

# Revisiting Bharti Airtel Case against Reliance Industries: A Critical Analysis

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## Abstract

The judgment in Bharti Airtel Ltd. v Reliance Industries Ltd. & Anr. May be remembered as a significant landscape in the Indian telecommunication industry. The effects of this decision continue to persist through the Indian telecommunication market. Bharti Airtel filed allegations against Reliance Industries for exploiting market dominance through anti-competitive practices that disrupted fair competition adversely. The case presents important legal aspects related to competition regulations and dominance abuses as well as the responsibilities telecom service providers must follow according to Indian telecommunication and competition law.

This research paper is a review to revisit the case to analyse its impact on Indian telecommunication market, competition and consumers as a key stakeholder of this market. This paper further examines this judgment with a view to find out its rationale in consonance with the Competition Act, 2002 as well as Telecom Regulatory Authority of India Act, 1997 with regard to fair competition and restraint of monopoly in the Indian telecom industry.

By exploring judicial interpretations and their broader effects, this study highlights the legal principles reinforced by the ruling and assesses the potential for similar cases to shape corporate conduct in competitive markets

## INTRODUCTION

The objective of the Competition Act, 2002 is primarily to curb monopoly and promote competition in the Indian market. This legislation is enacted to prevent anti-competitive conducts while at the same time to encourage competition in product as well as service sectors in India so that the interests of consumers may be protected without interfering with the freedom of trade and commerce of the investor class.

According to the preamble of the Constitution of India, economic justice is a guarantee to all of the citizens of India. It emphasizes equal and fair distribution of resources while seeking to achieve social, economic justice for all citizens. The law guarantees the protection of fundamental rights such as the right to equality, freedom of expression in the workplace and the right to non-discrimination. Articles 38 and 39 of the Indian constitution are the foundation framework for competition law in India. Thus, the 2002 Act is a law that facilitates the growth of new enterprises in the Indian economy by providing business facilitation. The Indian Constitution and competition law are tools that work together to achieve

fair trade goals and promote a competitive economy in India aiming at the protection of consumer interests to have more buying options at a fair and competitive price.

The Competition Act 2002, through *Section 3* which deals with the agreements that are anti-competitive in nature and *Section 4* which talks about the abuse of dominant positions in the market, aims to avert or stop unfair business practices that are not healthy for the competition. The purpose of this case comment writing is to assess the independence of the CCI.

The Act, 2002 clearly envisages that the competition authority would be independent agency and for that matter; it would be a body corporate and its chairperson and members' salary would not be reduced to disadvantage them after their appointment. However, there are certain cases when CCI order does not sound healthy in direction to protect the Indian economy and consumer interests.<sup>1</sup>

In the case of *Bharti Airtel Ltd. v Reliance Industries Ltd.*,<sup>2</sup> an order issued by CCI seems to have lack of legal reasoning in the light of Antitrust legal principles. The decision depends on how provisions dealing with anti-competitive agreements and abuse of dominant position should be interpreted on a case-by-case basis. The order of this matter is as if CCI opened the door to enter into the Indian market fraudulently.

It is expressly stated that the Competition Act 2002 "prohibits" any agreement between/among individuals, enterprises or body corporates for not only the production and supplies but also distribution, storage, purchase or management of goods or provisions of services that has anti-competitive character or adverse effect in the Indian market.

Reliance Industries, through its subsidiary *Reliance Jio*, announced that it had entered the wireless and internet services business in September 2016. *Reliance Jio* launched several welcome initiatives available to customers for free as well as unlimited deals when it started in 2016. In order to join a market with established competition, which uses the popular high-speed 4G internet, it announced the above mentioned offer free for

almost one year. The offer was also extended again by a period of three months. Later, they announced 10 data plans with "unlimited calls" which are cheaper than other telecom service providers in India.<sup>3</sup>

