten to harm competition, of the Clayton Act, 1914 **('Clayton Act')**. The DOJ asserted that KKR, as in investment firm, was well aware of the HSR Act's requirements and could not have missed over 100 premerger filings.

According to the Antitrust Division, KKR violated the HSR Act by (i) altering documents in at least eight of transactions, (ii) failing with HSR filing compliances for at least two transactions, and (iii) omitting required documents in HSR filings for at least 10 transactions.

The DOJ filed a proposed settlement requiring KKR to pay a civil penalty of $250,000,000 to resolve allegations. KKR agreed to pay the fine.

(Press release dated 26.08.2026)

CCI Imposes A Cumulative Penalty of Rs. 9,83,415/- for Bid-Rigging in Tender for Tyres

The Competition Commission of India **('Commission'/ 'CCI'),** in a reference filed by the State of Haryana, through State Transport ('**Informant**'), under Section 19(1)(b) of the Competition Act, 2002 **('Act'),** imposed a cumulative penalty of Rs. 9,83,415/- for bid-rigging in tenders for the procurement of new steel radial tyres. The reference was filed against J.K. Tyre & Industries Limited **('OP-1')** and subsequently CEAT Limited **('OP-2'),** Birla Tyre Limited **('OP-3')** Michelin India Private Limited **('OP 4'),** Continental India Private Limited **('OP-5'),** Apollo Tyres Limited **('OP-6'),** MRF Limited **('OP-7')**, Bridgestone India Private Limited **('OP-8')**, Rekha Agencies, representative of JK Tyer/OP-1 **('OP-9')**, and SS Marketing, representative of CEAT/ OP-2 **('OP-10')**, were arrayed as parties.

The Informant had alleged that OP-1 emerged as the sole bidder in a 2018 tender for radial tyres floated by Haryana Roadways and quoted prices 34-39% higher than previous approved rates. The Commission directed the Director General **('DG')** to investigate under Section 26(1) of the Act. Based on the analysis of participation data, the DG found that OP-1 and OP-2 consistently participated in various tenders. For the purposes of investigation, the DG analyzed one such tender floated by Himachal Road Transport Corporation **('HRTC')** for procurement of tyres. On the scrutiny of email exchanges and whatsapp communication, DG found that OP-9 and OP-10 shared bid sensitive information and quoted identical bids upto second decimal in the HRTC tender. With respect to Haryana tender, the DG observed that the participation trend of OP-1 and OP-2 in various tenders between 2012 and 2019 demonstrated a substantial price escalation by OP-1 in bids between 2017 and 2018. The DG also observed that sensitive bid information was exchanged between OP-9 and OP-10 prior to bid submission in this tender also. The DG, however, found no sufficient evidence against OP-3 to OP-8.

Dealing with the HRTC tender first, the Commission noted that the emails, WhatsApp messages and details of other tenders on record showed that OP-9 and OP-10 were involved in the tender-related activities of OP-1 and OP-2 respectively. The Commission held that OP-9 and OP-10 exchanged emails about the bid prices before bid submission and, therefore, OP-9 and OP-10 have violated Section 3(3)(d) read with Section 3 of the Act. The Commission also observed that there is not sufficient evidence to suggest that OP-1 and OP-2 have violated the provisions of the Act.

The Commission observed that such pre-bid exchange of commercially sensitive information undermines the independence of the bidding process and distorts competitive conditions, resulting in an appreciable adverse effect on competition, regardless of whether the principal manufacturers were complicit or not.

Regarding the Haryana tender, the Commission found that OP-1 being the sole bidder and quoting materially higher prices, without corroborating evidence of an agreement or coordination with any competitor, could not by itself establish a contravention. Bidding strategies, the Commission noted, may legitimately be shaped by cost, risk and margin considerations. Relying on the communications and investigation report of the DG, the Commission held OP-9 and OP-10 to have contravened Section 3(3)(d) read with Section 3(1) of the Act.

Accordingly, the Commission held that OP-1 and OP-2 had not contravened the Act, as not enough evidence was found against them, and that consequently no liability under Section 48 arose against Chairman of OP-1 and Managing Director of OP-2. However, OP-9, OP-10, and Managing Director of OP-9 were held liable under Sections 3(3)(d) read with 3(1) and 48(1) of the Act. Proceedings against Co-owner of OP-10 were abated on account of his demise. The Commission imposed penalties of ₹1,29,901 on OP-9, ₹2,13,274 on OP-10, and ₹6,40,240 on Managing Director of OP-9, and issued cease-and-desist directions under Section 27(a) of the Act.

(Order dated 21.08.2026)

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