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Fair Competition
For Greater Good

COMPETITION COMMISSION OF INDIA

Case No. 09 of 2024

Mr. Mohit

B-201, Flat No. 103,
Golden Height Apartments,
Rajendra Marg, Bapu Nagar,
Jaipur – 302015

Informant

Pernod Ricard India Private Limited

Atelier No. 10, Level 1,
Worldmark 2, Aerocity,
New Delhi-110037

Opposite Party No.1

United Spirits Limited (Diageo)

UB Tower 24, Vittal Mallya Road,
Bangalore-560001

Opposite Party No.2

Bacardi India Private Limited

S 405, LGF Greater Kailash,
Part II, New Delhi-110048

Opposite Party No.3

Waves Distilleries and Breweries Private Limited

Unit No. 29, K-185/1/T/F,
Sarai Julaina, New Delhi-110025

Opposite Party No.4

ADS Spirits Private Limited

FF-2 Harmony Appt. 52/78,
Punjabi Bagh, New Delhi-110026

Opposite Party No. 5

Modi Illva India Private Limited

1513, Modi Tower,
98 Nehru Place, New Delhi-110019

Opposite Party No. 6

Radico Khaitan Limited

Bareilly Road, Rampur,
Uttar Pradesh-244901

Opposite Party No.7



Buddy (Punjab) Bottlers Private Limited

Khewta No. 301/444,
Khasra No. 227(6-0),
Mardanpur, Patiala-140417

Opposite Party No.8

Gemini Distilleries Private Limited

29/1 & 29/2,
7th Cross Road,
Vasanth Nagar, Bangalore-560052

Opposite Party No.9

Omsons Marketing Private Limited

Quila Chowk,
Faridkot, Punjab-151203

Opposite Party No.10

Som Distilleries and Breweries Limited

1A, Zee Plaza, Arjun Nagar,
SJ Enclave, Kamal Cinema Road,
New Delhi-110029

Opposite Party No.11

Allied Blenders and Distilleries Limited

394-C, Lamington Chambers,
Lamington Road,
Mumbai-400004

Opposite Party No.12

Alcobrew Distilleries India Private Limited

C-423,
Sarita Vihar,
Delhi-110076

Opposite Party No.13

Empire Alcobrev Private Limited

Plot No. 58,
Industrial Area, Phase II,
Chandigarh-160002

Opposite Party No.14

Enrica Enterprises Private Limited

85, Matruvazhi Salai,
Bypass Road,
Poonamallee, Chennai-600056

Opposite Party No.15



International Spirits & Wines Association of India

90/31B, 1st floor,
Malviya Nagar,
New Delhi-110017

Opposite Party No.16

Indo Spirits Private Limited

B-230, Okhla Phase-1,
New Delhi-110020

Opposite Party No.17

Diwan Spirits

A-142, DDA Shed,
Okhla, New Delhi-110020

Opposite Party No.18

Mahadev Liquors

B-303,
Okhla Industrial Area,
Phase-I, Delhi-110020

Opposite Party No.19

Shiv Associates

B-142, Okhla Industrial Area,
Phase-1, Delhi-110020

Opposite Party No.20

KSJM Spirits LLP

Second Floor,
F16, Okhla Industrial Area, Phase-1,
New Delhi-110020

Opposite Party No.21

Lakeforest Wines Private Limited

E-186, Basement,
Greater Kailash- I,
New Delhi-110048

Opposite Party No.22

Brindco Sales Private Limited

A-72, Okhla Industrial Area,
Phase-II, New Delhi-110020

Opposite Party No.23

Khao Gali Restaurants Private Limited

B-115, 2nd Floor,
DDA Shed, Okhla Phase 1,
New Delhi-110020

Opposite Party No.24



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Magunta Agro Farms Private Limited

17/276,
Old Post Office Road,
Nellore, Andhra Pradesh-524001

Opposite Party No.25

Path2way HR Solutions Private Limited

701-702, R.G Trade Tower,
Netaji Subhash Place,
Pitampura, New Delhi-110034

Opposite Party No.26

Sainik Industries Private Limited

606-607, 6th Floor,
Commercial Space,
Hotel Le Meridien,
New Delhi-110001

Opposite Party No.27

Sri Avantika Contractors (I) Limited

7/1/618. 610,
Nilgiri Block, Aditya Enclave,
Ameerpet,
Hyderabad-500016

Opposite Party No.28

Trident Chemphar Limited

SY. NO 66 & 67,
Miyapur NA ,
Hyderabad-500050

Opposite Party No.29

Pathway HR Solutions Private Limited

12-13-677/102,
Street No. 1, Kimtee Colony,
Tarnaka,
Secunderabad-500017

Opposite Party No.30

Popular Spirits LLP

S-363, First Floor,
Greater Kailash, Part-II,
New Delhi-110048

Opposite Party No.31

Organomix Ecosystems Private Limited

Flat No. 3, Rams Flats,
New No. 23, Old No. 9,
Dr. Nair Road, T-Nagar
Chennai-600017

Opposite Party No.32



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Buddy (T-1D) Retail Private Limited
D-240, T/F,
Defence Colony,
New Delhi-110024

Opposite Party No.33

Universal Distributors
R-13, Tara Apartment,
Alaknanda,
New Delhi-110019

Opposite Party No.34

Haryana Organics [A Unit of Globus Spirits Limited]
F-0, Ground Floor,
The Mira Corporate Suites,
Plot No.1&2, Ishwar Nagar,
Mathura Road,
New Delhi-110065