Meanwhile, Reliance Jio's user base has grown, displacing many competitors and taking a hit from the remaining competitors. Reliance Jio had 108 million subscribers when it announced its first prepaid plan at its 40th annual conference in Mumbai in July 2017, making it the world's largest telecom operator. Reliance Jio is the largest mobile operator in the country with 388 million members, so India currently has the lowest mobile phone prices in the world. The world knows the problems and losses experienced by other mobile service providers. Even the top telecom service provider Bharti Airtel, which has seen a 93% drop in revenue, is struggling to compete in the market. These players have to change their previous plans and prices to compete in the market and remain competitive with Reliance Jio. Both Bharti Airtel and Vodafone began to offer free data for a short time and changed the price of their very costly plans.<sup>4</sup>

Economic justice and freedom of trade and work are guaranteed by the Constitution, but not at the price of other rights or loss. Reliance Jio's competitor Bharti Airtel has filed a complaint before CCI for alleged abuse of power, disruptive or predatory pricing and competitive bidding in line with Reliance Jio between Reliance Industries and its subsidiaries.

## LITERATURE REVIEW

*Mishra, T., & Biswal, P. S. (2022)*<sup>5</sup>. This study analyses the legality of predatory pricing allegations against Reliance Jio and highlights the complaints filed by Bharti Airtel to TRAI. However, it fails to consider the broader implications of market dominance and regulatory inefficiency. No critical assessment of the Competition Commission of India's (CCI) inaction in

3 Gupta, A., & HS, A. (2022). Evolving Principles of Dominant Position and Predatory Pricing in the Telecommunication Sector: Revisiting Bharti Airtel Ltd. v. Reliance Industries Ltd. NLS Bus. L. Rev., 8, 43.

4 Tangirala, M. P. (2019). Telecom sector regulation in India: an institutional perspective. Routledge India.

5 Ramanuj, N. K. (2012). Measuring the total performance of Reliance Communications-through balanced scorecard (Doctoral dissertation, Saurashtra University).



the dispute has been examined by the author.

- Saxena, H., & Rathore, N. (2020)<sup>6</sup>. This paper explores how Reliance Jio's aggressive pricing changed the competitive landscape, profiting consumers but straining competitors like Airtel. However, the study lacks a legal-critical analysis of Airtel's retaliatory legal strategies against Reliance.
- Gupta, A., & HS, A. (2022)<sup>7</sup>, *evolving Principles of Dominant Position and Predatory Pricing in the Telecommunication Sector: Revisiting Bharti Airtel Ltd. v. Reliance Industries Ltd.* NLS Bus. L. Rev., 8, 43", authors examine the fluctuating legal standards of dominant position and predatory pricing in India's telecom sector through the lens of the Bharti Airtel and Reliance Jio company tussle. They critique the Competition Commission of India's interpretation and call for clearer regulatory benchmarks. But, the study lacks empirical analysis of market data and does not assess the practical outcomes of the case on future regulatory or judicial actions.
- Mishra, T., & Biswal, P. S. (2022). 8This work highlights the loopholes in competition law enforcement in oligopolistic markets such as telecom. Reliance's deep pockets are viewed as a structural advantage. But, this study overlooks how Bharti Airtel's legal recourse attempted to test these theoretical boundaries.

*Economic Times Editorials (2017)*<sup>9</sup>. *Various Opinions on Airtel-Reliance Feud*, several editorials emphasize the business rivalry and consumer welfare narrative. While journalistic in nature, they point out inconsistencies in regulatory responses. However, it lacks academic rigor and fails to derive

6 Saxena, H., & Rathore, N. (2020). Challenging the Competition Precedent: A Critical Analysis of the Competition Commission Decision on Bharti Airtel Ltd. vs. Reliance Industries Ltd. & Anr. Issue 6 Int'l JL Mgmt. & Human., 3, 103.

7Gupta, A., & HS, A. (2022). *Evolving Principles of Dominant Position and Predatory Pricing in the Telecommunication Sector: Revisiting Bharti Airtel Ltd. v. Reliance Industries Ltd.* NLS Bus. L. Rev., 8, 43.

8 Mishra, T., & Biswal, P. S. (2022). *Case Analysis of Bharti Airtel Ltd. v. Reliance Industries Ltd. and Reliance Jio Infocom Ltd.* Part 2 Indian J. Integrated Rsch. L., 2, 1.

