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ANIME STREAMING AND COMPETITION LAW IN INDIA: EXAMINING THE COMPETITIVE EFFECTS OF TEMPORAL EXCLUSIVITY.

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(I) ABSTRACT

The growth of anime streaming in India has changed how Japanese animation is shared. It has moved away from ways like TV and physical copies to digital platforms and licensing deals. As more platforms compete, control over which content is available and when it comes out can become an advantage. This paper looks at the competition law issues tied to ** exclusivity** in anime streaming. This means when one platform gets the right to release an anime first or only for a certain time. The study is based on India's Competition Act, 2002 focusing on Sections 3 4 3(5) and 19. It looks at how to define the market assess market power check for foreclosure understand consumer impact, examine barriers to entry and consider efficiency arguments. These help judge whether exclusive licensing deals are fair or harmful. The paper also compares how the European Union and the United States handle exclusivity. The Crunchyroll–Muse Asia distribution case is used as an example to show how staggered release windows can affect competition in India. Even if a delay in release does not break competition law, repeated or long-term exclusivity. In the case when a platform has market power and no real alternatives which may lead to concerns, about blocking competitors. The paper ends by asking if India's current competition-law framework is flexible enough to deal with the digital content market.

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(II) INTRODUCTION

The release of the new season of a favorite show is always a well awaited moment for any fan of the particular show concerned, but fans of a particular segment called of entertainment media called “Anime” are an entirely different category of their own and for them when they hear that their favorite anime is making a new season, the entire community and fan communities which would have been dormant year around due to being lost in the hustle and bustle of regular life, shall see its members starting to scuttle on every social media platform, online forum and Discord servers from the moment they hear the production confirmed notification from an anime studio with the proper date. Every notification has videos being made instantly on YouTube, the source material called manga(akin to comics in its English equivalent) is consulted to see which part of the storyline gets animated and even the choice of the animation studio is scrutinized to see how well the season would be coming out. Simply put; its quite a well devoted and active bunch out there. To such a devoted community, what would happen if they hear that their viewing options, which already are limited in the first place, legitimate to be specific, end up hearing that their few legitimate options are seeing a massive delay due to the directions of a certain distributing licenser in the market? Those who were waiting eagerly would obviously move on to go towards the two options they have which are either paid ones,(only to find that facing a delay was much better than the god forsaken dubbing quality and paying a subscription of an certain service); or to simply find other pirated sources present, which already are plenty and if the a person doesn’t know then the community is quite supportive to provide links in that regard, although it raises a pertinent question. Can a company make a deal with the supplier which is the studios and licensers and restrict others to showcase the same show two weeks later, and whether it raises a particular question of law or not?

Such an incident happened in India in the month of around April – May when famous anime titles such as Re: Zero, That Time I got reincarnated as a Slime and Classroom of the Elite were making a comeback with their new seasons but in India, a peculiar development was seen , wherein a famous licensing agent and YouTube distributor called Muse which had streamed the previous seasons for free on their Muse Asia channel but came with a notification stating that they will be streaming the particular shows but in India it would be airing two weeks later, as opposed to the simultaneous telecasting or simulcast for short, which used to happen. This observation along with a Reddit post blaming Crunchyroll for

this delay, which is an unproven allegation from a general online discussion and usually should not find use in a proper paper such as this but the question remains for Indian competitive law whether the temporal exclusivity on few platforms repeatedly can make other platforms foreclose on competing in the same sphere, along with other concepts, as shall be discussed in the paper.

(III) ANIME AT LARGE

Anime has always had a presence in the entertainment market from Hayao Miyazaki's classic Ghibli movies to action packed series such as Dragon Ball Z, anime has had a presence in Japan which later on started expanding in later on in the world. In the present scenario the global anime market is projected to grow from USD 98.33 billion in 2026 to USD 220.38 billion by 2035, registering a CAGR of 9.40%² showing a growing footprint in the upcoming times and with the international success of Demon Slayer Movie, the craze has increased even more. In India, anime might seem niche until you realize that Doraemon, Shinnchan, Pokemon all belong to that category and it acknowledges the fact that the average Indian has been consuming anime content unaware that it actually is anime. The Indian media and entertainment sector reached approximately INR 2.78 trillion in 2025, while digital media crossed INR 1 trillion in revenues and became the sector's largest segment. Paid video subscriptions also reached approximately 216 million, demonstrating the growing economic significance of digital distribution and subscription-based consumption. Within this broader transformation, anime has developed from a niche form of entertainment into a commercially significant segment of India's digital-content market.