Opposite Party No.35

Rock and Storm Bottlers Private Limited
Plot No. 214,
Industrial Area,
Phase- 1,
Chandigarh-160002

Opposite Party No.36

Super Distilleries Private Limited
Plot No. 145,
Industrial Area, Phase-1,
Chandigarh-160002

Opposite Party No.37

Frost Falcon Distilleries Limited
406, Elegance Tower,
Plot No. 8, Jasola,
New Delhi-110025

Opposite Party No.38

Kala Amb Distillery & Brewery Private Limited
801, Best Sky Tower,
Netaji Subhash Place,
New Delhi-110035

Opposite Party No.39

Queen Distillers & Bottlers (P) Limited
DGL-018,
DLF Galleria Mall,
Mayur Vihar Extension,
Phase-I, New Delhi-110091

Opposite Party No.40



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Bubbly Beverages Private Limited
B-115, 2nd Floor,
DDA Shed, Okhla Phase 1,
New Delhi-110020

Opposite Party No.41

CORAM

Ms. Ravneet Kaur
Chairperson

Mr. Anil Agrawal
Member

Ms. Sweta Kakkad
Member

Mr. Deepak Anurag
Member

Direction for investigation under Section 26(1) of the Competition Act, 2002

1. The instant Information has been filed by Mr. Mohit (**'Informant'**), alleging contravention of the provisions of Section 3 of the Competition Act, 2002 (**'Act'**) by the Opposite Parties (**'OPs'**), which are primarily engaged in the business of manufacturing/selling alcoholic beverages.
2. The Informant is stated to be working in the charitable field. It is stated that the Informant also aims to take up public interest litigations on important public issues.
3. The Informant has raised allegations of bid rigging in tenders invited by the Department of Excise, Entertainment and Luxury Tax (**'Excise Department'**) for the grant of licence for wholesale supply of country liquor in the National Capital Territory (**'NCT'**) of Delhi for the year 2022-23. It is stated that with regard to tender dated 22.04.2022, invited by the Excise Department for wholesale supply of country liquor in the NCT of Delhi for the year 2022-23, the



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total quantity of country liquor to be supplied by the holders of L-3 Licenses was expected to be 300 lakh litre, subject to variation of (upto plus or minus) 25% of 50 degree Under Proof ('UP') ordinary spiced caramel coloured country liquor during the licensing period. With regard to the said tender, the Informant has alleged that two of the participants had intentionally disclosed their financial rates which is not only in violation of the tender conditions but also a collusive practice, due to which, the said tender was cancelled. In this regard, reference has been made to the order dated 20.05.2022 issued by the Excise Department, the relevant extract of which reads that "...the Scrutiny Committee observed that two bidders, namely, M/s Empire Alcobrev Pvt. Ltd. and M/s Haryana Organics (A unit of Globus Spirits Ltd.) have violated the tender conditions by disclosing their respective financial quote in the tender form. As such, their bids have been disqualified...In view of above circumstances, the Competent Authority has decided to cancel the above and re-float the same on the same Terms & Conditions...".

4. The Informant has further stated that a fresh tender was issued on 24.05.2022 for grant of wholesale license for supply of country liquor in the NCT of Delhi for the year 2022-23 as the previous tender was cancelled. However, the Excise Department *vide* its order dated 25.07.2022 again cancelled the aforesaid tender on the ground of cartelization and bid rigging by noting that "...During scrutiny of bids, the Committee members observed that the rates quoted by the bidders are in very narrow band of Rs. 421/- to 423/-, which prima facie points towards possible formation of pool by the bidders, ... In view of the above, the Competent Authority has decided to cancel the above tender and re-float the same on the same terms & conditions...". The Informant has alleged that narrow range of prices would not have been possible unless the OPs directly or indirectly determined prices, allocated tenders and coordinated bid prices, thereby manipulating the bidding process for supply of country liquor.
5. The Informant has alleged that the OPs continued to engage in bid rigging by submitting close range of prices in the third tender dated 27.01.2023. The Informant has stated that percentage increase in rates quoted in tender dated 27.01.2023 in comparison to tender dated 24.05.2022 is similar for the OPs. It has also been stated that the OPs increased their prices per 9 BL (Bulk



Litre) in the range of 11% to 14%. It has been alleged that such an increase would not have been possible unless they were acting in concert. The details of rates are as under:

Table-1

S. No.	Name of the entity	Rate quoted in Tender dated 24.05.2022	Rate quoted in Tender dated 27.01.2023	% change
1.	Frost Falcon	421.200	476.500	13.12%
2.	Empire Alcobrev	423.900	481.120	13.49%
3.	Haryana Organics	423.00	471.00	11.34%
4.	Super Distilleries	423.550	484.00	14.27%
5.	High Field	-	489.750	-
6.	Rock and Storm	421.00	474.00	12.58%

6. Further, the Informant has stated that a limited number of players had been repeatedly participating in the tenders for supply of country liquor, which is also a factor indicating bid rigging amongst them. In this regard, the Informant has relied on the minutes of the meeting dated 17.08.2022 of the Excise Department, the relevant portion of which reads as follows:

“Further, the Tender Scrutiny Committee has observed that despite giving wide publicity to country liquor Tender each year and placing the tender on e-procurement portal of Delhi Govt., the bidder i.e. distillers/ bottlers for country liquor tender have more or less remained the same which are situated in Chandigarh & Haryana Only. In this tender also, only one new entity, M/s Kala Amb Distillery & Brewery Pvt. Ltd. has entered the arena”.

Relying on the aforementioned minutes, the Informant has alleged that the concerned bidders have allocated certain quantity amongst themselves.

