

# THE COMPETITION COMMISSION OF INDIA WITH REFERENCE TO THE NEEDS OF IT, THE CHALLENGES AND RECENT NEWS.

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**ABSTRACT:** India's competition regulator, the Competition Commission of India (hereafter referred to as "the Commission," has the authority to enforce competition laws. Competition law, often known as antitrust law, is the body of law that addresses all forms of market distribution and obstacles. The competition regulator is the organization in charge of regulating how the market operates. The Competition Act, 2002 (hereafter referred to as "the Act") gives the commission the authority to prevent anti-competitive acts, promote and preserve competition in markets, safeguard the interests of consumers, and secure the freedom of trade practiced by other market participants. The use of e-commerce by the current generation is now a real, developing aspect. The sector is expanding as a result of an increase in Internet and smartphone users, as well as significant cost savings and a wide range of service options. But there are also serious concerns with competition as a result of online shopping.

## TABLE OF CONTENTS

<u>S.NO</u>	<u>CONTENT</u>
1	Introduction
2	What is competition Act, 2002?
3	Why do we need competition act
4	Competition Act, 2002- An insight
5	Objectives of competition act
6	Competition Commission of India
7	How was Competition Commission of India formed
8	Composition of Competition Commission of India
9	Objectives of Competition Commission of India
10	Duties of Competition Commission of India
11	Powers of Competition Commission of India
12	Competition Commission of India- Challenges
13	Competition Commission of India – Recent News
14	Conclusion

## INTRODUCTION:

There is no weakness in today's mechanical modifications that has had a significant impact on the quality, openness, and abundance of objects and adventures. Regardless, the inevitable truth is that clients are still victims of unethical and unethical business activities. Customers are mistreated in a variety of ways, including food contamination, deluding medications, shady enlistment purchase plans, exorbitant rates, poor quality, insufficient organizations, intriguing ads, unsafe things, dim displays, and so on. Furthermore, as the pace of information growth picks up, more cutting-edge types of problems are thrown at the customer, such as computerized bad behavior, plastic money, and so on, all of which have a significant impact on the customer. 'Purchaser is sovereign' and 'customer is the monarch' are simply legends in today's world, especially when it comes to establishing social orders. Regardless, it has been recognized and suitably so that buyer security is a monetary program to be followed by the governing body, similarly as the business as the purchaser happiness is considered an authentic worry for both. Despite this extraordinary condition, the assembly has a critical responsibility to secure the clients' benefits and rights through appropriate game plan measures, authentic design, and administrative framework.

By purchasing a certain item, customers participate in the business community. If there was no client, there would be no association. Without a doubt, the consumer situation is horrible. Consider money managers who gauge lower than they should or the association making false promises on packs. In order to transport the laddoos or barfis, adjacent sweetmeat vendors have polluted untreated materials. You can use tainted mustard oil to investigate a case of drowsy. If you approach the financial professional with a complaint, regardless of how poor the quality is, you are sure to receive a rude response.

### WHAT IS COMPETITION ACT, 2002?

Indian competition law is governed by the Competition Act 2002, which was adopted by the Indian Parliament. The Act was ratified by President George W. Bush in 2003.

1. The Competition Act of 2002 repealed and replaced the Monopolies and Restrictive Trade Practices Act (MRTP Act). This was accomplished in accordance with the Raghavan Committee's recommendations.
2. Contracts that restrict competition are against the law.
  - Companies are prohibited from abusing their dominant positions, and mergers and acquisitions (M&A, control acquisitions, and acquisitions) that may or may likely lead to a reduction in competition in India are subject to regulation.
3. Modern competition law principles are the foundation of the Act.

### WHY DO WE NEED COMPETITION ACT?

Competition laws have three functions in society.

Competition regulations have been nicknamed the "Magna Carta of free enterprise" in order to maintain free enterprise.

a. Protection from market distortions: There is always a chance that different people would take advantage of market distortions and their dominating positions to participate in anti-competitive behavior, hence competition restrictions are required to maintain the market free of these distortions.

b. Additionally, they aid in promoting indigenous industry: Competition laws are essential to prevent domestic industries from being stifled as a result of accelerated globalization. They play a crucial role in figuring out how profitable home industries are. On the other side, the Indian government has set up a Competition Law Review Committee to keep Indian competition laws current with the small-asset firms of the digital era.

### COMPETITION ACT, 2002 – AN INSIGHT

The Competition Act, 2002 contains mainly 66 Sections which are divided into IX Chapters.

- Chapter I (Preliminary) - Sections 1-2
- Chapter II (Prohibition of Certain Agreements, Abuse of Dominant Position and Regulation of Combinations) - Sections 3-6
- Chapter III (Competition Commission of India) - Sections 7-17
- Chapter IV (Duties, Powers, Functions of the Commission) - Sections 18-40
- Chapter V (Duties of Director General) - Section 41
- Chapter VI (Penalties) - Sections 42-48
- Chapter VII (Competition Advocacy) - Section 49
- Chapter VIII (Finance, Accounts, and Audit) - Sections 50-53
- Chapter VIII A (Appellate Tribunal) - Section 53A-53U
- Chapter IX (Miscellaneous) - Sections 54-66

### COMPETITION ACT (2002) OBJECTIVES:

An act to establish a Commission to handle issues related to or incidental to that act, stop anticompetitive behavior, protect consumers' interests, and ensure that different members in India's markets have the opportunity to conduct exchanges while considering the country's financial development. The rally's goal is to support the Commission's position.

- a. To ensure commercial freedom for other market participants in India.
- b. To benefit customers, promote collaboration between the public and private sectors.
- c. In order to promote the nation's financial activities in an honest and ethical manner and to maximize the utilization of financial resources, competitive methods should be used.
- d. Make and keep effective partnerships with sectoral controllers to enable the efficient application of sectoral administrative legislation alongside the opposing law.