The 2026 FICCI-EY report estimates that anime reached approximately 150 million people in India and notes the growing presence of Crunchyroll in the Indian market.³ This has also made its commercial value soar through merchandising, distribution and other channels through which massive profits and growth are being observed. Anime distribution is the major leading sector in this segment and it relies on mainly licensing from the original production houses and its owners. This ends up leading to licensing agreements with various parties and can also lead to exclusivity terms in said contracts which leads to discrepancies in distribution times in select regions. While this is not anti-trust or anti-competitive by nature and might be considered a normal business practice of maximizing profits in their sector, the

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³ FICCI & EY, Stories, Scale and Impact: Unlocking India's Media & Entertainment Economy (2026).

potential question it raises is when such contracts can end up restricting access to other players on important content and hence creating an uneven playing field which could be detrimental for the sector as whole and for the Indian market as well. The anime licensing market is a concerned field where a monopoly on important and commercially valuable content raises anti-trust concerns⁴. The streaming service Crunchyroll, which is an important focus on this paper also ratifies the growing importance of the industry by showcasing their growth estimating between 0.2 and 0.5 million paid subscribers and noting that its application ranked among India's top ten video-streaming applications by in-app revenue during 2025.⁵

This underlines the fact that anime is a growing market in India but it must be observed that anime licensing is available through multiple forms in India. Crunchyroll supplies content through its main app but also through SonyLIV as well as other channels such as Muse India, the sister channel of Muse Asia or Anione India, the sister channel of Anione Asia also provide multiple anime titles without the necessary subscription models. This is important from the perspective of competition-law analysis. Consumers will be able to access the same anime world via subscription streaming, advertising streaming, television, movies, or any other licensed distributor. However, the presence of substitutability does not automatically mean that consumers can gain access to the same content. A platform might be in direct competition with another with regard to attracting customers while not having the capacity to offer some new release owing to some territorial or temporal rights owned by the other platform.

For example, Crunchyroll itself recognizes that there is variation in availability of streaming in different jurisdictions because of the nature of licensing agreements.⁶ This further reinforces its definition of simulcast which aims at offering a consumer access to an anime episode at the time it is airing in Japan.⁷ Thus, competition in this case is not only about access to the content, but the exact time, jurisdiction, and the platform for such access.

This means that temporal exclusivity becomes extremely important. Exclusivity in terms of time thus gains significance. The time factor of two weeks may not be commercially

⁴ Michael L. Cederblom, *Attack on Antitrust: Preventing a Grim Future for Anime Streaming*, 19 Hastings Bus. L.J. 59 (2023)

⁵ SUPRA Note 2

⁶ Crunchyroll, *Why Can't I Watch Certain Shows in My Region?*, Crunchyroll Help (2026).

⁷ Crunchyroll, *How Can I Access the List of Available Simulcasts?*, Crunchyroll Help (2026).

significant if viewed only as a difference in terms of availability of the catalogue; however, in an environment where there is weekly release of anime films, the timing itself may play a role in consumer choice, subscriptions, advertisement, social media usage, and the ability of other platforms to use the newly released films in their marketing. In this case, the commercial implications of such restrictions would depend on many factors, which include the particular film, the period of exclusivity, the market standing of the platforms themselves, and the presence of other content.

(IV) LEGAL FRAMEWORKS

The Competition Act, 2002 provides the principal framework for assessing whether exclusive arrangements in digital content distribution may adversely affect competition in India. The Act does not prohibit exclusivity as such. Instead, its application depends upon the nature of the arrangement, the market in which it operates, the market power of the parties, and its actual or potential effect on competition. The first relevant provision is Section 3(1), which prohibits agreements that cause or are likely to cause an appreciable adverse effect on competition (“AAEC”) in India. Section 3(4) specifically addresses vertical arrangements between enterprises operating at different levels of the production or distribution chain.

