



SCHOTT India Acquitted of Anti-Competitive Conduct

Competition Appellate Tribunal rules in favor of SCHOTT India against the Competition Commission of India and Kapoor Glass Pvt. Ltd.

The Tribunal condemns Kapoor Glass' act of forging SCHOTT India glass tubes as a direct hazard to human lives

New Delhi, April 15, 2014 – The Competition Appellate Tribunal (CAT) has cleared SCHOTT India from all penalties and charges made under an Order of the Competition Commission of India (CCI) that had been initiated by Kapoor Glass Pvt. Limited. SCHOTT India was falsely accused of abusing its strong position in the glass tubes market and granting discriminatory pricing and other favorable terms to its affiliated entity, SCHOTT KAISHA as compared to other converters in the market.

In July 2010, Kapoor Glass Pvt. Limited (Kapoor), a converter and former manufacturer of Glass Tubes, filed information with the CCI in which it complained of alleged anti-competitive practices of SCHOTT India which affected the competition in the market for Neutral USP Type I Borosilicate Glass Tubes as well as in the downstream market for the Containers. After the CCI initially decided against SCHOTT India, the case was referred to CAT.

In the CAT judgment, it was pointed out that SCHOTT KAISHA was a vertically integrated subsidiary of the SCHOTT Group and that the quantity purchased by SCHOTT KAISHA by far exceeded the purchases of any other converter company. Better terms for SCHOTT KAISHA were therefore justified. The tribunal also clarified that there was no negative impact on the downstream market for glass tube containers and that the ultimate consumer did not suffer any damage as alleged in Kapoor's appeal.

The judges refuted CCI's argument that favorable prices of SCHOTT India for SCHOTT KAISHA had resulted in reduced profit margins for the other converters and deprived them of their chance to grow. In addition, they



rejected the allegations by Kapoor that SCHOTT's Standard Trademark License Agreement was unfair and restrictive to the detriment of other converters.

Finally, CAT clearly denied any obligation of SCHOTT India to make deliveries to Kapoor, which had been stopped in 2008. The special Tribunal established that Kapoor had once forged SCHOTT India's labels and thus committed a clear and unabashed breach of trademarks. It condemned such act of forging as the relevant products had a direct relation with human lives and serious consequences could ensue on account of usage of inferior quality of glass tubes. The Tribunal stated that it could not imagine the seriousness of the consequences if Kapoor could pass off inferior quality glass with the help of such faked labels.

About SCHOTT

SCHOTT is an international technology group with 130 years of experience in the areas of specialty glasses and materials and advanced technologies. SCHOTT ranks number one in the world with many of its products. Its core markets are the household appliance, pharmaceutical, electronics, optics and transportation industries. The company is strongly committed to contributing to its customers' success and making SCHOTT an important part of people's lives with high-quality products and intelligent solutions. SCHOTT is committed to managing its business in a sustainable manner and supporting its employees, society and the environment. The SCHOTT Group maintains close proximity to its customers with manufacturing and sales units in 35 countries. Its workforce of 15,400 employees generated worldwide sales of 1.84 billion euros for the 2012/2013 fiscal year. SCHOTT AG, with its headquarters in Mainz (Germany) is owned by the Carl Zeiss Foundation.

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