



सत्यमेव जयते



COMPETITION COMMISSION OF INDIA

Case No. 17 of 2019

In Re:

Mr. Ashok Kumar Vallabhaneni
Plot No. 91, Navanirman Nagar,
Road No. 71, Jubilee Hills,
Hyderabad – 500 033.

...Informant

And

Geetha SP Entertainment LLP
8-2-293/82/1/111/6, Road No. 79,
Jubilee Hills, Hyderabad – 500 096,
Telangana.

...Opposite Party No. 1

GA 2 Pictures LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 2

Allu Entertainment LLP
No. 83, Nest Towers, 1st Floor, Kamdar Nagar,
Chennai – 600 034,
Tamil Nadu.

...Opposite Party No. 3

Leo Cineplex LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 4

Geetha Multiplex Pvt. Ltd.
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 5

Cinematica Digitals Pvt. Ltd.
98, Kamdar Nagar, 3rd Street, Mahalingapuram,
Nungambakkam, Chennai – 600 034,
Tamil Nadu.

...Opposite Party No. 6



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Allu Entertainment Pvt. Ltd.
No. 83, Nest Towers, 1st Floor,
Kamdar Nagar, Chennai – 600 034,
Tamil Nadu.

...Opposite Party No. 7

Siri Projects Pvt. Ltd.
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 8

Black Buck Entertainment Pvt. Ltd.
Raheja Towers, 7th Floor, 177,
Anna Salai, Chennai – 600 002,
Tamil Nadu.

...Opposite Party No. 9

Silver Scope Media and Entertainment Pvt. Ltd.
Plot No. 3, H. No. 3-1/3,
Amar Co-operative Society,
Guttalabegumpet, Madhapur,
Hyderabad – 500 081,
Telangana.

...Opposite Party No. 10

Geetha Entertainment Pvt. Ltd.
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 11

Geetha Asian Entertainment LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 12

SVC & Geetha Cinemas LLP
6-9-1090/3/2, 1st Floor, KRB Towers,
Rajbhavan Road, Somajiguda,
Hyderabad – 500 082,
Telangana.

...Opposite Party No. 13

Geetha Anusri Cinemas LLP
Plot No. 1067, Road No. 45,
Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 14



G3 Movies LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 15

G3 Screens LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 16

G3 Theatres LLP
Plot No. 1067, Road No. 45,
Jubilee Hills, Hyderabad - 500 033,
Telangana.

...Opposite Party No. 17

Geetha ASN Theatres LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 18

Leo Studios Pvt. Ltd.
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 19

Leo Entertainment Pvt. Ltd.
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 20

V Mega Pictures LLP
Door No. 1, Lakshmi Kanthan Street,
Behind Big Bazar, T-Nagar, Chennai – 600 017,
Tamil Nadu.

...Opposite Party No. 21

Mega Talkies LLP
98, Kamdhar Nagar, Mahalingapuram,
Chennai – 600 034,
Tamil Nadu.

...Opposite Party No. 22

Leo Entertainment LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 23



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Siri Estates Pvt. Ltd
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 24

Geetha Asian Multiplex LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad - 500 033,
Telangana.

...Opposite Party No. 25

Prasads SP Entertainments LLP
D. No. 8-2-293/82/1/111/6, Road No. 79,
Jubilee Hills, Hyderabad – 500 096.

...Opposite Party No. 26

Global Cinemas LLP
D. No. 8-2-121/6/A./1, 200 LK House,
Road No. 2, Banjara Hills,
Hyderabad – 500 034.

...Opposite Party No. 27

Suresh Productions Entertainment LLP
1-A, GRF, Prince Villa, GRV, 07 & 08 N 15,
Raj Mannar Street, T-Nagar, Chennai - 600 017,
Tamil Nadu.

...Opposite Party No. 28

Suresh Productions Entertainment Limited
Ramanaidu Studios, Film Nagar,
Hyderabad – 500 033,
Telangana.

...Opposite Party No. 29

Smic 360 Entertainment Solutions Pvt. Ltd.
5-4, Plot No. 42/B,
Malkajgiri, Geetha Nagar,
Vasanthapuri, Hyderabad – 500 047,
Telangana.

...Opposite Party No. 30

Asian Cinema Multiplexes Pvt. Ltd.
D. No. 8-2-121/76/A/1, Road No. 2,
Banjara Hills, Hyderabad – 500 034.