9 ET BureauLast Updated: Jun 10, 2017, 01:03:00 AM IST, [https://economictimes.indiatimes.com/news/company/corporate-trends/cci-rejects-airtels-complaint-against-reliance-industries-reliance-jio/articleshow/59073026.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/company/corporate-trends/cci-rejects-airtels-complaint-against-reliance-industries-reliance-jio/articleshow/59073026.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

a legal framework for assessing anti-competitive behavior.

- Parsheera, S., & Trehan, V. (2022)<sup>10</sup> explores the legal dimensions of corporate rivalry in India's telecom sector, focusing on the Bharti Airtel and Reliance Industries conflict. Authors analyse how aggressive market strategies intersect with regulatory frameworks, highlighting challenges in enforcing competition laws. The authors argue that existing legal mechanisms may be inadequate to address the complexities of such corporate disputes. But, the study lacks empirical analysis of the case's impact on market dynamics and does not assess the effectiveness of regulatory responses in similar future disputes.

## Telecom Sector And Regulatory Framework In India

Telecommunications represents one of the world's largest and fastest-expanding sectors based in India. The sector functions as a vital catalyst for India's economic growth together with digital integration and modernized infrastructure development. India has become a leading global telecom market because it now has more than one billion mobile subscribers while broadband networks continue to grow swiftly. Different services such as voice, data, internet, satellite, and broadband operate within the sector through public and private sector providers.

Telecom industry liberalization started during the early 1990s by transferring government control to market-driven management. The industry underwent three main changes which included privatization alongside competition and technological advancement. The telecom industry operated primarily through state-owned enterprises Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) prior to liberalization. After the New Telecom Policy of 1999 introduced private players into the market the industry experienced both better services and reduced tariffs alongside broader access to communication networks.<sup>11</sup>

10 Parsheera, S., & Trehan, V. (2022). *A Structural analysis of the Mobile Telecommunications Market: Exploring the Jio Effect.* The Philosophy and Law of Information Regulation in India.

11 Hossain, M. (1998). *Liberalisation and privatisation: India's telecommunications reform*. Who benefits from privatisation,

The government's highest authority in shaping telecom sector policies is through the Department of Telecommunications (DoT) under the Ministry of Communications. DoT is in charge of executing telecom policy and issuing licenses while performing spectrum management. The functions of the Department of Telecommunications (DoT) is performed under the authority of the Indian Telegraph Act, 1885 and the Indian Wireless Telegraphy Act, 1933. Multiple amendments of the original outdated laws as well as new guidelines to match the modern technological developments have been made.

Telecom Regulatory Authority of India (TRAI) which was established in 1997 through TRAI Act still holds the status of the primary regulatory body of the telecom sector. TRAI is established to protect the consumers by enforcing fair competition, price transparency and consumer rights. Creating rules and quality measures, and providing spectrum and licensing guidance to the government are the three essential tasks TRAI does. Although TRAI does not have the power to adjudicate, it resolves disputes between telecom operators and carries out the important role of monitoring the market control and pricing approaches.

Since its establishment in 2000, Telecom Disputes Settlement and Appellate Tribunal (TDSAT) has been functioning as an important institution. Telecom Disputes Settlement and Appellate Tribunal (TDSAT) is constituted to resolve disputes and accept appeals against regulatory decisions taken by TRAI and the DoT. The body serves as an independent tribunal to determine that regulatory choices are in accordance with natural justice principles and commercial fairness standards.

The Competition Commission of India (CCI) oversees the sector, enforcing regulations to prevent anti-competitive practices and abuse of marketplace dominance. In recent years, sectoral regulation has gained in importance, especially in connection with predatory pricing cases and accusations of market monopolisation by leading players. However, with disruptive market entries such as Reliance Jio's entry, the combination of sectoral regulation and competition law has become more important.

