IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 26-02-2015
Delivered on: 27-03-2015

Coram:

The Honourable Mr.Justice V.RAMASUBRAMANIAN
and
The Honourable Mr.Justice P.R.SHIVAKUMAR

Writ Appeal Nos.1806 and 1807 of 2013

The Tamil Nadu Film Exhibitors Association
DR Mailigai, No.2 (Old No.16), Poes Road,
III Street, Teynampet, Chennai - 600 018. ...Appellant

Vs

1. Competition Commission of India
Hindustan Times House (3rd, 4th and
7th Floor), 18-20 Kasturba Gandhi Marg
New Delhi - 110 001. ... 1st Respondent in
W.A.No.1806 of 2013

2. Raaj Kamal Film International,
Old No.172, New No.4, Eldams Road,
Alwarpet, Chennai - 600 018. ... 2nd Respondent in
both W.As.

3. The State of Tamil Nadu,
rep. by its Principal Secretary to the
Government, Information and Tourism
Department, Fort St. George,
Chennai - 600 009. ... 3rd Respondent in
W.A.No.1806 of 2013

S.Sridhar
R.Ramanujam ... Respondents 3 & 4 in
W.A.No.1807 of 2013.

Appeals under Clause 15 of the Letters Patent.

Prayer in W.A.No.1806 of 2013 is: to set aside the order dated 16.08.2013

in W.P.No.12085 of 2013 and consequently quash the proceedings pending before the first respondent commission in Case No.1 of 2013.

Prayer in W.A.No.1807 of 2013 is: to set aside the order of the learned Judge dated 16.08.2013 in W.P.No.14411 of 2013 consequently issue a writ of mandamus to direct the first Respondent to receive the complaint dated 13.04.2013 submitted by the appellant herein act in accordance with law.

For Appellant : Mr.Nithyesh Nataraj
For Respondent-1 : Mr.G.Masilamani Sr.Counsel for Mr.P.Mahadevan SCGSC.
For Respondent-2 : Mr.Rahul Balaji
For Respondent -3 (in W.A.No.1806/2013) : Mr.R.Ravichandran, AGP.

COMMON JUDGMENT

(Made by V.Ramasubramanian,J)

These Writ Appeals arise out of the dismissal of two writ petitions filed by the appellant herein, one challenging an order of the Competition Commission of India directing an investigation to be initiated and the other seeking a direction to the local police, to take action on a complaint lodged by the appellant.

2. We have heard Mr.Nithyesh Nataraj, learned counsel for the appellant, Mr.G.Masilamani, learned Senior Counsel appearing for the Competition Commission of India, Mr.Rahul Balaji, learned counsel for the second respondent and Mr.R.Ravichandran, learned Additional Government Pleader appearing for the State.

3. The appellant herein is the Tamil Nadu Film Exhibitors Association. It is registered as a society under the Tamil Nadu Societies Registration Act. The

second respondent herein is a producer of feature films. On 8.1.2013, the second respondent filed a complaint before the Competition Commission of India (which is the first respondent herein), alleging that by a resolution dated 20.12.2012, the Tamil Nadu Theatre Owners Association decided to ban the screening of films which are released via DTH. It was claimed by the second respondent herein that the resolution would tantamount to an anti-competitive practice, violating Section 3(3)(b) of the Competition Act, 2002.

4. After examining the said complaint, the Competition Commission of India, passed an order on 16.01.2013 in terms of Section 26(1) of the Competition Act, 2002, holding that there existed a prima facie case requiring an investigation by the Director General of the Competition Commission.

5. In the meantime, the second respondent also faced opposition from a small group of intolerant people, who managed to force the Commissioner of Police, Chennai to issue an order on 23.1.2013 under Section 144 of the Code of Criminal Procedure, prohibiting the exhibition of the feature film "Viswaroopam" for public view. However, after a series of dramatic twists and turns that were more interesting than even the film itself, the Commissioner of Police passed an order on 3.2.2013 under Section 144(5) of the Code of Criminal Procedure, revoking the earlier ban order. Therefore, the film got released in the theatres.