7. Based on the above, the Informant has alleged that the aforementioned OPs have violated the provisions of Section 3(3) read with Section 3(1) of the Act.
8. The Informant has also raised allegations of cartelization/bid rigging in the context of the Delhi Excise Policy, 2021-22 (**‘Excise Policy, 2021-22’**) in relation to Indian Made Foreign Liquor



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(‘**IMFL**’). It is stated that to introduce reforms in Delhi liquor trade, the Government of the NCT of Delhi constituted an Expert Committee *vide* order dated 04.09.2020 and mandated it to suggest certain measures. It is alleged that there are a number of inter-connected cartels at various levels (liquor manufacturers; wholesalers; retail zones) that were formed in the Delhi liquor business during the implementation of the Excise Policy, 2021-22. It is stated that the Excise Policy, 2021-22 was implemented on 17.11.2021 and continued till 31.08.2022, after which the Government of the NCT of Delhi discontinued the said policy and went back to the old regime.

9. It is stated that unbundling of manufacturing, wholesaling and retailing of liquor in Delhi was contemplated by the Excise Policy, 2021-22 with a view to ensure that there is no coordination or nexus resulting in an unfair advantage to certain brands at the cost of others. To support the same, the Informant has reproduced the relevant terms and conditions of the Excise Policy, 2021-22 which reads as follows:

“No manufacturer or retail license holder will be allowed to apply for wholesale license or vice versa. If wholesalers and manufacturers/retailers are common entities, there is possibility of formation of syndicates leading to overcharging and brand influencing/pushing by entering into exclusivity agreements with certain brands at the cost of exclusion of others. The retail license holder should not have any manufacturing facilities/distilleries/breweries/wineries anywhere in the country or abroad either directly or through any sister concerns/related entities”.

10. The Informant has also alleged that the platform of International Spirits and Wines Association of India (‘**ISWAI**’) was used by the manufacturers to decide their wholesalers and other strategies so as to avoid competition on merit. The Informant has alleged that Pernod Ricard India Private Limited (‘**Pernod Ricard**’), a liquor manufacturer, appointed Brindco Sales Private Limited (‘**Brindco Sales**’) as its distributor for a part of Mumbai despite Brindco Sales being the key distribution partner of Diageo, another liquor manufacturer. Further, using the platform of ISWAI, Pernod Ricard and Diageo are alleged to have reached an understanding to have an exclusive agreement in order to avoid competition amongst themselves and their chosen



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wholesalers. It is stated that Pernod Ricard had a Memorandum of Understanding ('MoU') with Brindco Sales for appointment of the latter as its distributor in the NCT of Delhi, however, Pernod Ricard is stated not to have gone ahead with the MoU as per the above said understanding with Diageo. As a result, Brindco Sales was finally appointed by Diageo as its wholesaler in the NCT of Delhi. Furthermore, in around 15 zones within the NCT of Delhi, same schemes, discounts and credit-notes from all the liquor manufacturers were observed, which would not have been possible unless there was some understanding amongst the liquor manufacturers either using the platform of ISWAI or otherwise.

11. The Informant has placed reliance on the judgment of the Hon'ble High Court of Delhi in Bail Application No. 562/2023 to allude that ISWAI sent 4,000 mails in favour of the Expert Committee Report to influence the proposed Excise Policy, 2021-22. In this regard, ISWAI is stated to have prepared an activity plan supporting the Expert Committee Report which included hiring of media advocacy agency called Consocia. The specific plan was to create 43 different formats of letters to be sent on behalf of the consumers, sending 4,000 emails to the Government after curating database of 3,000 email addresses (created by Consocia) and collating 1,000 email IDs through several sources *etc.* The relevant extract of the judgment reads as under:

"...The investigation also reveals that Benoy Babu was a part of conspiracy to send 4,000 e-mails to the authorities through media agencies hired by ISWAI and most of these emails were sent by creating email Ids so that the same may be projected as sent by general public to the govt. authorities. It is also come on the record that Benoy Babu was in possession of the draft policy on 31.05.2021 whereas the policy was made public in July 2021...."

12. It has been stated that Pernod Ricard decided to appoint Indo Spirits Private Limited ('**Indo Spirits**') as its wholesaler knowing that Indo Spirits has retail presence through Khao Gali Restaurants Private Limited ('**Khao Gali**'). The Informant has alleged that Pernod Ricard devised a cartel with Indo Spirits and selected retailers to increase its market share by mandating the retailers to have 35% of its stock. Towards this, Pernod Ricard had allegedly proposed financial assistance of Rs.200 crore to retailers in the form of corporate guarantees. It is stated



that the market share of Pernod Ricard increased from 15% to 35% and it had planned to increase the same to 47% over a period of three years.

