Contents

			PAGE
Amen	dments n	nade by the Competition (Amendment) Act, 2023 at a	
Gland	ce	•	I-19
Highl	lights of t	he Competition (Amendment) Act, 2023	<i>I-23</i>
Sectio	on Index		<i>I-37</i>
GUI	DE TO	COMPETITION ACT, 2002	
		CHAPTER 1	
		INTRODUCTION	
1.1	MRTP A	ct replaced by Competition Act, 2002	I-45
	1.1-1	Distinction between MRTP Act and Competition Act	I-45
1.2	Consum	er Protection Act, 2019	I-46
1.3	Role and	l purpose of Competition Act, 2002	I-46
	1.3-1	Control over abuse of dominant position in market	I-47
1.4	Objects	of the Competition Act	I-48
	1.4-1	Statement of Objects and Reasons for Competition Act,	* 40
		2002	I-48
		Objects and reasons of 2007 amendments	<i>I-49</i>
		Competition Act brought into force in stages	I-50
1.5	Overall s	scheme of Competition Act, 2002	I-51
	1.5-1	Purpose of the Act is to ensure free competition and eliminate abuse of dominant position	I-51
	1.5-2	Administration of Competition Act	I-51
	1.5-3	Anti-competitive agreements and Abuse of dominant	
		position	I-52
	1.5-4	Combinations	<i>I-52</i>
	1.5-5	Penalties and Offences	I-52
	1.5-6	Appeal and compensation	I-52

CONTENTS	I-6
----------	-----

			PAGE
	1.5-7	Arrangement of chapters and sections of Competition Act, 2002	I-52
1.6	Other Pr	rovisions of Competition Act	I-53
1.0		Competition Act does not apply to Jammu and Kashmir	I-53
		Competition Act to have overriding effect	I-53
		Application of other laws not barred	I-54
		Exclusion of jurisdiction of civil courts	I-54
		Powers of Central Government	I-54
		Powers of Central Government to issue directions to	10.
		CCI	I-54
	1.6-7	Restriction on disclosure of information	I-55
	1.6-8	Chairperson, members and officers are public servants	I-55
	1.6-9	Protection of action taken in good faith	I-55
1.7	The Com	npetition (Amendment) Act, 2023	I-55
	1.7-1	New Concepts in the Competition (Amendment) Act, 2023	I-57
		CHAPTER 2	
		DEFINITIONS UNDER COMPETITION ACT	
2.1	Definitio	ns applicable to various provisions of Competition Act	I-58
2.2	Enterpris	ses - Definition	I-58
2.3	Person -	Definition	I-61
2.4	Agreeme	ent – Broad definition	I-62
2.5	Trade - I	Definition	I-62
2.6	Practice	- Definition	I-62
2.7	Goods -	Broad definition	I-62
2.8	Shares -	Definition	I-63
2.9	Service -	Definition	I-63
2.10	Price - D	efinition	I-64
2.11	Consum	er - Definition	I-64
2.12	Group - 1	Definition	I-65
2.13	Control -	Definition	I-65
2.14	Statutor	y authority - Definition	I-66