6. However, the Director General of the Competition Commission issued a notice dated 1.4.2013 under Section 36 (2) read with Section 41(2) of the Act, calling upon the appellant to furnish certain information as well as documents.

7. Immediately upon receipt of the said notice, the appellant filed a writ

petition in W.P.No.12085 of 2013 on the file of this Court challenging the order of the Competition Commission of India, dated 16.01.2013 passed in Case No.1 of 2013.

8. Simultaneously, the appellant herein also lodged a complaint dated 13.4.2013, with the Commissioner of Police, alleging that the complaint filed by the second respondent before the Competition Commission of India was on the basis of a forged document, namely the alleged resolution dated 20.12.2012. Thereafter, the appellant filed another writ petition in W.P.No.14411 of 2013 seeking a mandamus to direct the Commissioner of Police to take their complaint on record and initiate action against the second respondent. Both the writ petitions were taken up by a learned Judge and by a common order dated 16.8.2013, the learned Judge dismissed both the writ petitions. Aggrieved by the said order, the appellant is before us.

9. While ordering notice in the writ appeals, this Court took note of the fact that the Director General of Investigation of the Competition Commission was proceeding with the investigation. Therefore, this Court passed an interim order in these writ appeals on 11.2.2014, permitting the Director General to proceed with the investigation and finalise the same. However, the Competition Commission was directed not to proceed with the matter without the leave of the Court.

10. Subsequently, the appellant as well as the second respondent arrived at a settlement, in and by which, the appellant agreed to withdraw the police complaint made against the second respondent and the second respondent

agreed to withdraw the complaint before the Competition Commission. Thereafter, the parties filed a memo praying for the recording of the compromise memo and the disposal of the writ appeals in accordance with the memo.

11. However, the same is being opposed by the learned Senior Counsel appearing for the Competition Commission on the ground that the Director General of Investigation had already filed a report before the Competition Commission, holding that the allegations relating to infringement of the provisions of the Act are found to be true and that therefore, a settlement inter parties cannot be accepted in matters of this nature.

12. In other words, the disputes as between the appellant and the second respondent have culminated in a settlement. But, that settlement has triggered a fresh dispute between the appellant and the Competition Commission. Therefore, it has become necessary to deal with a different set of questions in these appeals than those that were dealt with by the learned single Judge.

13. Before the learned single Judge, the appellant raised several issues including the issue of jurisdiction. But, today, those issues have paled into insignificance, in view of the settlement reached between the appellants and the second respondent. If it is a normal civil litigation of adversarial nature, we would have simply recorded the Memorandum of Compromise and closed the writ appeals without much ado. But unfortunately for the appellant, an inquiry undertaken by the Competition Commission, is not in the nature of an adjudication of a private dispute between two private parties. What is undertaken by the Competition Commission is actually an inquiry either into the

existence of any anti-competitive agreement or into the abuse of dominant position by an enterprise or a group. Therefore, ***despite the fact that an investigation may be triggered initially by a complaint given by an individual, the inquiry assumes larger proportions, leaving the individual complainant, as a speck in the galaxy***. Hence, the learned Senior Counsel appearing for the Competition Commission opposes the request made by the appellant and the second respondent to record the compromise and close the matter.

14. In view of the above, we are of the view that two questions of primary importance arise. They are:-

(A) whether it is possible, in the context of the scheme of the Competition Act, 2002, for two adversaries to reach a settlement, thereby closing the doors for an investigation or inquiry; and

(B) whether this court can record a memorandum of settlement like the one that the parties have reached in this case.

We are deliberately pushing the question relating to our own jurisdiction, to the second place, in view of the fact that unless the Scheme of the Act permits the recording of such compromises, it is not possible for this court to record the same.