...Opposite Party No. 31

Asian Multiplexes Pvt. Ltd.
D. No. 8-2-121/76/A/1,
Road No. 2,
Banjara Hills, Hyderabad – 500 034.

...Opposite Party No. 32



Suresh Productions Pvt. Ltd.
Ramanaidu Studios, Film Nagar,
Hyderabad,
Telangana.

...Opposite Party No. 33

Asisan Theatres Ltd.
396/397, 1st Floor, Jain Estates, Park Lane,
Secunderabad – 500 003,
Telangana.

...Opposite Party No. 34

Asisan Theatres Pvt. Ltd.
396/397, 1st Floor, Jain Estates, Park Lane,
Secunderabad – 500 003,
Telangana.

...Opposite Party No. 35

UV Creations LLP
Plot No. 14, Flat No. 401, 4th Floor, Rani Classic,
Ayyappa Society, Madhapur,
Hyderabad – 500 033.

...Opposite Party No. 36

V Movies LLP
Plot No. 14, Flat No. 401, 4th Floor, Rani Classic,
Ayyappa Society, Madhapur,
Hyderabad – 500 033,
Telangana.

...Opposite Party No. 37

V Celluloid Entertainment LLP
Plot No. 92, Panchavati Colony,
Manikonda, Serilingampally,
Hyderabad – 500 089,
Telangana.

...Opposite Party No. 38

UV Compete LLP
Plot No. 14, Flat No. 401, 4th Floor, Rani Classic,
Ayyappa Society, Madhapur,
Hyderabad – 500 033,
Telangana.

...Opposite Party No. 39

Associated Producers Telugu LLP
H. No. 8-2-293/82/PP/16, XL Lotus Apartments,
Press Photographers Colony,
Road No. 12, Banjara Hills, Hyderabad – 500 034.

...Opposite Party No. 40



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Chitra Seema Entertainments Pvt. Ltd.
8-3-232/50/C54, Sravanthi Nagar,
Venkatagiri, Yousufguda Post,
Hyderabad – 500 045.

...Opposite Party No. 41

Chitra Seema Media Pvt. Ltd.
8-3-232/50/C54, Sravanthi Nagar, Venkatagiri,
Yousufguda Post, Hyderabad – 500 045.

...Opposite Party No. 42

Sri Venkateswara Creations Pvt. Ltd.
8-2-684/P/23, Durga Enclave, Plot 1583, Road No.
12, Banjara Hills, Hyderabad – 500 034,
Telangana.

...Opposite Party No. 43

SVC Cinemas Pvt. Ltd.
Flat No. 101, Plot 82, 8-2-293/82/W/82,
Road No. 7, Womens Co-operative Society,
Jubilee Hills, Hyderabad – 500 033.

...Opposite Party No. 44

APT Films Pvt. Ltd.
H. No. 8-2-293/82/F/B/29C, Sai's Serene,
Road no. 9, Film Nagar,
Jubilee Hills, Hyderabad – 500 096,
Telangana.

...Opposite Party No. 45

Sri Venkateswara Cinemas LLP
502B, Ground Floor, Road No. 31,
Jubilee Hills, Hyderabad – 500 034.
Telangana.

...Opposite Party No. 46

Global Cinemas Pvt. Ltd.
H. No. 8-2-121/76/A/1, 200, LK House, Road No. 2,
Banjara Hills, Hyderabad – 500 034,
Telangana.

...Opposite Party No. 47

ASR Cinemas LLP
Plot No. 216, Madhuban Colony, Sivarampally,
Rangareddy District, Hyderabad – 500 077,
Telangana.

...Opposite Party No. 48

AMB Cinemas LLP
8-2-120/76/1, Road No. 2, Banjara Hills,
Hyderabad – 500 034,
Telangana.

...Opposite Party No. 49



Asian Multi Dimension Entertainment Pvt. Ltd.
8-2-121/76/A/1, Road No. 2, Banjara Hills,
Hyderabad – 500 034,
Telangana.

...Opposite Party No. 50

Gita Asian Entertainment LLP
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad – 500 033,
Telangana.

...Opposite Party No. 51

Asian Mukta A2 Cinemas LLP
10-2-289/72, Santhi Nagar, AC Guards,
Hyderabad – 500 004,
Telangana.

...Opposite Party No. 52

Global Cinemas Karnataka LLP
Plot No. 502 B, Ground Floor, Amar Jyothi, Road
No. 31, Jubilee Hills, Near Gas Cloth Show Room,
Hyderabad – 500 003,
Telangana.