Among the arrangements identified are exclusive supply agreements, exclusive distribution agreements, refusal to deal, and tie-in arrangements.⁸ A licensing arrangement under which a streaming platform obtains exclusive rights to distribute an anime title for a specified territory or period could therefore potentially require examination under the vertical-restraint framework, depending upon its precise contractual structure.

The assessment under Section 3(4), however, is effects-based. Section 19(3) directs the Competition Commission of India (“CCI”) to consider factors including the creation of barriers to new entrants, driving existing competitors out of the market, foreclosure of competition, accrual of benefits to consumers, improvements in production or distribution, and promotion of technical, scientific, or economic development.⁹ Consequently, an exclusive anime licence cannot be treated as inherently unlawful merely because competitors are temporarily prevented from offering the same title. The competitive justification for exclusivity and its actual degree of foreclosure must also be considered.

⁸ Competition Act, No. 12 of 2003, §§ 3(1), 3(4).

⁹ *Id.* § 19(3)

A separate route arises under Section 4, which prohibits abuse of a dominant position. This requires two distinct inquiries: first, determination of the relevant market under Sections 2(r)–2(t); and second, determination of whether the enterprise possesses a dominant position in that market. Only thereafter can the particular conduct be examined for abuse.¹⁰ Section 19(4) sets out factors relevant to determining dominance, including market share, size and resources, economic power, entry barriers, consumer dependence, and the relative importance of competitors.¹¹ Indian competition jurisprudence provides useful analogies.

In *Shamsher Kataria v. Honda Siel Cars India Ltd.*, the CCI examined vertical restrictions, aftermarket competition, market definition, and the relationship between competition law and intellectual-property rights.¹² In *Surinder Singh Barmi v. Board of Control for Cricket in India*, the CCI examined commercial and media rights in professional cricket, illustrating how control over valuable content-related rights can be relevant to competition analysis.¹³ More recently, in *Delhi Vyapar Mahasangh v. Flipkart Internet Pvt. Ltd.*, the CCI considered allegations concerning exclusive launches and preferential arrangements on digital marketplaces and directed an investigation under Section 26(1) after finding a prima facie possibility of an AAEC.¹⁴ Finally, Section 3(5) recognises circumstances in which intellectual-property rights may be protected from the operation of Section 3, but this protection is not equivalent to a blanket immunity for every commercial practice involving intellectual property.¹⁵ Thus, the central legal question for anime streaming is not whether a platform possesses licensed copyright rights, but whether the manner in which those rights are exercised falls within the statutory competition-law framework and, where applicable, produces or is likely to produce an AAEC or constitutes abuse of dominance. The subsequent analysis therefore examines temporal exclusivity through two possible routes: Section 3(4), where exclusivity forms part of a vertical agreement, and Section 4, where the relevant conduct is undertaken by a dominant enterprise.

¹⁰ *Id.* §§ 2(r)–(t), 4

¹¹ *Id.* § 19(4).

¹² *Shri Shamsher Kataria v. Honda Siel Cars India Ltd. & Ors.*, Case No. 03/2011, Competition Comm'n of India (Aug. 25, 2014)

¹³ *Surinder Singh Barmi v. Bd. of Control for Cricket in India*, Case No. 61/2010, Competition Comm'n of India (Feb. 8, 2013).

¹⁴ *re Delhi Vyapar Mahasangh v. Flipkart Internet Pvt. Ltd. & Ors.*, Case No. 40/2019, Competition Comm'n of India (Jan. 13, 2020).