I-7 CONTENTS

			PAGE
		CHAPTER 3	
	PROH	IBITION OF ANTI-COMPETITIVE AGREEMENTS	
3.1	Anti-con	npetitive agreements void	I-67
	3.1-1	Two categories of Anti-Competitive Agreements	I-67
	3.1-2	Entering into specified agreement itself is not offence	I-68
3.2	What is	void agreement'	I-68
	3.2-1	Void agreements under Contract Act	I-69
3.3	Presume	ed anti-competitive agreements	I-69
	3.3-1	Shall be presumed	I-70
	3.3-2	Agreements presumed to be anti-competitive unless proved otherwise	I-71
3.4	Agreeme sale pric	ent which directly or indirectly determines purchase or es	I-71
3.5		ent which limits or controls production, supply, markets, l development, investment or provision of services	I-72
	3.5-1	Cartel is presumed anti-competitive agreement	I-74
	3.5-2	Protecting inefficient industry is not in public interest and in such cases 'cartel' is permissible	<i>I-77</i>
3.6		ent which shares the market or source of production or n of services	<i>I-77</i>
3.7	Agreeme collusive	ent which directly or indirectly results in bid rigging or bidding	I-78
	3.7-1	Meaning of 'Bid rigging'	I-78
3.8	Prohibiti	on if the agreement affects competition	I-79
	3.8-1	Any other agreement which has appreciable effect on competition is covered under section 3(4)	I-80
	3.8-2	No presumption that the agreement is adversely affecting competition	I-80
	3.8-3	Pre-payment charges levied by Housing Finance	* 00
•	m	Companies	I-80
		rangement can be anti-competitive	I-80
3.10		e dealing agreement can be anti-competitive	I-81
	3.10-1	Territorial restrictions on dealers can be anti-competitive	I-82
	3.10-2	Negative covenant in case of franchises permitted	I-83
	3.10-3	Agreement between Indian Railways and SAIL for exclusive supply of rails	I-84

	CONTENTS	I-8
		PAGE
3.11	Exclusive distribution agreement can be anti-competitive	I-84
3.12	Agreement for Refusal to deal can be anti-competitive	I-84
3.13	Resale price maintenance agreement can be anti-competitive	I-85
3.14	Agreements not anti-competitive	I-86
	3.14-1 Agreements permitted under Intellectual Property Rights are not anti-competitive	I-86
	3.14-2 Right for exclusive export is not anti-competitive	<i>I</i> -87
3.15	Factors to be considered while deciding effect of competition	<i>I</i> -87
3.16	Rule of reason to decide whether provision is harmful to competition	<i>I-88</i>
3.17	Agreement in restraint of trade is void to that extent under Contract Act	I-89
	CHAPTER 4	
	PROHIBITION OF ABUSE OF DOMINANT POSITION	
4.1	Dominant position itself is not prohibited	<i>I-93</i>
	4.1-1 One sided contracts where bargaining power of parties is inequal are against public policy and are void	I-94
4.2	Meaning of Dominant Position	I-95
	4.2-1 Relevant Market	I-96
	4.2-2 Factors to be considered while deciding whether enterprise enjoys dominant position	<i>I</i> -96
	4.2-3 What is 'abuse of dominant position'	<i>I-98</i>
4.3	Unfair or discretionary conditions or prices in purchase/sale is abuse of dominant position	<i>I</i> -98
	4.3-1 Predatory price	<i>I</i> -99
4.4	Limiting or restricting production or development	I-101
4.5	Denial of market access is abuse of dominant position	I-101
4.6	Supplementary obligations unconnected to main contract is abuse of dominant position	I-102
4.7	Using dominant position to enter another market is abuse of dominant position	I-102
4.8	CCI can order division of enterprise enjoying dominant position	I-104
	4.8-1 No compensation to any officer of company if there is division of enterprise	I-104

I-9 CONTENTS

			PAGE
		CHAPTER 5	
		ROCEDURE IN CASE OF ANTI-COMPETITIVE EEMENTS OR ABUSE OF DOMINANT POSITION	
5.1	Enquiry	by CCI on information, reference or even suo motu	I-105
	5.1-1	CCI to make inquiry into anti-competitive agreements or dominant position	I-105
	5.1-2	Informant himself need not be aggrieved	I-106
5.2	Procedu	re for inquiry under section 19 of Competition Act	I-107
	5.2-1	No notice or hearing is required at stage of giving directions to DG	I-107
	5.2-2	Issuing direction to DG is only administrative order	I-107
	5.2-3	DG can consider other relevant matters also during investigation	I-108
5.3	Closing r	matter at initial stage itself	I-108
5.4	Investiga	ation and Report by DG	I-108
5.5	Procedu vention	re if report of DG recommends that there is no contra-	I-109
	5.5-1	Further enquiry by Commission if DG is of opinion that there is contravention	I-110
	5.5-2	Show cause notice before passing final order	I-110
5.6		by Commission after inquiry into agreements or abuse nant position	I-111
	5.6-1	Order by Commission to discontinue agreement/abuse	I-111
	5.6-2	Imposition of penalty by CCI	I-111
	5.6-3	Direction by Commission to modify agreement	I-113
5.7	Other or	ders and Payment of costs that can be ordered by CCI	I-113
5.8	Order ag	gainst any group company	I-113
		CHAPTER 6	
		SETTLEMENT AND COMMITMENT	
6.1	Comproi	mise between enterprise and CCI	I-114
6.2	Settleme	ent after receipt of report of DG but before final order	I-114
6.3	Commit	ment by enterprise before submission of report of DG	I-116
6.4	Revocati	ion of settlement or commitment order and penalty	I-117