13. The Informant has also alleged that credit notes were issued by Pernod Ricard in an inconsistent manner without considering the sale volumes. For instance, Pernod Ricard is stated to have issued credit notes worth Rs.61.01 lakhs to Organomix Ecosystems Private Limited (**'Organomix Ecosystems'**) with sales of 17,644 cases during December, 2021 to February, 2022. However, Adharv Enterprises with sales of 19,080 cases during the same period was not given any credit note. It has been alleged that Pernod Ricard offered huge discounts and rebates only to its favoured retailers which decimated competition.
14. The Informant has further alleged that the COO of Diageo spoke to Brindco Sales requesting the latter to withdraw its certain writ petitions filed before the Hon'ble Supreme Court and the Hon'ble High Court of Delhi, concerning cartelization and EMD cross-funding against Indo Spirits and Khao Gali. The writ petitions are stated to have been withdrawn owing to an understanding amongst Pernod Ricard, Diageo, Indo Spirits and Brindco Sales. The Informant has also alleged a meeting in this regard, between the executives of Brindco Sales, Pernod Ricard and Diageo on 27.03.2021 at Oberoi Maidens, Civil Lines, Delhi.
15. Based on the prosecution complaint of the Enforcement Directorate (**'ED'**), the Informant has submitted that Pernod Ricard had updates (closing stock report on 01.02.2022) from retail units. It has been alleged that Pernod Ricard hosted a congratulatory dinner about controlling nine zones in the NCT of Delhi, which was attended by executives of Indo Spirits and retailers like Trident Chemphar Limited (**'Trident Chemphar'**), Sri Avantika Contractors (I) Limited (**'Sri Avantika'**), Organomix Ecosystems and Maguntha Agro Farms Private Limited (**'Maguntha'**).
16. It is also alleged in the Information that operations of Sri Avantika, Trident Chemphar and Organomix Ecosystems (retailers) in Excise Supply Chain Information Management System (**'ESCIMS'**) portal were from the same IP address at numerous instances. It is stated that as per



the Excise Policy, 2021-22, all of them were to use the ESCIMS portal to login and purchase liquor. Thus, all the sales/purchase of liquor was captured in the ESCIMS portal. It is stated that as per the information available and evidence placed before the Rouse Avenue Court by the ED, the forensic analysis was conducted by Tata Consultancy Services Limited, on the data captured by the ESCIMS portal and it was observed that multiple L-7s had the same IP address for placing orders for the purchase of liquor. It is stated that the same would not have been possible unless there was an agreement, arrangement or a concerted action on the part of the OPs.

17. Accordingly, the Informant has prayed to the Commission as under:

- (a) to pass an order under the provisions of Section 26(1) of the Act;
- (b) to declare the conduct of the OPs as anti-competitive in violation of the provisions of Section 3 of the Act;
- (c) to pass a cease and desist order against the OPs, directing them to discontinue their abusive practices;
- (d) to impose such penalty on the OPs under the Act, as the Commission may deem fit;
- (e) to pass such order and/or directions to the OPs as the Commission may deem fit in the facts and circumstances of the present case.

18. The Commission considered the Information in its ordinary meeting held on 24.07.2024. The Commission noted that the Informant has alleged bid rigging in tenders dated 22.04.2022, 24.05.2022 and 27.01.2023 invited by the Excise Department, for procurement of country liquor and accordingly directed the Informant to furnish the following:

- i) Clarification as to whether the matter relating to tenders for country liquor is also linked to Excise Policy, 2021-22. If so, submit the relevant aspects of the policy. If not, submit the details of policy and procedures of the Excise Department (Government of NCT Delhi) governing tendering for supply and distribution of country liquor.
- ii) It has been stated that tenders dated 22.04.2022 and 24.05.2022 were cancelled. Provide details of final status of tender dated 27.01.2023, *i.e.*, whether this was cancelled or



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concluded. Also, provide details including that of participants, relating to the above tenders and any other tender undertaken in 2022-23 along with source of information.

- iii) Details as above for tenders of the Excise Department for procurement of country liquor covering preceding five years *i.e.* 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 and tenders in subsequent year *viz.* 2023-24.
 - iv) Details of manufacturer(s) in and around Delhi including Chandigarh, Haryana or any other place who could have, but did not participate in the tenders invited by the Excise Department in the context of allegation that the problem of bid rigging in the tenders for supply of country liquor (during 2022-23) has been due to the smaller number of players limited to Chandigarh and Haryana participating in the bid despite wide publicity.
19. Further, in relation to the allegation of bid rigging and cartel formation amongst liquor manufacturers, wholesalers and retailers in Delhi in the context of the Excise Policy, 2021-22, the Commission directed the Informant to furnish supporting/corroborative documents and all other documents relied upon by the Informant in respect of each of the allegations levelled in the Information, including the following:
- i. Manufacturers of liquor used the forum of ISWAI *inter-alia*, for cartelisation and exclusive arrangements with wholesalers to avoid competition on merits.
 - ii. There was cartel arrangement between Pernod Ricard, Indo Spirits and a related retailer which helped that manufacturer to increase its market share and gave all the involved parties unfair advantage.
 - iii. Pernod Ricard avoided competition on merits by granting financial assistance to selected retailers by extending corporate guarantees without due diligence, leading to cartelisation.
 - iv. Agreement/understanding between Pernod Ricard, Indo Spirits, Diageo and Brindco Sales to divide the liquor market in Delhi in violation of the Act.
 - v. Pernod Ricard and Diageo gave credit notes, discount and rebates to their selected favoured retailers through wholesalers with whom they had an understanding.



vi. Bid rigging in tender for allotment of retail licenses, participation of related parties and competing retailers using the same IP addresses, existence of certain cartel arrangements, partnerships and meetings between various manufacturers, wholesalers and retailers.

20. The Commission, *vide* order dated 24.07.2024, directed the Informant to file the additional information/documents as detailed in paras above within four weeks from the date of receipt of the order. The Informant did not file any submissions. Therefore, *vide* order dated 06.11.2024, the Commission directed the Excise Department to provide comments on the Information alongwith certain additional information. The Excise Department filed its response dated 18.02.2025, which was incomplete. Thereafter, *vide* order dated 23.04.2025, the Commission directed the Excise Department to file complete information/documents, as sought *vide* order dated 06.11.2024.