The telecom policy framework of India is periodically updated to solve the emerging problems. A recent landmark is the National Digital Communications Policy, 2018, which defines goals for broadband connectivity, digital empowerment as well as next generation technology deployment such as 5G. The policy shows the government's commitment to build infrastructure, attract foreign investment and encourage innovation by putting in place a supportive regulatory system.<sup>12</sup>

While the telecom industry has had some success, it continues to face challenges from financial distress and excessive debt, as well as spectrum price disputes and regulatory confusion. Bharti Airtel, Reliance Jio, and Vodafone Idea were the remaining three private telecom entities that experienced significant consolidation. Regulators are having to reassess their strategies for achieving sustainable and equitable sector growth in the face of the industry's current challenges.<sup>13</sup>

Liberalization together with competition and evolving regulations has brought about substantial changes to India's telecommunications sector. A robust regulatory framework exists through TRAI and TDSAT and CCI institutions yet ongoing adjustments remain necessary to maintain fair competition and consumer interests in India's digital economy.

## **Competition Law And Abuse Of Dominance**

The laws of competition which other jurisdictions call antitrust represent a set of rules that work to develop fair market competition while blocking harmful competitive practices. The core goal of this legislation targets dominant firm behavior that leads to market distortion and consumer harm and stifles innovation. Competition law maintains dominant enterprises within fair play boundaries through its regulatory framework.

The exploitation of dominant market power by firms that hold substantial market strength

<sup>12</sup> [https://www.telecomepc.in/assets/tepc/pdf/policies/National\\_Digital\\_Communication\\_Policy\\_2018.pdf](https://www.telecomepc.in/assets/tepc/pdf/policies/National_Digital_Communication_Policy_2018.pdf)

<sup>13</sup> H. Walia & S.A. Yermal, (What does future hold for Indian telecom operators facing financial pressures?) Published On Jun 23, 2025 at 02:18 PM IST @ <https://telecom.economictimes.indiatimes.com/blog/exploring-the-financial-strain-on-indias-telecom-sector-high-spectrum-costs-and-agr-dues/122020916>



becomes an abuse of dominance when they use this power to diminish competition. Section 4 of the Indian Competition Act, 2002 defines dominant position as an enterprise's strong market status which allows independent market operation and favourable influence over competitors and consumers (Competition Commission of India [CCI], 2023). Dominance alone is not prohibited by the Act but the law targets abusive actions stemming from dominant market positions.

Abusive practices take shape through predatory pricing together with exclusive dealing and refusal to deal and tying arrangements. Through predatory pricing strategies companies sell their products below their actual costs to eliminate market competition. Following removal of market competition, the dominant firm increases prices to generate profits from customers. The Competition Appellate Tribunal determined in *MCX Stock Exchange Ltd. v. National Stock Exchange of India Ltd.* (2011) that NSE breached competition rules by providing complimentary services to eliminate market competition while maintaining its dominant market position.

A dominant firm commits abuse through refusal to deal by blocking rivals from needed facilities or markets without proper justification. Dominant firms who use this practice block competition access while making it difficult for new competitors to enter the market. The CCI investigated dominant position abuse cases across telecom, cement and digital platforms industries.

The European Union (EU) together with the United States maintain comparable regulatory frameworks. The Treaty on the Functioning of the European Union through Article 102 forbids businesses from abusing their dominant market positions when these activities affect trade and competition within the internal market. *Microsoft v. Commission* stands as the key case which shaped European Union antitrust law. The *Microsoft v. Commission* (2007) case exposed abusive conduct through bundling tactics and refusal to share interoperability data with competitors which resulted in substantial penalties combined with behavioural compliance requirements.<sup>14</sup>

<sup>14</sup> Levi-Faur, D. (1999). The Governance of Competition: the interplay of technology, economics, and politics in European

The Competition Commission of India maintains a vital position in Indian markets by conducting investigations and rendering judgments regarding dominance abuses. Dominance assessment requires businesses to evaluate their market share together with their size and financial strength and vertical integration and consumer reliance on their products. Each case before the CCI receives individual examination through a method that combines analysis of relevant market details alongside competitive conditions and specific conduct elements.