Question-A:-

15. In order to find an answer to the first question as to whether the Scheme of the Competition Act, 2002 permits a compromise to be reached between two parties, it is necessary to examine the historical background of the

Competition Act, 2002 and the Scheme of the Act.

16. Fundamentally, the Competition Act, 2002 is a law that addresses Anti-Trust issues. The Sherman Act, 1890, which proscribes agreements in restraint of trade, appears to be the earliest Anti-Trust Statute in the world. However, the Indian Contract Act, which is anterior in point of time to the Sherman Act of US, also contain a provision declaring agreements in restraint of trade as void. The expression "restraint of trade" was explained by the US Supreme Court in ***Business Electronics Corp. vs. Sharp Electronics Corp. [485 US 717 (1988)]***, to mean not merely a particular list of agreements, but also a particular economic consequence that may be produced by different sorts of agreements in varying time and circumstances.

17. Even before the advent of Glasnost and globalisation that started in the early 1990s, India had an Anti-Trust Act that was known as the Monopolies and Restrictive Trade Practices Act, 1969. Interestingly, the preamble to the MRTP Act, 1969 advocated a socialistic philosophy by declaring that the Act was intended to ensure that the operation of the economic system did not result in the concentration of economic power to the common detriment. The Act was intended to control Monopolies and to provide for the prohibition of Monopolistic and Restrictive Trade Practices.

18. But MRTP Act, 1969 was found to be very ineffective due to a variety of reasons, one of which was the frequent shift in the industrial policy of the Government. Chapter-III of the MRTP Act, 1969 conferred power upon the Central Government to regulate the expansion of and the establishment of a new

undertaking by any undertaking falling under Chapter-III. But, after the new Industrial Policy was introduced in 1991, the Government removed some important regulatory provisions from Chapter-III of the Act. In other words, the pre-entry restriction on the investment by the Corporate Sector was removed.

19. Simultaneously with the process of liberalisation, India became a party to two important agreements of the World Trade Organisations (WTO), namely General Agreement of Tariffs and Trade (GATT) and Trade Related Aspects of Intellectual Property Rights (TRIPS). As a result, many multinational companies entered the Indian Market. Therefore, realizing that there was no teeth for the MRTP Commission under the MRTP Act and that a new law was the need of the hour, the Central Government constituted in 1999, a High Level Committee of Competition Policy and Law. The Committee undertook an extensive study of the Government Policies, their effect on the Industrial Structure in India, the deficiencies of the Indian Industry to compete with multi-nationals and then submitted its report. The major recommendations made by the Committee were: (a) to repeal the MRTP Act and to enact a Competition Act for the regulation of Anti-Competitive Agreements and to prevent the abuse of dominance and combinations including mergers; (2) to eliminate reservation of products in a phased manner for the Small Scale Industries and the Handloom Sector; (3) to divest the shares and assets of the Government in State Monopolies and privatise them; and (4) to bring all industries in the private as well as Public Sector within the proposed legislation.

20. On the basis of the recommendations of the said Committee, the

Competition Act, 2002 was passed and it received the assent of the President on 13.1.2003. Within a few months thereafter, the Central Government also notified the Rules for the selection of Chairperson and other Members of the Competition Commission.

21. But, the validity of the Act and the Rules came to be challenged before the Supreme Court of India in ***Brahm Dutt vs. Union of India [(2005) 2 SCC 431]***. In the course of hearing, the Central Government informed the Supreme Court that they intended to make amendments to the Act. Thereafter, the Act was amended substantially by the Competition (Amendment) Act, 2007. Under the Amended Act, the Competition Commission was to function only as a Market Regulator and an Expert Body performing Adversary and Regulatory functions. In the year 2009, there was yet another amendment.