21. Subsequently, *vide* order dated 30.07.2025, the Commission decided to seek additional information alongwith supporting documents from the Excise Department, to be filed within four weeks from the receipt of the order. As regards the allegation relating to: (a) bid rigging in the tenders invited by the Excise Department for the grant of wholesale licence for supply of country liquor, the Commission directed the Excise Department to file the following information/documents:

- i) Tender documents indicating bidder details, bid quotes, IP addresses, Evaluation Report of the Tender Committee, *etc.*, issued by it in the years 2019-20, 2020-21 and 2021-22;
- ii) Any other information/document relevant in the matter.

Further, as regards the allegation relating to: (b) bid rigging and cartel formation amongst liquor manufacturers, wholesalers and retailers in Delhi in the context of the Delhi Excise Policy, 2021-22, the Commission directed the Excise Department to file the following information/documents:



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- i) Tender documents indicating bidder details, bid quotes, IP addresses, Evaluation report of the Tender Committee, *etc.*, issued by it for grant of retail licence (zonewise) for supply of IMFL in the year 2021-22;
 - ii) Any other information/document relevant in the matter.
22. *Vide* orders dated 06.11.2024, 08.01.2025, 19.02.2025 and 23.04.2025, the Commission sought complete details/documents pertaining to tenders issued in relation to country liquor during the period 2019-2022 from the Excise Department. Subsequently, *vide* orders dated 30.07.2025 and 26.11.2025, the Commission sought complete tender details/documents in relation to IMFL also for the year 2021-22.
23. The Excise Department *vide* reply dated 15.10.2025, had furnished requisite information only with respect to E-tenders issued from 2019-2022 for grant of wholesale licence for supply of country liquor of 50 degree UP for retail vends in bottles of 750ml, 375ml and 180ml in the ratio of 4:4:2. However, no information had been provided with respect to tenders issued in relation to IMFL during 2021-22, as sought.
24. Thereafter, the Excise Department filed a reply on 02.02.2026 stating that the documents related to grant of retail licence (zonewise) for supply of IMFL in the year 2021-22 sought in the matter, are with the CBI for investigation related to the Excise Policy, 2021-22.
25. In the ordinary meeting held on 25.02.2026, the Commission considered the Information and all the replies filed by the Excise Department and decided to pass an appropriate order in due course.
26. At the outset, the Commission observes that there are two set of allegations raised in the Information, *i.e.*, (a) The manufacturers of country liquor/IMFL entered into bid rigging in the tenders invited by the Excise Department; and (b) Cartel formation amongst liquor manufacturers, wholesalers and retailers in Delhi in the context of the Excise Policy, 2021-22.



27. Now, the Commission proceeds to examine the first set of allegations, *i.e.*, the manufacturers of country liquor/IMFL entered into bid rigging in the tenders invited by the Excise Department.
28. The Commission notes that allegations of bid rigging have been made in respect of three tenders issued during the year 2022-23. After having examined the reply dated 18.02.2025, filed by the Excise Department, the Commission notes that the first tender dated 22.04.2022 (Tender ID: 2022_EXC_220912_1) was cancelled by the Excise Department on the ground that Empire Alcobrev and Haryana Organics had violated the tender conditions by disclosing their respective financial quotes in the tender form. The subsequent tender dated 24.05.2022 (Tender ID:2022_EXC_22877_1), was cancelled by the Excise Department as the rates quoted by the bidders were in a narrow range of Rs.421/- to Rs.423/-. The Tender Scrutiny Committee had also made an observation towards possible formation of pool by the same bidders. It is noted that only the third tender dated 27.01.2023 (Tender ID: 2023_EXC_235624_1) was awarded.
29. As regards tenders issued in respect of country liquor in the years 2019-20, 2020-21 and 2021-22, the Commission notes that the Excise Department entered into negotiations with all the bidders in each of the tenders and recommended the bidders to accept the bids at the rate and percentage of supply as decided by it, which is indicated in the Table-2 below:

Table-2

Rates and percentage of supply ordered after meetings held by Negotiation Committee

Period alongwith Tender IDs	Name of the Company/Distilleries	Weighted average rate per case (in Rupees)	Percentage of supply offered
2019-20 Tender ID : 2019_EXC_170718_1	Super Distilleries Pvt. Ltd.	302.00	10
	Queen Distillers & Bottlers Pvt. Ltd.	307.00	15
	Frost Falcon Distilleries Ltd.	307.00	10
	Empire Alcobrev Pvt. Ltd.	307.00	11



	Rock and Storm Bottlers Pvt. Ltd.	307.00	10
	Maurya Distillers & Bottlers Pvt. Ltd.	307.00	10
	Co-operative Company Ltd.	307.00	10
	(Haryana Organics did not agree to the reduced rate)		
2020-21	Super Distilleries Pvt. Ltd.	359.00	11
Tender ID :	Queen Distillers & Bottlers Pvt. Ltd.	359.00	15
2020_EXC_190556_1	Frost Falcon Distilleries Ltd.	359.00	11
	Rock and Storm Bottlers Pvt. Ltd.	348.00	33
	Empire Alcobrev Pvt. Ltd.	359.00	10
	Co-operative Company Ltd.	359.00	10
	Haryana Organics (A U/o Globus Spirits Ltd.)	359.00	10
2021-22	Rock and Storm Bottlers Pvt. Ltd.	375.00	19
Tender ID:	Super Distilleries Pvt. Ltd.	375.00	16
2021_EXC_199043_1	Queen Distillers & Bottlers Pvt. Ltd.	375.00	17
	Frost Falcon Distilleries Ltd.	375.00	16
	Empire Alcobrev Pvt. Ltd.	375.00	16
	Haryana Organics (A U/o Globus Spirits Ltd.)	375.00	16
	Maurya Distillers & Bottlers Pvt. Ltd. was disqualified at the time of negotiation and Co-operative Company Ltd. was not called for negotiation as the 100% quantity was met from L1-L6.		



