

New competition law may open up settlement route for cartels

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New Delhi, 29 January

In a relief to industry, the government has accepted a parliamentary panel's recommendation on allowing cartels to opt for the settlement scheme under the Competition Amendment Bill, according to official sources.

The proposed Bill seeks to introduce a clause for settlement and commitment that offers any enterprise against which an inquiry has been initiated to file an application for settlement.



Parliamentary panel on finance suggested including cartels in the scope for settlement "as a pragmatic recourse to the whole process"

The Parliamentary Committee on Finance had suggested including cartels in the scope for settlement "as a pragmatic recourse to the whole process".

"A settlement provision for cartels

on a case-by-case basis may be for the courts to decide. It does not require emphasis that any matter, cartels or otherwise, that reaches the settlement stage, would have an anti-competitive one," the parliamentary committee's report said.

Currently, Section 46 of the Competition Act provides for leniency for parties involved in a cartel.

The competition law review committee had not recommended including cartels because they are by nature anti-competitive.

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of these documents, they would know that they are wrong. They deliberately did this to mislead investors.”

Singh said the group companies were still collating data and would move the Securities and Exchange Board of India against the short-seller once data collation was completed.

Competition law...

The Jayant Sinha-led committee in its report tabled on December 13, 2022, had, however, noted: “It does not require emphasis that any matter, cartels or otherwise, that reaches settlement stage, would have been an anti-competitive one.”

The proposed law, however, is not clear on whether an application for settlement and commitment requires an admission of guilt.

The Competition Commission of India (CCI) is in the process of finalising its investigation against cement cartels. Once the Bill is approved by Parliament, a legal expert said the cement cartel might be able to utilise the settlement scheme.

While accepting some of the standing committee’s recommendations, the government has rejected introducing the concept of “mandatory effects based analysis” to the Competition Amendment Bill. The panel had said the CCI should study factors such as the impact on consumers, innovation, and competition before adjudicating on whether a piece of conduct violated competition law.

The Competition Amendment Bill is expected to be tabled in Parliament during the upcoming Budget session, starting on January 31.

Among other changes sought by the standing committee is a review of the deal-value threshold every year instead of every two years. The committee had also recommended against shortening merger review timelines because it could be burdensome for an already understaffed commission.

It had also said that the Ministry of Corporate Affairs had not given any strong argument as to why intellectual property rights (IPR) could not

be used as a defence against abuse of dominant position.

It said: “... it would be more desirable for CCI to specifically take into consideration the rights that a party may have in relation to reasonable exercise of its IPR when dealing with abuse of dominance cases to avoid uncertainty.”

18 road projects...

There is increased focus on infrastructure projects, in line with the Gati Shakti objectives, especially to identify ‘critical last mile and first-mile connectivity gaps’.

The Prime Minister Gati Shakti-National Master Plan was announced by PM Narendra Modi in October 2021. It is an integrated plan for providing multimodal connectivity infrastructure to various economic and social nodes.

The idea was to integrate infrastructure data from key

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