

A new chapter in resolving non-cartel cases

Through its Settlement and Commitment framework, the CCI has ushered in a more collaborative, trust-based approach

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Since its inception, it has typically taken about three or four years for the Competition Commission of India (CCI) to conclude inquiries into cases of anti-competitive conduct. Last year, to reduce the burden, and to achieve finality in disposal of cases, the CCI introduced the Settlement and Commitment (S&C) framework for non-cartel enforcement cases. One year since its introduction, India witnessed its first 'settlement' decision on April 21, 2025, in the Google TV Android case, with no 'commitment' decisions so far.

The S&C framework allows the investigated party to offer and negotiate a solution to the competition law issue. If accepted, the CCI inquiry would be closed (as no appeal is allowed from a commitment or settlement order). This framework was adopted after extensive deliberations by the Competition Law Review Committee (a committee set up to review and recommend changes to the Competition Act, 2002).

The S&C framework incentivises parties to approach the CCI earlier with a solution. There is no penalty in case the CCI inquiry is closed through a

commitment. A settlement gives a fixed 15 per cent penalty discount, calculated after considering mitigating and aggravating factors. However, compensations can be awarded by the NCLAT in settlement cases.

This framework has been guided by best international practices from the EU, the US and Singapore. It is now globally agreed that such efficient alternatives are preferable to prolonged enforcement. In the US, settlements were introduced in the 1990s, and the success of this framework is evident; approximately three-fourth of its competition cases have been settled.

Especially in technical digital markets, as in other jurisdictions, the CCI should also provide feedback and allow exchanges with the parties to enable them to tailor their commitments and settlements to alleviate the CCI's concerns.

ALTERNATIVE TOOLS

Part of the CCI's success also stems from its ability to offer alternative tools for quicker redressal. The S&C framework is also aligned with the overall dispute resolution trend in India, where alternative dispute resolution is being increasingly preferred to reduce litigation burden and facilitate timely justice. This marks a paradigm shift in



KEY BENEFIT. Faster disposal of cases

CCI's approach to non-cartel enforcement. The CCI is moving away from an adversarial approach to a more collaborative, trust-based one.

It is worthwhile to draw an analogy with the existing merger control framework in India. Initially, in merger control, the CCI could ask parties to divest or adopt behavioural remedies once it formed a preliminary opinion that the transaction under review could cause anti-competitive effects in Indian markets.

To facilitate faster approvals, the CCI introduced a system where both the CCI and parties are allowed to propose remedies or modifications before the CCI forms a preliminary opinion. This allows the CCI to address the

competition concerns stemming from the transaction, while providing quick approvals.

This process is a trust-based, consultative mechanism. It is no wonder that, out of the 1,254 combination notifications received by the CCI as of March 2025, 1,233 have already been decided by the CCI, which comes to an overwhelming 98 per cent rate of disposal. Out of the 1,233, in over 30 cases, the CCI has been successfully able to negotiate remedies with parties, as a result of which, not a single transaction has been blocked by the CCI till now.

The CCI can adopt the same trust-based, co-operative approach in the S&C framework. It will be interesting to see if the first settlement decision prompts more parties to settle cases going forward. Open dialogues where parties engage with the regulator and negotiate solutions considering commercial realities will be welcome. The onus is also on parties to come forward with appropriate remedies. This enhances predictability, as CCI orders on settlements and commitments will increase transparency on the kinds of acceptable remedies.

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