30. Based on the above, the Commission notes that the Excise Department entered into negotiations with all the bidders in each of the tenders issued in the years 2019-20, 2020-21 and 2021-22 in relation to supply of country liquor and recommended the bidders to accept the bids at those rates. Upon perusal of the material available on record, the Commission is of the view that there is insufficient information to indicate a *prima facie* case of bid rigging in relation to tenders invited by the Excise Department for the grant of licence for wholesale supply of country liquor.
31. Further, with regard to information/documents sought from the Excise Department in relation to IMFL tenders, the Commission notes that the Excise Department had filed a reply dated 02.02.2026 stating that the documents relating to grant of retail licence (zonewise) for supply of IMFL in the year 2021-22 sought in the matter, are unavailable at this stage. Accordingly, the Commission observes that there is insufficient information to indicate a *prima facie* case of bid rigging in relation to tenders invited by the Excise Department with respect to IMFL.
32. Further, in relation to the second set of allegations, *i.e.*, cartelization amongst liquor manufacturers, wholesalers and retailers in the context of the Excise Policy, 2021-22, the Commission now proceeds to analyse the Information from the perspective of the competition law with regard to the allegations mainly raised against Pernod Ricard under Section 3 of the Act.
33. It has been alleged that Brindco Sales was appointed by Pernod Ricard as its distributor for a part of Mumbai even though Brindco Sales was one of the key distribution partners of Diageo. It is also alleged that for the region of the NCT of Delhi, Pernod Ricard and Diageo mutually decided to have exclusive arrangement to avoid competition amongst them and their chosen wholesalers (L-1 licence holders). Further, it is alleged that certain writ petitions were purportedly withdrawn as per the understanding reached between Pernod Ricard, Indo Spirits, Diageo India (United Spirits) and Brindco Sales to divide the liquor market of the NCT of Delhi. To this effect, the Informant has relied upon the following extract from the prosecution complaint of the ED:



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“On 25.10.2021, M/s Indospirit Marketing Pvt Ltd and M/s Enrich Corporate Pvt Ltd were issued Show Cause Notices by the Delhi Excise Department. Even though Aman Dhall complaint was anonymous, Abhishek Boinpalli, Sameer Mahandru and Buchi Babu had found out from their sources that Aman Dhall was the one who was behind the complaint. On 08.11.2021. Aman Dhall got a call from Sh Jagbir Sidhu, COO, Diageo, wherein he told Aman Dhall that Sh Abhishek Boinpalli had threatened Sh Jagbir to ensure that Aman Dhall withdraw his petition, otherwise Diageo’s business will be made to suffer in Delhi. Jagbir Sidhu told Aman Dhall that he should withdraw his petition otherwise Diageo will drop him as their distributor.”

34. The Commission is of the view that the allegation of the Informant that the writ petition(s) were, purportedly, withdrawn owing to an understanding of cartelisation amongst Pernod Ricard, Diageo, Indo Spirits and Brindco Sales does not seem to be sufficiently made out in order to attract the provisions of Section 3(3) of the Act, indicating any horizontal agreement/understanding between Pernod Ricard and Diageo, manufacturers operating at the same level, as there is no other sufficient or corroborative evidence in support of the allegation.
35. The Commission now proceeds to analyse the conduct of Pernod Ricard under Section 3(4) of the Act. The Commission is of the view that the alleged conduct of Pernod Ricard, *i.e.*, indulging in concerted behaviour with some retailers/wholesalers, thereby inducing them to push its brands, purportedly, to achieve higher market share, concomitantly with offering corporate guarantees, is a conduct falling within the realm of exclusive dealing agreement as defined in Section 3(4)(b) of the Act. The term ‘*exclusive dealing agreement*’ includes “*any agreement restricting in any manner the purchaser or the seller, as the case may be, in the course of his trade from acquiring or selling or otherwise dealing in any goods or services other than those of the seller or the purchaser or any other person, as the case may be*”.
36. It may be noted that for the assessment of conduct under Section 3(4) of the Act, the relevant market has to be broadly identified at the *prima facie* stage and consequently, the position of



strength enjoyed by an entity to assess if its conduct has caused Appreciable Adverse Effect on Competition (‘AAEC’) in the identified relevant market. Further, for the purpose of delineation of the relevant market, keeping in view, the parameters as defined in Section 19(6) of the Act, in relation to relevant geographic market such as regulatory trade barriers, local specification requirements, *etc.*, and parameters as defined in Section 19(7) of the Act, in relation to relevant product market such as physical characteristics, end use, consumer preferences, *etc.*, the Commission is of the view that the relevant product market in the instant case may broadly be identified as the ‘*market for sale and supply of IMFL*’ whereas the relevant geographic market may be delineated as ‘*the NCT of Delhi*’ in view of the fact that trade in liquor is primarily state regulated. Further, the Excise Policy, 2021-22 was implemented to bring reforms in the liquor trade in Delhi. Accordingly, the relevant market would be delineated as the ‘*market for sale and supply of IMFL in the NCT of Delhi*’.