22. The Act, as it stands today, seeks to cover three Anti-Trust issues namely: (a) Anti-Competitive Agreements by an Enterprise or association of Enterprises or person or association of persons; (2) Abuse of Dominant Position; and (3) Combinations. While Anti-Competitive Agreements are dealt with by Section 3, Abuse of Dominant Position is dealt with by Section 4 and Combination by way of acquisition or merger or amalgamation is dealt with by Sections 5 and 6.

Scheme of the Act:-

23. Having seen the historical background that lead to the enactment of the Competition Act, 2002, let us now have a look at the Scheme of the Act. The Act is divided into 9 Chapters, Chapter-I dealing with preliminaries, Chapter-II

dealing with Anti-Competitive Agreements, abuse of dominant position and regulation of combinations, Chapter-III dealing with the establishment of the Competition Commission, Chapter-IV dealing with the duties, powers and functions of the Commission, Chapter-V dealing with the duties of Director General, Chapter-VI dealing with penalties, Chapter-VII dealing with Competition Advocacy, Chapter-VIII dealing with finance, accounts and audit and Chapter-IX dealing with miscellaneous. In between Chapters VIII and IX, we have Chapter VIII-A dealing with the establishment of the Appellate Tribunal, its procedure and powers and the appeal to the Supreme Court. Since we are concerned now with a question as to whether the Scheme of the Competition Act, 2002 permits the parties to reach a settlement, the only Chapter that is required to be focused is Chapter IV.

24. Chapter IV comprises of about 22 Sections, namely Sections 18 to 39. Section 18 imposes upon the Competition Commission certain duties. The duties enlisted in Section 18 of the Act are:-

(i) to eliminate practices having adverse effect on Competition;

(ii) to promote and sustain Competition;

(iii) to protect the interest of consumers; and

(iv) to ensure freedom of trade carried on by other participants in the markets in India.

25. To enable the Commission to perform the duties imposed upon it under Section 18, the Commission is invested with the power under Section 19 to make an inquiry into the alleged contravention of the provisions dealing with

Anti-Competitive practices and abuse of dominant position. The powers and functions of the Commission, while holding an inquiry under Section 19(1), include the following:-

(i) to see whether an agreement has an appreciable adverse effect on competition, in the light of certain factors, such as:

(a) creation of barriers for new entrants in the market;

(b) driving existing competitors out of the market;

(c) foreclosure of competition by hindering entry into the market;

(d) accrual of benefits to consumers;

(e) improvements in production or distribution of goods or provision of services; or

(f) promotion of technical, scientific and economic development by means of production or distribution of goods or provision of services;

(ii) to see whether the enterprise enjoys a dominant position, in the light of certain factors such as:-

(a) market share of the enterprise;

(b) size and resources of the enterprise;

(c) size and importance of the competitors;

(d)economic power of the enterprise including commercial advantages over competitors;

(e) vertical integration of the enterprises or sale or service network of such enterprises;

(f) dependence of consumers on the enterprise;

(g) monopoly or dominant position whether acquired as a result of any statute or by virtue of being a Government company or a public sector undertaking or otherwise;

(h) entry barriers, including barriers such as regulatory barriers, financial risk, high capital cost of entry, marketing entry barriers, technical entry barriers, economies of scale, high cost of substitutable goods or service for consumers;

(i) countervailing buying power;

(j) market structure and size of market;

(k) social obligations and social costs;

(l) relative advantage, by way of the contribution to the economic development, by the enterprise enjoying a dominant position having or likely to have appreciable adverse effect on competition;

(m) any other factor which the Commission may consider relevant for the inquiry.

Similarly, there are certain factors enlisted under Section 20(4) of the Act, in the context of which the Competition Commission may hold an inquiry into combinations. We are not concerned in this case, with combinations and hence, it is not necessary to make a reference to Section 20.