...Opposite Party No. 53

Mega Supergood Films Pvt. Ltd.
H. No. 810-A, 1st Floor, Road No. 7,
Film Nagar, Jubilee Hills, Hyderabad – 500 033.

...Opposite Party No. 54

NVR Cinemas LLP
Flat No. B 6, Sarala Apartments, No. 48,
Giriappa Road, T Nagar, Chennai - 600 017,
Tamil Nadu.

...Opposite Party No. 55

Multi Dimension Warangal Multiplex Pvt. Ltd.
46 Avenue, 4, Street No. 1, Banjara Hills,
Hyderabad - 500 034,
Telangana.

...Opposite Party No. 56

PR Cinemas Pvt. Ltd.
10-2-289/98, Flat No. 201, Trendset Residency,
Shanthi Nagar, Masab Tank,
Hyderabad – 500 028.

...Opposite Party No. 57



Allu Aravind Babu
Plot No. 1067, Road No. 45, Jubilee Hills,
Hyderabad – 500 033, Telangana.

...Opposite Party No. 58

V. Venkata Ramana Reddy
Plot No. 73, H. No. 8-2-269/S/73, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500 034.

...Opposite Party No. 59

V.A. Venkata Narasimha Reddy
Plot No. 73, H. No. 8-2-269/S/73, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad – 500 034.

...Opposite Party No. 60

V. Vamsi Krishna Reddy
Plot No. 14, Flat No. 401, 4th Floor,
Rani Classic, Ayyappa Society,
Near Bollineni Homes, Madhapur,
Hyderabad – 500 033.

...Opposite Party No. 61

G. Udaya Srinivas
Flat No. 40906, Olive Block, Indu Fortune Fields,
Phase – 12, KPHB Colony, Kukatpally,
Hyderabad – 500 072.

...Opposite Party No. 62

D. Suresh Babu
Ramanaidu Studios, Film Nagar,
Jubilee Hills, Hyderabad – 500 033
Telangana.

...Opposite Party No. 63

N.V. Prasad
Plot No. B10, Road No. 7,
Film Nagar, Jubilee Hills,
Hyderabad – 500 033
Telangana.

...Opposite Party No. 64

V. L. Sridhar
V.L.S. Sridevi 70 MM Theatre,
Chilakalaguda,
Secunderabad – 500 003
Telangana.

...Opposite Party No. 65



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K. Siva Prasad
Alankar Theatre, Gandhi Nagar,
Vijayawada – 520 003
Andhra Pradesh.

...Opposite Party No. 66

Suneel Narang
Plot No. 502 B, Amarajyothi Building,
Road No. 36, Jubilee Hills,
Hyderabad – 500 033
Telangana.

...Opposite Party No. 67

M. Aditya Reddy
S2 Cinemas Film Distribution,
Nagulamitta Road, Poga Thota,
Nellore – 524 001
Andhra Pradesh.

...Opposite Party No. 68

CORAM

Ashok Kumar Gupta
Chairperson

U. C. Nahta
Member

Sangeeta Verma
Member

Order under Section 26(2) of the Competition Act, 2002

1. The present information has been filed by Mr. Ashok Kumar Vallabhaneni (hereinafter referred to as the “**Informant**”) under Section 19(1)(a) of the Competition Act, 2002 (hereinafter referred to as “the **Act**”) against the above referred Opposite Parties (hereinafter **OP-1 to OP-68** are collectively referred to as



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“OPs”) alleging *inter alia* contravention of the provisions of Sections 3 and 4 of the Act.

2. The Informant is stated to be a Telugu Film & T.V. serial producer and distributor of dubbed movies in Telugu language. The OPs are engaged in the business of production and distribution of movies in the States of Andhra Pradesh and Telangana.
3. It is stated that the Informant had entered into a Theatrical Distribution Agreement with Sun Business Solutions Private Ltd. (hereinafter ‘Sun Picture’), according to which the Informant had purchased the distribution and exhibition rights for the dubbed version of the Tamil movie ‘*Petta*’ in Telugu language, in the States of Andhra Pradesh and Telangana.
4. It is stated that the producer of ‘*Petta*’ *i.e.*, Sun Picture, decided to release the movie worldwide during the Pongal/ Sankranti festival in the month of January, 2019. Thus, the release date had been announced well in advance including in the States of Telangana and Andhra Pradesh.
5. It is averred that the Informant had contacted the OPs who are stated to have control over more than 80% of the local movie theatres *i.e.* the theatres other than the theatres owned by national multiplex chains like PVR, INOX, *etc.* in the States of Telangana and Andhra Pradesh and requested them to provide a minimum of 400 screens in said states. When the OPs declined to provide sufficient number of screens for the said movie, the Informant immediately approached the Telugu Film Chamber of Commerce on 07.01.2019 and raised the issue of not allocating sufficient cinema theaters/ screens. In response to the same, a meeting was arranged on 08.01.2019 prior to screening of the said movie but the OPs did not turn up for the said meeting.
6. It is stated that three other Telugu movies *viz.*, ‘F2’, ‘Vinaya Vidheya Rama’ and ‘NTR Kathanayakudu’ were scheduled to be released during the same Pongal/ Sankranti festival week in both the states and were allocated about 1360 screens