37. Further, as far as assessing the position of strength of Pernod Ricard is concerned, the market shares as reflected in Table-3 below derived from CMIE database indicate that Pernod Ricard enjoys the highest market share in wines, spirits and liquors broadly falling under the broad category of IMFL, since 2019 in India. Though the market shares are available for pan India, the same may be indicative of its position in Delhi. Moreover, it was also observed in the CAG Report of 2025 that the wholesale distribution of liquor was largely controlled (71.70%) by three entities namely Indo Spirits, Brindco Sales and Mahadev Liquors. The former two also exclusively supply brands of Diageo, United Breweries (Heineken) and Pernod Ricard, three of the largest domestic manufacturers of liquor.

Table-3

Market Share of Companies: Wines, Spirits & Liquors						
Rank	Companies	2019-20	2020-21	2021-22	2022-23	2023-24
1	Pernod Ricard	17.9	16.22	14.93	14.35	13.59
2	Radico Khaitan Ltd.	5.26	8.63	8.17	7.26	7.79
3	United Spirits Ltd.	7.67	6.59	6.18	5.94	5.41
4	John Distilleries Pvt. Ltd.	0.78	0.7	3.66	3.66	3.99



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5	Allied Blenders and Distillers Ltd.	6.78	5.33	4.73	4.07	3.89
6	India Glycols Ltd.	2.52	3.12	2.9	2.71	2.83
7	Empee Distilleries Ltd.		0.65	0.98	1.28	1.59
8	Bacardi India Pvt. Ltd.	1.43	1.46	1.58	1.59	1.55
9	Tilaknagar Industries Ltd.	1.24	1.19	1.18	1.42	1.5
10	Enrica Enterprises Pvt. Ltd. (Chennai)	2.23	2.33	1.83	1.82	1.47
11	S N J Distillers Pvt. Ltd.	1.83	1.71	1.35	1.4	1.31
12	Triveni Engineering & Inds. Ltd.	0.33	0.45	0.7	1.03	1.07
13	S V P Industries Ltd.	1.75	1.88	1.64	1.1	0.98
14	Superior Industries Ltd.	0.01	0.01	1.14	0.94	0.93
15	Alcobrew Distilleries India Ltd.	0.9	0.81	0.68	0.75	0.83
16	A D S Spirits Pvt. Ltd.	0.69	0.83	0.59	0.67	0.78

38. The Commission is of the view that consistent highest market shares enjoyed by Pernod Ricard over a span of five years *prima facie* indicate a position of strength to cause AAEC in terms of Section 3(4) of the Act. Accordingly, the Commission is of the *prima facie* view that purported arrangement entered into between Pernod Ricard and few retailers may result in distortion of supply which can eventually translate into distortion of demand, with end consumers switching preference to the product available in supply.

39. With regard to the allegation raised by the Informant that the retailers are offered corporate guarantee, purportedly, to achieve high market shares for Pernod Ricard can be stated to be in the realm of sales maximisation effort but where the same becomes a ploy to guide the retailers to exclude dealing in a competing product, such conduct may assume anti-competitive overtones. To that effect, an e-mail dated 13.07.2021 had been shared amongst the employees of Pernod Ricard. Relevant text is reproduced hereunder:

“.....Out of 32 proposed zones in Delhi, we are working towards creating condition to have strategic advantage in 20 zones. Though talks are still evolving, but we are hopeful to get our close trade associate to go for aggressive bidding in 20 + zones. Out of these associates, we would like to provide financial support to 4 who will be bidding for 8 zones (25% retail



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universe, 30% delhi business). All these parties are our existing customers, with whom we have very trusted relationship. Our support (23 M€) would be 25% of the total investment by these associates, in form corporate guarantee for the 3-year loan provided by our banker (HSBC) to these associates.....”

40. In this regard, the Commission is of the view that such conduct is likely to have AAEC in as much as the non-dealing in the product of the competitors through vertical arrangements between Pernod Ricard and retailers is likely to result in distortion of demand by way of moving retail demand away from the competing brands to Pernod Ricard, artificially, thereby leading to a situation of driving existing competitors out of the market. Further, where the retail demand is distorted through an arrangement between Pernod Ricard and retailers to augment the business of Pernod Ricard, such an action is likely to result in restriction of choice to end consumers rather than benefit them in any manner.
41. It is alleged in the Information that Pernod Ricard appointed Indo Spirits as it had retail presence (L-7 licence) through its entities such as Khao Gali (It is also observed in the CAG Report that Indo Spirits and Khao Gali are related entities) that could help Pernod Ricard to increase its market share in Delhi by mandating the retailers to have 35% of its stock. Towards which, Pernod Ricard had allegedly proposed financial assistance of Rs.200 crores to retailers, in the form of corporate guarantee. It is stated that the market share of Pernod Ricard increased from 15% to 35% and that it had planned to increase the same to 47% over a period of three years.
42. As per the Information, an e-mail dated 13.07.2021 was exchanged amongst the employees of Pernod Ricard, which stated about strategic partnership with key retailers in 20 retail zones and providing them financial support (in the form of corporate guarantee for the 3-year loan). On perusal of the said e-mail snapshot along with the extract from the prosecution complaint of the ED, the Commission *prima facie* notes that some amounts were sanctioned by Pernod Ricard to a few retailers as detailed in Table- 4 below:



Table-4

S. No.	Name of the entity	Corporate Guarantee by Pernod in Crore
1.	Pathway HR Solutions Private Limited	50
2.	Universal Distributors	25
3.	Khao Gali	50
4.	Bubbly Beverages Private Limited	50
5.	Shiv Associates	25

43. The Commission also notes that Pernod Ricard allegedly issued inconsistent credit notes to Organomix Ecosystems. As per the Information, ordinarily, the credit notes are passed on to the entity/person which/who has direct nexus with or has sold the goods. However, in the instant case, the manufacturers (including Pernod Ricard) offered credit notes to their selected favoured retailers with whom allegedly they had an understanding/agreement/or were in concert. To this effect, the Informant has relied upon the relevant extract of prosecution complaint of the ED which is stated as under:

“Pernod Ricard has not given any credit notes to M/s Adharv Enterprises (not a favoured L7) against the volume of 19,080 cases purchased in the months of Dec, 2021 Jan,22 and Feb 22. However, Pernod Ricard has given Rs.61.01 lakhs as credit notes to M/s Organomix Ecosystems Pvt. Ltd. (which is part of the South Group cartel) who has purchased 17,644 cases during the said 3 months.”