Consumer welfare receives protection through competition law enforcement which maintains market competitiveness. The enforcement of competition law matters specifically in digital economy markets because companies like Google and Amazon have encountered worldwide regulatory scrutiny. The Google Android case (2022)<sup>15</sup> stands as an example of Indian authorities' rising focus on these markets since the CCI issued financial penalties for Android OS licensing violations.

The use of dominance power against fair competition principles represents an abuse of market position which threatens competition fairness. Competition law regulation serves two essential purposes by enforcing market rules to protect both consumer interests and business operations.

## The Bharti Airtel Ltd. V Reliance Industries Ltd. Case

In this case, Bharti Airtel accused Reliance Jio of engaging in predatory pricing and unfair competition through its free services and interconnection practices. The case attracted widespread attention for its implications on how predatory pricing is defined and regulated in the Indian context.

### Facts in Issue

There were three facts which were alleged by the informant that is Bharti Airtel before the CCI and these issues were as follows:

- Whether Reliance Industries allegedly used Reliance Jio to abuse its prominent position

Union electricity and telecom regimes. *Journal of Public policy*, 19(2), 175-207.

<sup>15</sup> CCI Case No. 39 of 2018



while using its money to enter into telecom business? If Yes, whether it is illegal under Section 4(2)(e) of the Competition Act 2002?

- Whether Reliance Jio's free services constituted predatory pricing in violation of the section 4(2)(a)(ii) of the 2002 Competition Act?
- Whether Reliance Industries and Jio entered into an agreement which is anti-competitive in nature violating sec. 3(1) of the 2002 Act? <sup>16</sup>

## Contentions

Airtel alleged that it not only violated sec. 4(2)(e) but also violated Section 4(2)(a) by using its dominant position in another business. The informant further argued that RIL allowed RJIL access to its funds as well as resources to keep the cost of India's 4G services low, thereby causing an adverse effect on competition. Pursuant to Sec. 19(4)(b) as well as 19(4)(d), RJIL is also said to occupy a dominant position in the 4G industry.<sup>17</sup>

### **By opposite party: -**

Before the Indian Competition Commission, Jio produced Airtel's most recent annual report, which said that it did not differentiate any of the telecom services it offered. It is incorrect to characterise the host company's funding of a new sector's entry into the market as predatory. Jio wouldn't have the "dominant position" in the marketplace just because it received finance from a company that held a dominating position in the market and was dependent on it because it was a new player in the telecom industry. Customers had enough options from which to choose to switch service providers without incurring any significant switching costs thanks to the presence of existing rivals. Further, it was mentioned that the prime objective behind the project was to boost the country's mobile internet penetration and offer people access to inexpensive services.<sup>18</sup>

## CCI order

The Indian Competition Commission rejected all of Bharti Airtel's claims, stating that "...in the absence of any dominant position enjoyed by Jio in the

relevant market, the question of alleged abuse does not arise..."

The Competition Commission of India began the process by holding an initial consultation with both sides before examining each accusation in light of the information submitted by Bharti Airtel and Reliance Jio. The word "relevant market" has been limitedly defined or interpreted by the Competition Commission in this case. It focused solely on Reliance Jio.<sup>19</sup>

The Competition Authority of India also stated that according to market data, Reliance Jio does not have a market share of more than 7% in any of the 22 telcos in India compared to money and services. The market has enough options so that customers are by no means dependent on a single service provider. Based on this, CCI concluded that Reliance Jio cannot hold a dominant position in the relevant industry.