¹⁵ Competition Act, No. 12 of 2003, § 3(5)

(V) TEMPORAL EXCLUSIVITY

What is known as temporal exclusivity is a type of agreement whereby a distributor or a streaming service gets the exclusive right to make certain content available for a specific period of time. In the case of audio visual markets, exclusivity can be implemented by means of release windows, delayed availability, first-release rights, or by including in the contract periods during which competing distributors are not allowed to offer the same content. These arrangements are important from a commercial point of view since the value of audio visual content is usually closely tied to the timing of its release. It is therefore necessary for the competition-law analysis to tell the difference between exclusivity that enables legitimate investment and exclusivity that unreasonably prevents competing distributors from participating.

The Indian Competition Act does not regard "temporal exclusivity" as a distinct prohibited practice; rather, its significance is mainly seen in Section 3(4), which treats an exclusive arrangement as a vertical agreement, and in Section 4, which applies when the conduct is carried out by a dominant enterprise. According to Section 19(3), the Commission is required to take into account, together with other factors, the creation of barriers to new entrants, the driving out of existing competitors from the market, the foreclosure of competition, consumer benefits, and improvements in production or distribution.¹⁶ The length of the exclusivity period can therefore become a significant factual point since a restriction that applies only for a short period may have a very different competitive effect from one that stops competitors from accessing commercially important content for several years.

The way in which the CCI has dealt with questions of sports-media rights offers a relevant example from India. In the case of *Surinder Singh Barmi v. Board of Control for Cricket in India* the issue in question included exclusive media rights connected with the Indian Premier League. According to the CCI's documents, it was argued that long-term exclusivity constituted a standard practice in the industry and had the aim of encouraging investment. Yet the case also looked into whether extended exclusive rights could exclude other participants in the market. The documents are therefore of value not since they prove that exclusivity is by nature illegal, but because they show that it is important to consider duration, market structure, investment incentives, and foreclosure together.

¹⁶ Competition Act, No. 12 of 2003, §§ 3(4), 19(3),

In the cases of *Football Association Premier League Ltd. v. QC Leisure and Murphy v. Media Protection Services Ltd.* the European Court of Justice considered a similar issue regarding exclusive territorial licences for the broadcasting of Premier League matches and measures intended to prevent decoder cards, which were legally marketed in one Member State, from being used in another.¹⁷ The Court assessed the arrangement in light of Article 101 TFEU and regarded certain contractual provisions aimed at eliminating cross-border competition as being particularly serious restrictions on competition. The case shows that copyright and broadcasting rights do not automatically mean that contractual restrictions are exempt from competition law. Yet the factual and legal situation in Premier League/Murphy cannot be directly applied to the case of Indian anime streaming, since the European cases dealt with the partitioning of territories among Member States and with the interaction between competition law and the right to provide services.

Temporal exclusivity can therefore be examined on a spectrum when it comes to anime streaming. A brief exclusive period will allow the platform to recover its licensing and promotional costs while still leaving many opportunities for later competition. On the other hand, a long exclusivity period that covers a significant part of the catalogue or successive releases may raise barriers to entry and reduce rivals' ability to draw in consumers. The competitive importance of a two-week delay will thus depend on various factors, including the popularity of the title, how often the episodes are released, the availability of alternative programmes, the market shares of the platforms in question, the length and extent of the original licence, and whether the restriction stops competitors from obtaining equivalent content. Therefore, it is not anti-competitive simply because consumers get the content at different times on different platforms to characterise temporal exclusivity. The question to be asked is whether the arrangement, given its specific situation in the market, results in or is likely to result in foreclosure or some other harm to competition which outweighs its legitimate commercial and efficiency justifications. This approach, which is based on the effects, offers the suitable link between the commercial realities of anime licensing and the AAEC analysis required by Indian competition law.

¹⁷ Joined Cases C-403/08 & C-429/08, *Football Ass'n Premier League Ltd. v. QC Leisure & Karen Murphy v. Media Prot. Servs. Ltd.*, 2011 E.C.R. I-9083, ECLI:EU:C:2011:631.

(VI) RELEVANT MARKET DOMINANCE

When assessing a case under Section 4 of the Competition Act, 2002, it is first necessary to identify the relevant market. Although Sections 2(r) to (t) make a distinction between the relevant market, the relevant geographic market and the relevant product market, Section 19(5) mandates that the Competition Commission of India (“CCI”) shall determine the relevant market by taking into account both its product and geographic aspects.¹⁸ This is a crucial step since dominance only has significance in relation to a clearly defined area of competition.