44. The Commission further notes that the CAG Report also states that the relevant provisions in the Excise Policy, 2021-22 specifically stated that no person or his family member interested in any distillery or brewery or bottling plant holding a licence for wholesale distribution shall be given a retail licence. The CAG Report has cited many instances where evidence of relationships between licensees/common beneficial ownership, was observed. In one such example, the Report says that there was evidence of a relationship between Indo Spirits, a wholesale licensee and the zonal licensee, Khao Gali, holding two zones. It may be noted that Indo Spirits is the wholesaler of Pernod Ricard, whereas Khao Gali is the retailer and an associate company of Indo Spirits



Distribution Limited which has 35% stake in Indo Spirits (wholesale licensee). Moreover, as per MCA database, Indo Spirits Distribution Limited as well as Khao Gali are under common control. In an overall analysis of the supply pattern of liquor in Delhi, the CAG found that the wholesale distribution of liquor was largely controlled (71.70%) by three entities namely, Indo Spirits, Brindco Sales and Mahadev Liquors. The former two also exclusively supply brands of United Spirits (Diageo), United Breweries (Heineken) and Pernod Ricard, three of the largest domestic manufacturers of liquor. The CAG Report also mentions instances where a particular wholesaler supplied a 'statistically large proportion' of its stock to a particular zonal licensee/retailer which highlighted the risk of 'favourable business terms' and/or close association between the wholesale licensees and respective zonal licensees. Some notable instances have been pointed out where a large proportion of sale of a zonal licensee was sourced from a particular wholesaler. For instance, Khao Gali procured 45.26% stock from Indo Spirits which could have implications of brand pushing and limiting consumer choice. The Commission is of the view that wholesalers acquiring retail licences through proxy ownership increase risk of concentration, thereby leading to exclusive arrangements and brand pushing which has the effect of stifling competition.

45. In view of the foregoing, the Commission is of the *prima facie* view that the restrictive conduct by Pernod Ricard with its retailers/wholesalers, purportedly, to induce brand pushing and achieve higher market share in IMFL market in Delhi, falls within the purview of '*exclusive dealing agreement*' as defined in Section 3(4)(b) of the Act read with Section 3(1) of the Act and therefore be investigated for plausible contravention under the provisions of the Act.
46. The Commission also observes that the array of the OPs stands amended with Pernod Ricard, Indo Spirits, Pathway HR Solutions, Universal Distributors, Khao Gali, Bubbly Beverages, Shiv Associates and Organomix Ecosystems, being the only OPs in the instant matter and the other OPs in the Information stand removed from the array of parties on account of the allegations remaining unsubstantiated to indicate any contravention under the provisions of Section 3 of the Act.



47. The Commission also notes that Pernod Ricard had filed an application dated 17.02.2025, wherein, *inter-alia*, it has requested for an opportunity to respond to the allegations made in the Information, alongwith an opportunity of a preliminary hearing before the Commission. The Commission considered the application in the ordinary meeting held on 12.03.2025 and decided to relist the same. While considering the Information, the Commission observed that there is sufficient evidence to form a *prima facie* opinion against the aforesaid OPs and an opportunity of preliminary hearing is not required to be granted at this stage. Accordingly, the Commission disposed of the said application.
48. Based on the foregoing analysis, the Commission is of the view that a *prima facie* case of contravention under Section 3(4)(b) read with Section 3(1) of the Act is made out against the OPs identified in paragraph 46. Accordingly, the Commission directs the Director General ('DG') to cause an investigation into the matter in relation to the alleged conduct under the provisions of Section 26(1) of the Act. The Commission also directs the DG to complete the investigation and submit an investigation report within a period of 90 days from the date of receipt of the order.
49. It is made clear that if, during the course of this investigation, the DG comes across anti-competitive conduct of any other entity/person in addition to those mentioned in the order, the DG shall be at liberty to investigate the same.
50. The DG is also directed to investigate the role of the persons/officers who were in charge of, and were responsible for the conduct of the activities of such entities, who may be found to have indulged in anti-competitive conduct, at the time the alleged contravention was committed as well as persons/officers with whose consent or connivance the alleged contravention was committed, in terms of the provisions of Section 48 of the Act.
51. It is also made clear that nothing stated in this order shall tantamount to a final expression of opinion on the merits of the case and the DG shall conduct the investigation without being swayed in any manner, whatsoever, by the observations made herein.



52. The Secretary is directed to send a copy of the order along with the Information and other material available on record to the office of the DG forthwith.

**Sd/-
(Ravneet Kaur)
Chairperson**

**Sd/-
(Anil Agrawal)
Member**

**Sd/-
(Sweta Kakkad)
Member**

**Sd/-
(Deepak Anurag)
Member**

**Place: New Delhi
Date: 04.05.2026**