### COMPETITION COMMISSION OF INDIA:

India's competition regulator is the Competition Commission of India (CCI). India's competition regulatory body is called the Competition Commission of India. It is a statutory agency of the Indian government tasked with upholding the Competition Act of 2002, promoting competition throughout the nation, and prohibiting actions that materially impair competition. It was started on October 14, 2003. With Dhanendra Kumar serving as its inaugural Chairman, it started operating fully in May 2009. The Central Government appoints the chairperson and two to six additional members to the Commission. The CCI's current chairman is Ashok Kumar Gupta. The following individuals make up the Indian Competition Commission:

Sangeeta Verma, M.D.  
Bhagwant Singh Bishnoi

### HOW CCI WAS FORMED?

The Vajpayee administration implemented the Competition Act of 2002's provisions when it established the CCI.

The Competition Act of 2002 was amended by the Competition (Amendment) Act of 2007.

As a result, the CCI and the Competition Appellate Tribunal were established.

The Central Government established the Competition Appellate Tribunal to hear and resolve challenges against any CCI directive, ruling, or order.

In 2017, the Competition Appellate Tribunal (COMPAT) was replaced by the National Company Law Appellate Tribunal (NCLAT).

### COMPOSITION OF CCI:

The national government appoints the chairman and six additional board members of the Competition Commission of India. Currently serving as chairman of India's Competition Commission is Ashok Kumar Gupta. The Act mandates that the commission's board always consist of a chairman, a minimum of two members, and a maximum of six. The chairman and members are required to have a minimum of fifteen years of expertise in subjects such as accounting, law, economics, statistical analysis, and finance.

### OBJECTIVES OF CCI:

- To avoid any practices or policies that may have a negative influence on the Indian market's constructive competition, the Indian Competition Commission has the following goals:
- Maintaining healthy competition in the Indian market • Protecting trade freedom in the Indian market.
- Protecting the interests of end users
- It is necessary to encourage and publicize fair and healthy competitive practices.

### DUTIES OF CCI:

The 2002 Competition Act was passed to ensure that the economy grows via fair and constructive competition. The Indian Competition Commission must take the following steps in this regard:

- Make sure that consumers' interests are protected in the marketplace.
- Put the 2002 Competition Act's policies into action.
- Educate other government agencies on the Competition Act of 2002 and advocate for it. For example, state governments and ministries.
- To encourage fair and constructive competition among market participants.
- Anti-competitive agreements should be avoided at all costs.
- To collaborate more effectively with other regulatory bodies in order to maintain a free and fair market.

### POWERS OF CCI:

In accordance with Chapter III, Section 7 of the Competition Act of 2002, the Competition Commission of India was created. The commission's authority to see that its duties are completed is also stated in the Act. The Indian Competition Commission has the following authority under the Act:

- Both specific contracts and a company's dominating position may be investigated by the Indian Competition Commission. This means that, either on its own initiative or in response to any information, the Indian Competition Commission has the authority to open an inquiry into any alleged violation of an anti-competitive regulatory requirement.
- The Indian Competition Commission has the power to oversee its own operations and the right to probe any acquisition or merger if it believes it may harm competition in India.

The Competition Act of 2002 gives the Competition Commission of India the authority to fine people who violate its provisions.

- The Competition Commission of India has the authority to impose an interim order in the case of anti-competitive agreements or dominant party abuse of position that has a negative impact on market competition.

### COMPETITION COMMISSION OF INDIA: CHALLENGES:

The CCI faces a lot of challenges when it comes to enforcing the Competition Laws. There can be internal and external challenges.

- Due to the ongoing and constant change in the way businesses are conducted, as well as the evolving antitrust issue, the CCI faces a significant challenge.
- E-commerce and the digital economy are at the heart of the new business models
- The CCI's bench count must be increased in order to provide faster rulings in competition disputes.

To ensure that competition and antitrust rules remain relevant in the future, data accessibility, network effects, and other aspects should be considered.

### CCI: RECENT NEWS:

A recent online meeting between 15 startup business owners and the Competition Commission of India (CCI) was held with the goal of informing the watchdog about Google's anti-competitive actions in India. The topic of debate was Google's recent imposition

of its Play Store billing system on Indian developers as well as the firm's 30% commission on digital goods and services sold through the system.

The Competition Commission of India hosted a virtual workshop of the BRICS competition agencies on competition issues in the automotive sector on November 5 and 6, 2020. The BRICS Competition Agencies signed a Memorandum of Understanding (MoU) on cooperation in the area of competition law and policy in May 2016. (Which was subsequently extended for an indefinite amount of time until 2020).

Since physical travel was limited, CCI soon allowed flexibility in its operations, such as electronic filing of antitrust complaints, combination notices, Green Channel alerts, and the deferral of non-urgent cases. CCI also made the Pre-Filing Consultation (PFC) service for combinations available via video conferencing. During the outbreak, a dedicated helpline was set up to answer questions from stakeholders. CCI's website was constantly updated with relevant public notices for the benefit of interested parties. CCI has worked up a technique for conducting hearings via video conferencing to minimize the need for actual touch and presence.

#### **CONCLUSION:**

The economy needs healthy market competition to grow and develop. The maintenance of public order is incompatible with unfavorable exchange conditions like cartel formation and infrastructure constraints, despite the fact that the Indian economy has progressed past being defensive toward indigenous enterprises. Small enterprises and the general public are affected since they must now agree to the absurd terms and conditions imposed by the vast sections on the watch. The objective of raising the economy's worth is directly at odds with the rich getting richer at the expense of the poor. To regulate these abuses, a body similar to India's Competition Commission is required.