When it comes to anime streaming, at least three different product markets could be regarded to be relevant. The most general approach is to consider the relevant market as consisting of online video-streaming services in India, which includes general entertainment platforms such as Netflix, Amazon Prime Video, Disney+ Hotstar and the other OTT services. A more restricted approach would be to define the market as comprising anime streaming services in India, that is, those platforms on which licensed anime forms a major part of their catalogues. An even narrower approach might be to concentrate on a specific type of newly released or premium anime content. The correct way of defining the market should finally be determined by the degree to which consumers see these options as substitutes.

The way in which the CCI approached the case of *Shamsher Kataria v. Honda Sael Cars India Ltd.* shows that when defining a relevant market one has to focus on the actual competitive pressures experienced by a firm. In that case, the Commission recognised a separate aftermarket for spare parts specific to a brand, as well as for diagnostic equipment and technical information, even though a wider primary market for motor vehicles existed. The case thus shows that products which at first sight appear to be related may in fact belong to different markets if consumers have limited substitutability. This line of reasoning could be relevant in a situation where an anime viewer who wants a newly released licensed programme cannot reasonably switch to another OTT service just because that service offers a different kind of entertainment programming.

¹⁸ Competition Act, No. 12 of 2003, §§ 2(r)–(t), 19(5)–(7)

The other possibility should also be taken into account. In *Surinder Singh Barmi v. Board of Control for Cricket in India* there was considerable debate about the definition of the market. The Commission looked at the competitive relationships between different types of sporting entertainment and then investigated whether the relevant market could be restricted to a specific form of professional cricket.¹⁹ The case shows that a market should not be arbitrarily narrowed simply because the business has great commercial importance in a given field. What remains important are consumer substitutability and the real competitive constraints facing the business.

For the current investigation the relevant geographic market is likely to be India. Streaming licences are normally territorial and the competitive conditions affecting the availability of licensed anime to consumers in India are different from those in other countries. Section 2(s) defines the relevant geographic market in terms of areas in which the conditions of competition are sufficiently similar to be distinguished from those in adjacent areas.²⁰ In *Shamsher Kataria* the CCI also regarded India as the relevant geographic market in so far as the conditions of supply and distribution were substantially the same throughout the country.²¹ The question of dominance is a separate one; it is not the case that an enterprise is prohibited under Section 4 simply because it has a large market share, since what is prohibited is the abuse of a dominant position. According to Section 19(4), account must be taken of a number of factors, such as market share, size and resources, economic power, entry barriers, consumer dependence, and the relative importance of the competitors.²² Therefore, even if it were found that Crunchyroll had considerable strength in a particular Indian anime-streaming market, that fact by itself would not be sufficient to establish abuse.

It is especially important to make this distinction since the Indian anime market has a number of alternative distributors, such as general OTT platforms and dedicated anime services. The inquiry in question would therefore have to look not only at Crunchyroll's subscriber figures but also at its control of commercially significant anime licences, at the availability of similar alternatives, at the barriers to obtaining competing licences, at consumers' reliance on specific titles, and at the ability of competing platforms to bid for newly released content. The issue of

¹⁹ *Surinder Singh Barmi v. Bd. of Control for Cricket in India*, Case No. 61/2010, Competition Comm'n of India (Feb. 8, 2013)

²⁰ Competition Act, No. 12 of 2003, § 2(s)

²¹ *In re Shri Shamsher Kataria v. Honda Siel Cars India Ltd. & Ors.*, Case No. 03/2011, Competition Comm'n of India (Aug. 25, 2014)

²² Competition Act, No. 12 of 2003, § 19(4)

whether temporary exclusivity amounts to an abuse under Section 4 will only arise if these factors show that dominance exists. Hence, the market-definition exercise must be based on empirical evidence rather than on assumptions. It will be up to the evidence relating to consumer preferences, licensing practices, title availability, switching behaviour, platform market shares, and substitutability to establish whether anime makes up a separate relevant product market or is part of a wider OTT market.