Since it is not in a dominant position in the relevant sector, there is no situation where the dominant position is abused with predatory pricing. In addition, only providing free service is not anticompetitive under CCI. Reliance must be in a position of dominance to be charged with "predatory pricing" under sec. 4 of the Competition Act of 2002. Reliance Jio cannot be accused of "predatory pricing" as they are new entrants to the telecommunications industry and are not in "dominant positions". "The defendants are not in a 'substantive position' and therefore cannot be held liable, even if it adversely affects established business owners and does not have a long-standing business plan to encourage lower prices."<sup>20</sup>

## Critical Analysis

The author presents a critical analysis of the case at hand. predatory pricing occurs when new competitors charge too low prices to gain market share and acquire customers. While Reliance Jio offers the service free of charge, CCI has determined that there was no aim of using predatory pricing to eliminate competitors. While the target cannot be proven, it can be argued that RIL's business strategy will allow RJIL to maintain low prices for a long

<sup>16</sup><https://indiankanoon.org/doc/191647285/>

<sup>17</sup> <https://indiankanoon.org/doc/191647285/>

<sup>18</sup> <https://indiankanoon.org/doc/191647285/>

<sup>19</sup><https://indiankanoon.org/doc/191647285/>

<sup>20</sup><https://indiankanoon.org/doc/191647285/>



period of time until it becomes a profitable alarm in the business. Therefore, it exhibited an abuse of dominant power by imposing unfair purchase prices and violated Article 4(2)(a)(ii) of the Competition Act, which prohibits the use of incorrect purchase prices. The free service is available all over India and 72.3 million shares in 4 months is a solid financial indicator. TRAI observed that Jio's case didn't match a predatory pricing approach, as Jio was a new player in the market and is unlikely to be a major player even though Jio works at an affordable price by providing free services and postage. Pricing for penetration was used in this.

While discussing the Competition Act 2002, it is seen that it aims to prevent practices that negatively affect competition and encourage and maintain competition in the industry. This act was designed to create a capitalist market, not a monopoly. But based on the aforementioned judgement, it is clear that the CCI has consistently made decisions by applying or interpreting the Act's provisions literally, which makes it exceedingly limiting. The Commission through their decision in this case contends that it is acceptable and does not violate the Act for a new player to enter the market through unfair tactics. The Commission has yet to respond to the scenario in which the new player monopolises the market and the current players suffer losses as a result of these unfair practices. The commission's decision allows new players to stay in the market and manage the business according to their wishes and needs, even after their checks are designed to talk volumes about its failure and how it sets a bad example for future events like those before it.

The Commission's decision in the Reliance Jio case has had a negative impact on competition as it allows new entrants like Reliance Jio to offer free services by offering cheaper tariffs than already established founders like Bharti Airtel or even offering up to six months free services. Reliance Industries entered the market with big pockets and gained a dominant position. For this reason, it offers free service to its customers across the country at an affordable price. As Reliance Jio is a branch of Reliance Industries, it has access to the company's funds and resources. The anti-competitive agreement between the two companies

also hinders competition in the telecommunications industry.

It can be opined that any company that is the leader or in dominant position in its own market and is using predatory pricing strategies, should also be regarded as anti-competitive because it already has a sizable customer base, albeit for a different product. In the case of Jio, Reliance, the company that owns Jio Communication, had the chance to entice customers to its new product even before it hit the market. In any case, it was protected from predatory pricing because it was new to the telecom sector.

In examining the issue of predatory pricing, CCI ignores the above facts and focuses only on evidence that the economy has the ability to sustain low prices for long periods and to offset losses from inflation when there are significant market share gains. RJIL was the dominant player in the 4G market with a 35% market share and no financial strength, but CCI did not anticipate the emergence of competitors. Hence the conclusion can be drawn that RJIL was a new entrant, and according to CCI, the fact that it didn't have a significant position is negative because cheap price is the result of management, while predatory it is not usually seen as the result of management. Other signs, such as the ability to keep the price low, take big losses, and make up for losses, also prove to be controlling and thus hunting. When RJIL bought 2300 MHz of 4G spectrum with financial assurance from RIL, RJIL was able to hold its price to zero for up to 7 months.<sup>21</sup>

Jio had been constantly raising its prices every month to cover its losses because now all players were losing money. The fact that RJIL had the largest market share (35%) and was the only profitable telecommunications company showed that the losses were compensated. It was possible to incur losses due to the financial stability of RIL; however, CCI ignored this possibility. CCI rejected sec. 19(4)(d) of the 2002 legislation, which requires a company to have significant economic or financial power. CCI didn't acknowledge the predatory pricing and market dominance.