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i.e., approximately 450 screens per movie, whereas, the Informant's movie was allotted only a few limited screens without any justifiable reasons. It is stated that due to the aforesaid conduct of the OPs, dubbed version of movie 'Petta' could collect only Rs. 3.64 crore in the States of Telangana and Andhra Pradesh during the Pongal/ Sankranti festival week of 2019. In contrast, the said movie collected Rs. 54.93 crore in the State of Tamil Nadu during the aforesaid period.

7. It is averred that the OPs had allocated sufficient number of screens to the Informant's earlier dubbed movie 'Sarkar', which was released on 06.11.2018 as there was no movie produced/ distributed by the OPs during that time.
8. It is alleged that due to cartelization amongst the OPs, the OPs allotted only limited screens for screening of the Informant's dubbed movie, thereby depriving the right of the Informant from exhibiting the said movie in sufficient number of screens and causing immense monetary loss. It is further alleged that the said conduct of OPs has not only adversely affected the competition at the distributor level but also had appreciable adverse effect on the consumers/ viewers. These acts and conducts of the OPs according to the Informant are said to be in violation of provision of Section 3 (3) (b) of the Act.
9. Lastly, it is alleged that the sole object of the OPs was to monopolise the film industry with a view to prevent the entry of new producers and the said conduct of the OPs caused a loss of about Rupees seven crore to the Informant. It is further alleged that the OPs being in the dominant position were discriminating between the producers/ distributors based on movies produced in Telugu language and dubbed movies in Telugu language, thereby limiting or restricting the Telugu film industry and thus, violating the provisions of Section 4 of the Act.
10. Accordingly, the Informant in its prayer has asked the Commission to direct the OPs not to restrict the Informant from accessing screens for release of movies and also to restrict the OPs from abusing their dominant position.



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11. The Commission has perused the information and also considered the material available on record.
12. The Commission observes that the Informant is primarily aggrieved with the fact that the OPs, with the objective of earning maximum revenue from the three newly released Telugu movies during the aforesaid period, prevented the Informant from releasing the dubbed movie by not adequately providing the cinema screens, as requested.
13. At the outset, it is to be noted that what the Act, under Section 4, contemplates is the abuse of dominant position by an enterprise or a group rather than abuse of dominant position as a result of collective dominance by more than one entity. Thus, abuse on account of collective dominance is a concept not recognized by the Indian Competition regime so far. Also, in the present case, the Informant has himself averred the presence of multiple players in the market. When the market is dynamic and is characterized by the presence of multiple players, no single player can be said to be in a position to affect the competitors or consumers or the market in its favour and consequently the question of dominance of one of them does not arise.
14. With respect to allegation of cartelization, the Commission observes that, save and except making bald allegations and averments, the Informant has not furnished any material/ document to show or demonstrate that there exists an agreement amongst the OPs in respect of allocation of screens for exhibition of dubbed movies in the States of Andhra Pradesh and Telangana. In the absence of any material indicating collusion amongst OPs, the impugned conduct cannot be faulted. No producer/ distributor can claim as a matter of right any particular number of screens for exhibition of its movies. Accordingly, the Commission is of the considered opinion that no interference is warranted in the present matter.
15. In view of the foregoing, no case of contravention of the provisions of Sections 3 and/or Section 4 of the Act is made out against the Opposite Parties. The Information is directed to be closed in terms of the provisions contained in Section 26(2) of the Act.



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16. The Secretary is directed to communicate to the Informant, accordingly.

Sd/-
(Ashok Kumar Gupta)
Chairperson

Sd/-
(U. C. Nahta)
Member

Sd/-
(Sangeeta Verma)
Member

Date: 01.08.2019
New Delhi