20/08/2022

The Competition Amendment Bill 2022 has opened the floodgates of regulatory developments for India in various ways. Discuss.

Introduction:

The Competition (Amendment) Bill 2022 was introduced in Lok sabha to amend the Competition Act 2002.

It establishes Competition Commission of India (CCI) to regulate the market competition.

Salient amendments:-

(i) Regulations ~~on~~ of Combinations based on transaction value:-

22 Sunday

⇒ It prohibits ~~peog~~ person or enterprise to enter combination which may cause adverse effect.

i) Cumulative assets more than 1000 crore
ii) Cumulative turnover more than 3000 crores.
iii) cumulative transactions above 2000 crores.

	S	M	T	W	T	F	S	Wk.
2020	1	2	3	4	5	6	7	10
	8	9	10	11	12	13	14	11
	15	16	17	18	19	20	21	12

(ii) Reduces the timelimit:

⇒ This bill reduces the time limit for review of CCI to 150 days.
⇒ Previously, it is 210 days.

(iii) Anti-competitive agreements:-
Any agreement between enterprises or persons not to engaged in

⇒ Direct/indirect determining purchase or sales prices
⇒ controlling any market activities (production, supply, market access)
⇒ Directly or indirectly leading to collusive bidding.

(iv) Relevant product market:-
This bill amends that the production or supply of products and services should be substitutable both by consumer and suppliers.

(v) Appointment of Director General:-
This bill amends to empower CCI to appoint Director General, with prior approval of the Government.

(vi) Decriminalisation of certain offences:-

⇒ This bill changes the nature of punishment from fine to penalty for failure to comply with orders of CCI and director General with regard to

⇒ anti-competitive agreements

⇒ Abuse of dominant position.

⇒ Reducing penalty for parties willing to share information during an investigation.

Conclusion:-

Thus the changes introduced to the Competition Amendment Bill are revolutionary, visionary and innovative. However, it much depends on its successful implementation.