Thus, in the Bharti Airtel v. Reliance Industries

<sup>21</sup><https://www.businesstoday.in/industry/telecom/story/reliance-jio-acquires-2692-mhz-spectrum-for-rs-13672-crore-69004-2016-10-07>

Limited case, CCI once again failed to make a distinction between penetrative pricing and predatory pricing. But on the other hand, the fact that cannot be ignored is that if Jio had not given such an instruction, we would not have lived through the pandemic staying at home and the economy of our country would have been seriously damaged. This is true even if we criticize the commission's decision in the Jio case. Working from home became popular because Reliance Jio's network found its way and helped it expand into rural areas. The fact that Reliance Jio's offerings and availability are essential to protecting the Indian economy from the crisis and the country's operations during the COVID-19 pandemic cannot be ignored.

## **Implications Of The Judgment On Market Dynamics**

The Competition Commission of India's (CCI) ruling in *Bharti Airtel vs. Reliance Jio* predatory pricing case established significant market changes within India's telecom sector. Bharti Airtel filed a complaint against Reliance Jio because the company provided free voice and data services upon launch which it believed amounted to predatory pricing to destroy market competition. The Competition Commission of India rejected Bharti Airtel's complaint because Jio lacked market dominance when its allegedly predatory pricing occurred.<sup>22</sup>

The court defined the fundamental principle of competition law in this decision: Predatory pricing under Section 4 of the Competition Act, 2002 needs a dominant position from the enterprise to establish its validity. The CCI accepted Jio's competitive pricing strategy because the company entered as a new player during 2016. The court's interpretation established that aggressive market entry through zero pricing does not violate competition laws unless it combines with market dominance and an intent to block competition (CCI, 2017).

The CCI judgment established regulatory support for disruptive innovation combined with competitive pricing that delivers consumer benefits across capital-intensive sectors such as telecom. Following the judgment, the Indian telecom market

22 KD, D., CT, T., & Joseph, A. P. D. A. (2024). A STUDY ON THE EFFECT ON TELECOM INDUSTRY AND CONSUMERS AFTER THE INTRODUCTION OF RELIANCE JIO.

experienced rapid consolidation when Airtel dropped out of business and Vodafone merged with Idea to face competitive market pressures. Jio's market dominance grew rapidly as Airtel along with other incumbents had to adjust their prices and enhance their service quality.<sup>23</sup>

Critics maintain that the CCI's restrictive definition of dominance prevented it from understanding the financial advantages and potential cross-subsidization capabilities of large companies like Reliance Industries which owns Jio. The CCI's narrow interpretation of "dominant" status creates a potential precedent allowing financially powerful market entrants to wage price wars without regulatory oversight.<sup>24</sup>

The court's decision promoted short-term innovation and consumer choice yet it created potential long-term concerns about market concentration and small firm survival. The judgment showed that dynamic evaluations of market dominance must occur within quickly transforming digital marketplaces.

## **CONCLUSION AND SCOPE FOR FUTURE RESEARCH**

The *Bharti Airtel Ltd. v Reliance Industries Ltd. & Anr.* judgment established important milestones for competition law development within India's telecommunications sector. The court's decision brought needed clarity about legal issues but experts still disagree about its future effects. Future research needs to examine how competition evolves in response to technological disruptions and regulatory changes as well as consumer welfare to create a complete understanding of these effects. After so many years of this judgment, the aftermath is so apparent now. Due to the green signal by CCI to the Jio Company, now there are just few telecom companies existing in India limiting consumers preferences and bargaining in matters of monthly recharge prices and all. No need to say that this judgment of CCI has negatively impacted the Indian

23Tangirala, M. P. (2019). Telecom sector regulation in India: an institutional perspective. Routledge India.

24Ramanuj, N. K. (2012). Measuring the total performance of Reliance Communications-through balanced scorecard (Doctoral dissertation, Saurashtra University).





telecom market as well as consumers' right to have choices to choose a high-quality product/service at a fair and reasonable price. It has been clearly compromised due to this judgment.

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