



2026:DHC:1878



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 2527/2026, CM APPL. 12258/2026 & CM APPL. 12257/2026**

Date of Decision: **23.02.2026**

IN THE MATTER OF:

INTERNATIONAL FLAVOURS AND FRAGRANCES INC

.....Petitioner

Through: Mr. Neeraj Kishan Kaul, Sr. Adv.
with Mr. Harman Singh Sandhu, Ms.
Manika Brar, Mr. Aashish Gupta,
Ms. Dhaniya Krishnan, Mr. Sai Singh
and Mr. Sohom Sarkar, Advocates.

versus

COMPETITION COMMISSION OF INDIA

.....Respondent

Through: Mr. Vaibhav Gaggar, Sr. Adv. with
Mr. Danish Khan, Mr. Aakrit Aditya
Sharma and Mr. Abhishek Nair,
Advocates.

CORAM:
HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

JUDGEMENT

PURUSHAINDRA KUMAR KAURAV, J. (ORAL)

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1. The petitioner seeks to challenge the order dated 13.08.2025 (“**Impugned Order**”) passed by the Respondent – Competition Commission of India (hereinafter “**Commission**”) in Suo Moto Case No. 02 of 2025 passed under Section 26(1) read with Section 19 of the Competition Act, 2002 (“**the Act**”).
2. A perusal of the order reveals that the Commission *suo moto*, in terms of Section 19(1) of the Act, and on the basis of information received under Section 46 of the Act, has passed directions in terms of Section 26(1) of the Act, directing the Director General to cause an investigation to be made, and to submit an investigation report within a period of 90 days. The investigation, it appears, pertains to the alleged labour-related co-ordination on bilateral basis among certain fragrance and fragrance ingredients manufacturers viz. Givaudan (Switzerland), Firmenich (Switzerland) and International Flavors and Fragrances (IFF) (US) i.e., the petitioner.
3. Mr. Neeraj Kishan Kaul, learned senior counsel appearing on behalf of the petitioner presented various arguments and according to him the delay in filing the information on the basis of which the impugned action has been taken could not have been condoned on grounds of equity as vested rights have accrued on the petitioner by virtue thereof. He submits that while considering the aspect of limitation, the merits of the case cannot be looked into. According to him, the question of limitation does not merely concern procedural law, but rather, affects the substantive rights of the parties.
4. Though the Court fully agrees with the jurisprudential analysis and legal submissions made by Mr. Kaul, however, on the facts of the instant case, does not find any reason to interfere with the Impugned Order passed by the Commission.

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5. In the process of issuing the direction, the Commission has taken note of the first *proviso* to Section 19(1) of the Act, which requires an information or a reference to be filed within three years from the date on which the cause of action has arisen. The commission, importantly, has condoned the delay under the second *proviso* to Section 19(1) rendering a finding that sufficient cause has been made out.

6. The perusal of the Impugned Order would indicate that in paragraph no. 10, the Commission considered the justification of the informant/applicant that subsequent to the dawn raids conducted by certain competition authorities in March 2023, the informant/applicant initiated its internal investigation in April 2023 and was first made aware of by its legal advisers of the potential anti-competitive nature of labour-related coordination. Furthermore, the Commission considered the informant/applicant's stand of its having approached the Commission promptly i.e., within four days of notification of the Competition Commission of India (Lesser Penalty) Regulations ('LPR') 2024, which demonstrated its *bona fide* and willingness to cooperate.

7. The Commission in para. 11 also notes that the alleged labour-related coordination between the entities may be still continuing, and the cause of action, therefore, may still persist.

8. The nature of the enquiry which the commission seeks to undertake under the said Act will also have to be looked into. The said Act provides a remedy, keeping in view the economic developments of the country and to prevent practices having an adverse effect on competition, to promote and sustain competition in markets, to protect the interest of consumers and to ensure freedom of trade carried on by other participants in the market in

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India.

9. It also appears that pursuant to the notice issued by DG to the petitioner on 01.09.2025 seeking certain information pertaining to the investigation caused to be made. The petitioner submits that it has already submitted its response dated 03.10.2025, 16.10.2025 and 20.11.2025.

10. If at this stage, the Commission is interdicted to proceed with the enquiry despite it rendering findings of sufficient cause being made out to condone the delay of limitation, the same would be against the mandate of the Act and the purpose for which the Commission has been set up. The scope of inquiry under Article 226 of the Constitution is narrow and does not extend to stepping into the shoes of the expert-body, and replacing the writ Court's opinion with that of the authority/body concerned. A degree of deference ought to be given to the specialised authority set up under a statute. No perversity or non-application of mind has been made out.

11. Even otherwise, the Supreme Court in the case of **CCI v. Steel Authority of India**,¹ has held that direction passed under Section 26(1) of the Act are mere administrative directions which do not concern the adjudicatory process, and no rights or liabilities of the parties get decided. The material portion of the decision reads as under:

“38. In contradistinction, the direction under Section 26(1) after formation of a prima facie opinion is a direction simpliciter to cause an investigation into the matter. Issuance of such a direction, at the face of it, is an administrative direction to one of its own wings departmentally and is without entering upon any adjudicatory process. It does not effectively determine any right or obligation of the parties to the lis. Closure of the case causes determination of rights and affects a party i.e. the informant; resultantly, the said party has a right to appeal against such closure of case under Section 26(2) of the Act. On the other hand, mere direction for investigation to one of the wings of the Commission is akin to a

¹ (2010) 10 SCC 744.



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departmental proceeding which does not entail civil consequences for any person, particularly, in light of the strict confidentiality that is expected to be maintained by the Commission in terms of Section 57 of the Act and Regulation 35 of the Regulations.

39. Wherever, in the course of the proceedings before the Commission, the Commission passes a direction or interim order which is at the preliminary stage and of preparatory nature without recording findings which will bind the parties and where such order will only pave the way for final decision, it would not make that direction as an order or decision which affects the rights of the parties and therefore, is not appealable.”

12. In view of the aforesaid, the general principles concerning the law of limitation may not have a direct bearing at this preliminary stage. The Commission, importantly, was fully conscious about the three year limitation period; however, it had a strong reason to condone the delay. The said reason being that the concern highlighted may still be persisting. Hence, the Commission was of the view that it is a case of a continuing cause of action, which can be inquired into by the Commission.

13. At this stage, there is no adverse order against the petitioner and none of its vested rights have been infringed on. Therefore, the investigation, which is at such a preliminary and threshold stage does not warrant interdiction.

14. The petition, therefore, is failed and the same is accordingly dismissed. Pending applications also stand disposed of.

PURUSHAINDRA KUMAR KAURAV, J

FEBRUARY 23, 2026/anj/ksr

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