		CONTENTS	I-10
			PAGE
		CHAPTER 7	
		REGULATION OF COMBINATIONS	
7.1	Control	over mergers, amalgamations	I-118
7.2	Meaning	of combination	I-118
	7.2-1	When acquisition by large enterprises will be 'combination'	I-119
	7.2-2	When acquisition by group will be 'combination'	I-119
	7.2-3	Acquisition of enterprise having similar goods/ services by a person	I-120
	7.2-4	Acquiring enterprise having similar goods/services by a group	I-120
	7.2-5	When Merger or amalgamation of enterprises will be combination	I-121
	7.2-6	When merger in group company will be 'combination'	I-121
	7.2-7	Transaction will be 'combination' if value of transaction exceeds Rs. 2,000 crores	I-121
	7.2-8	Transaction outside India can get covered if the enter- prise has substantial operations in India	I-122
7.3	Summar	y of 'combinations'	I-122
7.4	Exempti	on from provisions relating to combination	I-123
	7.4-1	Transaction will not be 'combination' if value of assets or turnover below prescribed limits	I-124
	7.4-2	Exemption to Open Offers from provisions relating to combination	I-124
7.5	Definitio	n of various words used in relation to 'combination'	I-125
	7.5-1	Mode of calculation of value of assets	I-127
	7.5-2	Considering effect of inflation on value of assets or turnover as prescribed in the Act	I-127
7.6	Regulati	on over combinations to ensure healthy competition	I-128
	7.6-1	Provision does not apply to acquisition by PFI/FII/VCF	I-128
	7.6-2	Proposed changes	I-130
7.7	Mandato	ory notice to Commission	I-131
		Details of acquisition to be filed by Banks/PFI/FII/VCF	I-133
	7.7-2	No notice where transactions not likely to have adverse effect on competition	I-133
7.8	Cooling 1	period of 150 days (presently 210 days)	I-133
	7.8-1	Green Channel for approval of combinations	I-134
7.9	Penalty f	or violating provisions of Combinations	I-134

I-11 CONTENTS

		PAGE
	CHAPTER 8	
	PROCEDURAL ASPECTS OF REGULATION OF COMBINATION	
8.1	Procedure to regulate combinations	I-136
	8.1-1 Inquiry after receipt of notice under section 6(2)	I-136
	8.1-2 Inquiry even if no notice filed by enterprise	I-137
8.2	Procedure for Investigation of combinations	I-137
	8.2-1 Factors to be considered in determining adverse effect of combination	I-138
8.3	Procedure for investigation of combinations	I-139
8.4	Procedure for conducting investigation into combinations	I-140
8.5	Order of Commission after enquiry on combinations	I-141
	8.5-1 Further orders by Commission	I-143
8.6	Deemed approval if Commission does not issue orders in 210	
	days	I-143
	Effect if CCI declares combination void	I-144
	Other laws not affected	I-144
8.9	Proposed provisions relating to issue of statement by CCI and proposal of medications	I-144
8.10	Proposed changes in provisions relating to orders by CCI	I-145
	CHAPTER 9	
	COMPETITION COMMISSION OF INDIA (CCI)	
9.1	Competition Commission of India	I-147
	9.1-1 CCI is independent authority to consider violations of Competition Act	I-147
	9.1-2 About CCI	I-147
	9.1-3 Disposal of cases by CCI as on 31-3-2022	I-148
	9.1-4 CCI is a quasi-judicial body	I-148
	9.1-5 Other provisions relating to CCI	I-149
	9.1-6 Appeal against order of CCI	I-149
9.2	Establishment of Competition Commission of India (CCI)	I-149
	9.2-1 Composition of Competition Commission	I-150
	9.2-2 Selection of Chairperson and other Members	I-150
	9.2-3 Term of office of Chairperson and other Members	I-151
	9.2-4 Vacancy in office of Chairman	I-151