(VII) APPRECIABLE ADVERSE EFFECT ON COMPETITION (AAEC)

When an exclusive anime-distribution agreement comes within the scope of section 3(4) of the Competition Act, 2002, the question of its legality, mainly turns on whether it causes or is likely to cause an appreciable adverse effect on competition ("AAEC"). The statutory factors to be taken into account in this assessment are set out in section 19(3). These factors include the creation of barriers to new entrants, the driving out of existing competitors from the market, the foreclosure of competition, the accrual of benefits to consumers, improvements in production or distribution, and the promotion of technical, scientific, or economic development.²³ The provision thus calls for an assessment based on the effects rather than assuming that exclusivity is inherently harmful.

The first issue is foreclosure. If a platform is given exclusive rights to some very popular anime in a certain territory for a particular release period, other platforms will not be able to offer that content during that time. Since consumers place a high value on having new episodes available at the same time, being unable to provide them might reduce a competitor's capacity to draw in subscribers and advertising income.

This would be of greater competitive significance if the agreement included multiple important commercial titles, several seasons, or a large share of newly released premium anime. In the case of *Shamsher Kataria v. Honda Sael Cars India Ltd.*, the CCI looked into whether the restrictions could have the effect of excluding independent competitors and stressed the need to evaluate the actual market conditions rather than looking at the restriction by itself.²⁴

²³ Competition Act, No. 12 of 2003, § 19(3)

²⁴ *In re Shri Shamsher Kataria v. Honda Sael Cars India Ltd. & Ors.*, Case No. 03/2011, Competition Comm'n of India (Aug. 25, 2014)

The problem of entry barriers should also be noted. Although a new anime-streaming service might be able to enter the Indian market in a technical sense, it could still encounter considerable difficulties if the most commercially valuable programmes are already in long-term exclusive agreements. Further obstacles to entry may include the cost of licensing, the existing relationships with the Japanese rights holders, the expenses involved in acquiring subscribers, localisation, dubbing, and the level of brand recognition. Exclusivity can thus become important when it acts in combination with other structural barriers. Just as the CCI's approach to digital markets does, it acknowledges the significance of network effects, access to important commercial products, and the ability of existing platforms to influence the chances of competitors to take part in the market.²⁵

The other aspect of the analysis under Section 19(3) is concerned with consumer and efficiency benefits. By granting exclusive licensing, platforms may be encouraged to spend money on acquiring costly content, on dubbing and subtitling, on marketing, on building up their technological infrastructure and on simultaneous-release agreements. A platform which is not able to secure any period of exclusivity may then have fewer incentives to bear these costs. Moreover, exclusivity can give a licensor a steady income and enable a distributor to have enough commercial certainty to promote a title. The way in which the CCI examined exclusive media rights in the case of *Surinder Singh Barmi v. Board of Control for Cricket in India* shows that exclusivity must be assessed in view of the incentives to invest and of industry practices rather than be regarded as inherently anti-competitive.²⁶

The duration and extent of such arrangements therefore become important. A brief exclusive period might result in only limited foreclosure while at the same time keeping incentives for investment. On the other hand, a long-term or repeatedly renewed exclusive agreement covering a large share of high-demand content could hinder competitors in their attempts to set up. It is therefore necessary to distinguish the effect of a two-week delay in the release of a single anime episode from that of a long-term agreement covering the whole catalogue. The former might have a concentrated effect on when consumers buy the product, while the latter could have wider structural implications for access to the market. Consumer harm should also be carefully assessed. A delay can result in a cost to consumers who prefer to have access at

²⁵ *In re Delhi Vyapar Mahasangh v. Flipkart Internet Pvt. Ltd. & Ors.*, Case No. 40/2019, Competition Comm'n of India (Jan. 13, 2020)

²⁶ *Surinder Singh Barmi v. Bd. of Control for Cricket in India*, Case No. 61/2010, Competition Comm'n of India (Feb. 8, 2013)

the same time, especially in cases where the delay leads consumers to subscribe to a different service. At the same time, consumers may gain from greater investment in localisation, dubbing, subtitles, an expanded catalogue, or from lower subscription prices as a result of licensing agreements. The statutory inquiry therefore needs to take into account both aspects of the transaction.