26. Section 26 of the Act indicates the procedure for inquiry under Section 19. The Commission is empowered under sub-sections (1) and (2) of Section 26 either to direct the Director General to cause an investigation or to close the matter, according as the case may be, depending upon whether a prima facie

case exists or not. It is upon the report of the investigation by the Director General, that the Commission is empowered to pass orders as indicated in Section 27.

27. Section 27 of the Act empowers the Commission to pass all or any of the following orders namely:

(i) to direct an enterprise or association of enterprises or person or association of persons who are involved in Anti-Competitive Agreements or the abuse of dominant position to discontinue and not to enter any such agreement or discontinue any abuse of dominant position;

(ii) to impose penalty which shall not be more than 10% of the average of the turnover for the last three preceding financial years;

(iii) to direct the Anti-Competitive Agreements to stand modified to the extent and in the manner as specified in the order;

(iv) to direct the concerned enterprise to abide by such other orders as the Commission may pass and comply with the directions including payment of costs;

(v) to pass such other orders and issue such directions as it may deem fit.

28. In ***Competition Commission of India vs. Sail [2010 (10) SCC 744]***, the Supreme Court of India held that the powers conferred upon the Commission are of wide magnitude and are of serious ramifications. The powers of the Commission include the power to issue such directions as would achieve the object of the Act and ensure its proper implementation.

29. Interestingly, the Competition Commission has powers even to issue

interim orders. Section 33 confers power upon the Commission to issue a restraint order including ex parte restraint orders.

30. But it is significant to note that by the Amendment Act 39 of 2007, Section 34 of the Act was deleted. Section 34 of the Act conferred power upon the Competition Commission to award compensation. Similarly, the power of review conferred upon the Commission under Section 37 was also taken away by Amendment Act 39 of 2007.

31. Section 36 of the Act empowers the Commission to regulate its own procedure. The Commission is not bound to follow the procedure prescribed by the Code of Civil Procedure. But, it should be guided by the principles of natural justice.

32. Therefore, it is clear (1) that the Commission is not really concerned about a private dispute between two individuals, but is concerned about the existence of Anti-Competitive Agreements or abuse of dominant position that has adverse effect on Competition and oppress freedom of trade; and (2) that the Commission has residuary powers under Section 27 to pass such other orders and issue such directions as it may deem fit.

33. Once it is conceded that the Competition Commission has residuary powers and its powers to pass such orders are wide in amplitude, it cannot be contended that the Commission would not have the power to accept a settlement or compromise between parties. Take for instance a case where an enterprise is found guilty of entering into Anti-Competitive Agreements in violation of Section 3(1). Such an agreement, to begin with, may only be

between two or three parties. But, by the very nature of its composition, duties, powers and functions, the Competition Commission is not an adjudicatory body to resolve the private disputes arising out of such agreements. The Commission is primarily concerned with the question as to whether the agreement would have larger ramifications. If the Competition Commission finds after inquiry that there has been an Anti-Competitive Agreement or abuse of a dominant position, it is empowered to pass at least three types of orders namely:-

(a) to direct the parties to discontinue the agreement or discontinue the abuse of dominant position;

(b) to impose such penalty; and

(c) to direct the parties not to re-enter into such agreements or to indulge in abuse of dominant position.

34. If for instance, a party which is held guilty of entering into an Anti-Competitive Agreement or abusing its dominant position comes up before the Commission and agrees for the discontinuance of the agreement with an undertaking not to re-enter into such agreements or to indulge in the abuse of dominant position, we see no reason as to why the same should not be accepted by the Commission. If a party agrees to abide by the mandate of Sections 3 and 4, the Commission will be actually saved of the botheration to proceed with the full fledged inquiry. In such cases where the parties agree not to continue with the agreement or agree not to abuse the dominant position, the only question that would be left for the Commission to deal with, is the question of imposition of penalty.