		CONTENTS	I-12
			PAGE
	9.2-5	Restriction on employment of Chairperson and other Members in certain cases	I-152
	9.2-6	Administrative powers of Chairperson	I-152
	9.2-7	Salary and allowances and other terms and conditions of Chairperson and other members	I-153
	9.2-8	Vacancy, etc., not to invalidate proceedings of Commission	I-153
9.3	Duties, f	unctions and authorities of Competition Commission	I-153
	9.3-1	Competition advocacy or culture	I-154
9.4	Commis	sion has powers despite other laws	I-154
	9.4-1	Acts taking place outside India but having an effect on competition in India	I-155
	9.4-2	Commission can enter into arrangement with foreign agency	I-156
	9.4-3	Engagement of experts and professionals by CCI	I-156
9.5	Reference	ce by or to statutory authority	I-156
	9.5-1	Reference by statutory authority	I-156
	9.5-2	Reference to statutory authority	I-157
9.6	Issuing r	regulations by Commission	I-158
	9.6-1	Procedure and guidelines for issuing regulations by Commission	I-158
	9.6-2	Power of Commission to issue guidelines	I-159
	9.6-3	Form for issue guidelines by CCI	I-159
9.7	Finance,	Accounts and Audit	I-160
9.8	Furnishi	ng of returns, etc. to Central Government	I-160
		CHAPTER 10	
	DIRI	ECTOR GENERAL, SECRETARY AND OFFICERS	
10.1	Function	ns of Director General and Secretary	I-161
10.2	Appointr	ment of Director General	I-161
		Powers of Director General to investigate contraventions	I-162
	10.2-2	Earlier provision regarding powers of DG for investigation	I-165
10.3	Person c	an appear before DG through Advocate	I-166
10.4		y, experts, professionals and officers and other emp-	I-166

I-13 CONTENTS

			PAGE
	10.4-1	Salary and terms and conditions of Secretary and other employees of Commission	I-167
		CHAPTER 11	
		GENERAL PROCEDURES BEFORE CCI	
11.1	Function	ning of CCI	I-168
	11.1-1	Commission to regulate its own procedure	I-168
11.2	Meetings	s of Competition Commission	I-168
	11.2-1	Coram for meetings of Commission	I-169
	11.2-2	Types of meetings	I-169
	11.2-3	Time and place and agenda of meeting	I-170
	11.2-4	Attendance at meeting of CCI	I-170
	11.2-5	Special meetings of Commission	I-170
11.3	Appeara	nce before Competition Commission	I-171
11.4	Procedu	re for proceedings before CCI	I-171
	11.4-1	Requirement in respect of Information	I-171
	11.4-2	Signing of information or reference	I-172
	11.4-3	Submission of information/reference	I-173
	11.4-4	Typing and copies of information	I-173
	11.4-5	Fees payable with information	I-173
	11.4-6	Inspection and copying charges	I-174
11.5	Confider	ntiality of Information	I-174
11.6	Procedu	re after submission of information/reference	I-174
11.7	Hearing	before Commission	I-175
	11.7-1	Authorised representative	I-175
11.8	Procedu	re for conduct of enquiry	I-175
	11.8-1	Determination of Cost of Production	I-176
	11.8-2	Procedure for imposition of penalty	I-176
11.9	Order by	Commission	I-176
	11.9-1	Publication of order of CCI	I-177
11.10	Powers of	of Commission during proceedings	I-177
	11.10-1	Commission has powers of Civil Court	I-177
	11.10-2	Power to call experts	I-177
	11.10-3	Power to direct production of documents and information	<i>I-177</i>

