

To

The Secretary
Competition Commission of India
9th Floor, Office Block - 1
Kidwai Nagar (East)
New Delhi, 110023, India

26th September, 2026

Comments on commitment proposal received by PVR INOX at the CCI

Dear Sir/ Ma'am,

Please find attached our representation on a public consultation held by the Competition Commission of India on the commitment received by it in **PVR INOX case**.

About the Centre

The Centre for Competition Law and Economics (CCLE) is a research organization working in the field of competition law and economics. The Centre publishes research reports, conducts training activities and assists litigating parties at competition fora across the country to advocate consistent interpretation of the Indian competition law. The Centre regularly collaborates with national law universities and other non-profit organizations to organize seminars, conferences and workshops for the relevant stakeholders to generate capacity in the said field based on mutual interest.

We would be happy to discuss more on the topic and will be looking forward to meeting you in person.

Best Regards,

Sumit Jain

Founding Director

Centre for Competition Law and Economics

<http://www.icle.in>

Contact: +91 93116 83349; +91 81072 87270

Email ID: centrecomplaw@gmail.com; contact@icle.in

Public Comments on the Application filed by PVR INOX in Case No. 42 of 2023 at the CCI

Introduction

- 1) The Competition Commission of India (CCI) vide its order dated 30th September, 2025 initiated an inquiry into exhibition of films in theatres and subsequent levy of 'Virtual Print Fee (VPF)'. The matter was initiated on the basis of information filed by **The Film and Television Producers' Guild of India Limited** (now referred to as 'producers') against **UFO Moviez India Limited** and **Qube Cinema Technologies Private Limited** (now combinedly referred as 'DCE players') and PVR INOX Limited.
- 2) The inquiry order has additionally identified **Association of Digital Cinema Technology (ADCT)** as a stakeholder and made multiple references to **Cinema Theatre Owners (CTOs)** as an affected party.
- 3) The inquiry order has also referred to multiple authorities such as the Unilazer case, market study on VPF and PF Digital Media Services case (Case no. 11 of 2020). We submit that a common ratio of these authorities should be drawn and be made applicable in the given case in the interest of regulatory certainty.
- 4) To best assist the Commission, we have drawn a value supply chain as per the stated facts. This is to map the production, transmission and consumption process.

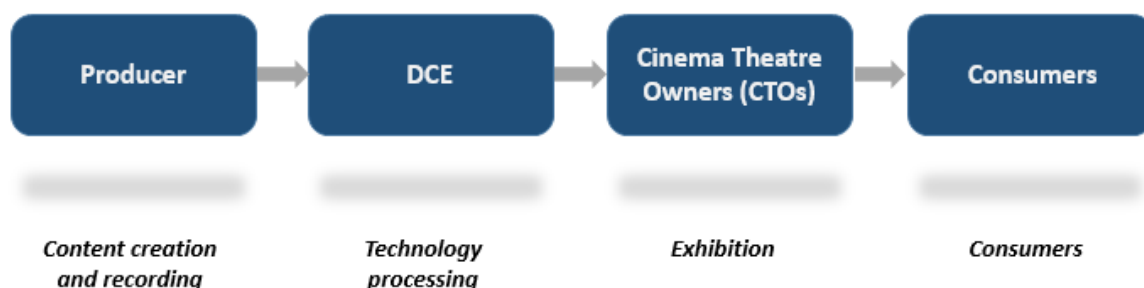


Figure 1: Value supply chain

Commitment application and response

- 5) PVR INOX has now filed a commitment application in this backdrop to close the matter. The response against each proposal is mentioned in the below table.

C. No. ¹	Commitment	Response
5(a) & (b) Option 1	Exhibition service charge (ESC) model	- There is some consensus in the inquiry order that VPF is transitory in nature. There is also a view that any separate fee comes with an expectation of a separate service. The said proposal falls short of addressing both these points as producers would be required to pay this charge on a perpetual basis. The commitment also doesn't address what additional service is being offered against this charge.
5(a) & (b) Option 2	Revenue Share Arrangement (RSS)	- The proposed model is more in line with the regulatory requirement - in the sense it does away with the requirement of a separate VPF charge. - A comparative assessment ought to be made between the value of time taken by the CCI to reach a final finding, say two years, in the case and the upfront proposal given.

¹ Commitment number

		This assessment is important as the regulation is set against VPF and the given proposal still uses it as an excuse to reduce the producer revenue share.
--	--	---

Overall response

- 6) The market study conducted by the CCI has analysed the value supply chain in the film industry in the past. It suggests that the number of producers are generally higher than exhibitors thereby tilting the bargaining power in the favour of the latter (demand-supply rule). The said case is reflective of such a case scenario.
- 7) It is further suggested that further emphasis should be given on single screen cinema owners (CTOs) as per the stated facts. Such an exercise would be more in line with the regulatory requirement and provide more certainty to the governed entities.