35. If the only purpose sought to be achieved, by ignoring the compromise reached between the parties and proceeding with the inquiry, is the imposition of penalty, we do not think that the same could be a taken as a bar for the recording of any settlement or compromise. ***The only question that the Competition Commission may perhaps be obliged to look into, in cases where the parties arrive at a settlement, is to see whether the compromise or settlement is a cover up, so as to prevent an investigation being made into the Anti-Competitive practices or abuse of dominant position***. Therefore, we are of the considered view that ***the Scheme of the Competition Act, 2002 allows the parties to enter into a compromise or settlement, but the same shall be subject to a scrutiny by the Commission, for examining whether public interest would continue to suffer and whether the object of the inquiry would stand defeated by the acceptance of the compromise***.

36. As we have pointed out earlier, the Competition Act, 2002 was the product of the agreements of the World Trade Organisations to which India became a party. Therefore, the Committee drew inspiration from the parallel legislations in other jurisdictions that related to Anti-Trust issues. Hence, it may be useful to have a look at the position prevailing in the European Union and the United States.

(i) Both in the European Union as well as the United States, settlement is permitted in the case of cartels. The cartel settlement procedure under EU rules allows the Commission to settle a cartel case with the companies involved under

a streamlined procedure if the parties agree with the Commission's findings on the infringement. This procedure was created in 2008 through an amendment of Commission Regulation 773/2004. Cartel settlement decisions are prohibition decisions based on Articles 7 and 23 of Regulation 1/2003. [COMMISSION REGULATION (EC) No 622/2008 of 30 June 2008 amending Regulation (EC) No 773/2004, as regards the conduct of settlement procedures in cartel cases]

(ii) In the United States, plea bargain process can be initiated at any time. The settlement process may be initiated either by the Antitrust Division staff or the defendant at any state of the investigation. Discussions are held behind closed doors, away from the Courts. The plea agreement is filed before the court and the court must accept the plea and impose actual sentence. The rules governing the negotiation and acceptance of plea agreements can be found in the Federal Rules of Criminal Procedure ("FRCP"), the Federal Rules of Evidence ("FRE"), the U.S. Attorney Manual ("USAM"), and the U.S. Sentencing Guidelines ("USSG").

(iii) In European Union, the Commission investigates all cartel cases (including cases which later on follow the settlement route). However, settlement remains a choice of the Commission; it is neither a right nor an obligation for the companies. Even if all parties request to settle, it remains in the Commission's discretion to decide if the case is suitable. If the discussions have already started, the Commission may decide to discontinue them if there is insufficient progress towards a 'common understanding'.

(iv) In the United States, there are certain pre conditions for the

acceptance of a settlement. They are:- (A) Presence of a cartel (B) Admission of guilt or factual basis (the defendant entering into a plea agreement with the Antitrust Division must be willing to plead guilty to the charged cartel conduct at arraignment and make a factual admission of guilt) (C) Cartel participant's cooperation (the inclusion in cartel settlement, agreements of commitment by the settling party to provide full, continuing, and complete cooperation) (D) Promise by the Government not to bring further charges (however certain violations such as those of federal tax, securities law or crimes of violence are specifically exempted from the non Prosecution terms of such plea agreements)

37. Therefore, it is clear that a settlement is possible both in the European Union and in the United States to the extent indicated above. To some extent, the obligations imposed by the World Trade Organisations upon its member countries, are the same. In such circumstances, we do not see any reason as to why the Scheme of the Competition Act, 2002 should be taken to prohibit any settlement, especially when the scope of Section 27 of the Act is very wide, conferring jurisdiction upon the Commission to pass residuary orders. Hence, our answer to the first question is that it is possible within the framework and scheme of the Competition Act, 2002, to allow settlements and compromises to be reached between parties, provided the Commission is of the considered view that such settlements and compromises (1) would not lead to the continuance of Anti-Competitive Practices (2) would not allow the abuse of dominant position to continue and (3) would not be prejudicial to the interest of consumers or to the freedom of trade.