In fact, counterfactual analysis is important; the question at issue is not merely whether consumers would prefer having titles available simultaneously on all platforms, but whether the restriction actually reduces competition when compared to a realistic alternative arrangement. Thus, evidence relating to subscriber switching, demand for specific titles, platform market shares, licensing duration, the availability of substitutes, and the number of competing titles would be useful. Hence, an exclusive anime license is more likely to give rise to AAEC concerns when it involves significant market power, commercially indispensable or highly attractive content, prolonged or repeated exclusivity, a limited number of substitutes, and substantial foreclosure of competing platforms. On the other hand, if the exclusivity is of short duration and narrow scope and can clearly be shown to be linked with investment and distribution efficiencies, the same type of contract may result in important pro-competitive advantages. The AAEC's inquiry must therefore stay fact-specific and be based on evidence.

(VIII) REGULATORY IMPLICATIONS

It is not essential to have a separate competition-law regime in order for anime streaming to emerge. The Competition Act, 2002 already includes provisions by means of which the Competition Commission of India („CCI“) can look into exclusionary licensing agreements, vertical restraints and abuses of dominance. Together, Sections 3 and 4 and the factors listed in Section 19 offer a framework for determining whether exclusive or delayed release arrangements have a material restriction of competition.²⁷

The main regulatory requirement is therefore a better identification of the competitive effects in digital content markets. The CCI might look at market conditions by means of sectoral studies, especially in cases where licensing agreements cover highly popular or time-sensitive content. The Commission has already employed market studies to investigate structural

²⁷ Competition Act, 2002, §§ 3–4, 19(3)–(5)

problems in India's film-distribution chain, such as bargaining power, bottlenecks and contractual restraints.²⁸ This kind of approach could also be applied to the distribution of OTT and anime services without assuming that exclusivity by itself is illegal.

In any further investigations, the CCI should look at at least five points: (i) The appropriate product and geographic market; (ii) The market position of the company which obtains exclusivity; (iii) The length and frequency of the exclusive periods; (iv) The availability of similar alternative content and platforms; and (v) The degree of actual or potential foreclosure. The consumer benefits resulting from investment, localisation, dubbing and better distribution should also be taken into account together with these factors.

Greater transparency concerning licensing agreements could also help with enforcement. Instead of banning short-term exclusivity, regulatory oversight should be directed at arrangements which, due to their scale, length, frequency or combination with significant market power, have a material effect on competitors' ability to bid for consumers. This method keeps the legitimate incentives for investing in anime intact while at the same time enabling competition law to act when content exclusivity is used as a means of achieving sustained market foreclosure.

(IX) CONCLUSION

The growth of anime streaming in India shows how competition in markets now depends not only on price but also on timing, availability and access to important content. Time-based exclusivity can have effects on competition even when people are not charged prices.

The study shows that having delayed access to anime is not automatically bad for competition under Indian law. Sections 3 and 4 of the Competition Act 2002 require looking at the market the power of the company whether others are shut out barriers to new companies effects on consumers and real benefits. Section 3(5) also says that using intellectual-property rights is allowed,. That does not always protect deals that cause problems for competition.

The Crunchyroll–Muse case shows this difference. A two-week delay in when episodes come out can change what people watch and how visible the service is. Just having a delay is not enough to say there was a problem. A bigger issue would be if a company with a lot of power keeps getting times and other services can't get the same content and people don't have other options. So India's current competition law can handle issues in anime streaming. The main

²⁸ Competition Comm'n of India, *Market Study on the Film Distribution Chain in India: Key Findings and Observations* (Oct. 14, 2022)

problem is evidence: officials need to tell the difference, between deals and those that stop others from competing. A careful approach based on effects can keep content deals working while making sure exclusivity doesn't stop competition from happening in India's fast-changing streaming world.