Question:B:-

38. The second question that arises for consideration is as to whether this court can record a memorandum of settlement just as the one that the parties have reached in this case.

39. Section 62 of the Act declares that the provisions of the Competition Act, 2002 shall be in addition to and not in derogation of the provisions of any other law for the time being in force. Section 61 of the Act excludes the jurisdiction of Civil Courts, in respect of any matter which the Commission or the Appellate Tribunal is empowered by the Act to determine. But, the said bar of jurisdiction, may not apply to the jurisdiction of this Court under Article 226 of the Constitution, as it has been held to be part of the basic structure.

40. Therefore, despite the fact that the orders of the Competition Commission are subject to the Appellate jurisdiction of the Competition Appellate Tribunal and despite the fact that the orders of the Appellate Tribunal are subject to a statutory appeal under Section 53-T of the Act, the jurisdiction of this Court under Article 226 will not stand ousted. The fact that this Court may have to exercise a lot of restraint in cases where specialised adjudicatory bodies are in existence, is different from holding that the jurisdiction itself stands ousted.

41. Once it is concluded that this Court would have jurisdiction (i) to do what the Competition Commission had failed to do or (ii) to undo what the Competition Commission had done, it follows as a corollary that this Court can also record the compromise or memo of settlement reached between the parties in a matter pending before the Competition Commission. But, in normal

circumstances, this Court would not exercise such a power, as it may prevent an expert body like the Competition Commission from examining the ramifications of such a settlement or compromise.

42. In the case on hand, the Director General of the Competition Commission of India has already completed the investigation and filed a report. In Chapter 8 of the Report, the Director General has concluded that the practices and conduct of the appellant are restrictive in nature to control the film exhibition business. This conclusion has been reached only on the ground that the appellant limited and controlled the exhibition of movies as well as innovative use of technology in the exhibition of feature films in the territory of Tamil Nadu, unless its own directions are obeyed. It is also pointed out in the Report that the appellant was guilty of violation of the provisions of Section 3(3) (b) read with Section 3(1) of the Act. The Director General has placed on record that in yet another case bearing No.78/2011, initiated at the instance of Reliance Big Entertainment (Private) Limited, the appellant was imposed with a penalty.

43. In other words, the investigation Report of the Director General not only concludes that the appellant is guilty of violation of the provisions of the Act relating to Anti-Competitive Practices, but also points out that it is the second instance of such nature. Therefore, we are of the considered view that the appellant should file the memorandum of compromise/settlement before the Competition Commission itself so that the Commission will be in a better position to appreciate whether the same could be accepted with or without modifications.

44. In view of the above, the writ appeals are disposed of permitting the

appellants to file the Memorandum of Compromise/Settlement entered into between them and the second respondent, before the Competition Commission. Upon the parties filing the Memorandum, the Competition Commission may look into the same in the context of what we have indicated above and pass appropriate orders either rejecting the compromise or accepting the same with or without modifications. The Commission may bear in mind that if in the light of the compromise, any further proceeding would only be an exercise in futility, the same shall not be undergone just for the purpose of completion of formalities.

45. The writ appeals are disposed of with the above directions. There will be no order as to costs. Consequently, connected miscellaneous petitions are closed.

(V.R.S.J.) (P.R.S.J.)
27-03-2015

Index : Yes
Internet : Yes

gr/kpl

To

1. Competition Commission of India, Hindustan Times House (3rd, 4th and 7th Floor), 18-20 Kasturba Gandhi Marg, New Delhi - 110 001.
2. Raaj Kamal Film International, Old No.172, New No.4, Eldams Road, Alwarpet, Chennai - 600 018.
3. The Principal Secretary to the Government, Information and Tourism Department, Fort St. George, Chennai - 600 009.

V.RAMASUBRAMANIAN,J
AND
P.R.SHIVAKUMAR,J

gr/kpl

JUDGMENT IN
W.A.Nos.1806 and 1807 of 2013

27-03-2015