		CONTENTS	I-14
			PAGE
11.11	Orders o	of Commission and its execution	I-178
	11.11-1	Issue interim <i>ex parte</i> orders	I-178
11.12	Rectifica	ation of orders	I-179
	11.12-1	Meaning of 'Mistakes apparent from records'	I-179
	11.12-2	Mistakes that can be rectified	I-181
		CHAPTER 12	
		PENALTIES AND PUNISHMENTS	
12.1	Penalties	s that can be imposed by Commission	I-182
	12.1-1	Penalty for contravention of orders of Commission	I-182
	12.1-2	Penalty for not giving notice u/s 6(2) of Competition Act	I-183
	12.1-3	Penalty for failure to comply with directions of Commission and Director General	I-183
	12.1-4	Penalty for making false statement or omission to furnish material information	I-183
	12.1-5	Penalty for contraventions in relation to furnishing of information	I-183
12.2	Contrave	ention by companies and firms	I-184
12.3	Lesser p	enalty if full disclosure made, in case of cartel	I-185
	12.3-1	Conditions and Procedure for imposing lesser penalty in case of cartel	I-187
12.4	Procedu	re for imposing penalty by Commission	I-187
12.5	Compou	nding of certain offences	I-188
		CHAPTER 13	
		APPEALS	
13.1	Appeal fr	rom order of CCI to NCLAT	I-189
	13.1-1	Appeal to NCLAT	I-189
	13.1-2	Who can file appeal	I-190
	13.1-3	Time limit for filing appeal	I-190
	13.1-4	Pre-deposit for filing appeal	I-190
13.2	Orders a	gainst which appeal can be filed	I-190
	13.2-1	CCI is a necessary or proper party before NCLAT	I-191
	13.2-2	Appeal cannot be dismissed if no Pre-deposit of penalty but stay stands vacated	I-191

I-15 CONTENTS

		PAGE
	13.2-3 Hearing and order by NCLAT	I-191
13.3	Procedure by NCLAT	I-191
13.4	Powers of NCLAT	I-192
	13.4-1 Procedure before NCLAT are judicial proceedings	I-192
13.5	Review of orders of Appellate Tribunal	I-192
13.6	Contempt proceedings for contravention of order of NCLAT	I-194
13.7	Overview of NCLAT	I-194
13.8	Procedure for filing appeals	I-195
13.9	Execution of orders of Commission imposing monetary penalty	I-195
13.10	Punishment for contravention of orders of Commission by criminal court	I-196
13 11	Appeal to Supreme Court against order of NCLAT	I-196
10.11	Appear to Supreme Court against order of NCLAT	1-170
	CHAPTER 14	
	COMPENSATION	
14 1	Awarding compensation by NCLAT	I-197
14.1	14.1-1 When application can be made before NCLAT for com-	1171
	pensation	I-198
	14.1-2 Proposed changes in provision relating to compensation	I-198
14.2	Compensation in case of contravention of orders of Commission	I-199
14.3	Procedure for filing application for compensation	<i>I-200</i>
SUBJ	ECT INDEX	I-201
אום	ISION ONE: COMPETITION ACT, 2002	
	ISION ONL . COM LITTION ACT, 2002	
	TEXT OF COMPETITION ACT, 2002 AS AMENDED BY COMPE	1.0
	TITION (AMENDMENT) ACT, 2023	1.9
•	COMPETITION (AMENDMENT) ACT, 2023	1.91
DIV	ISION TWO: NOTIFICATIONS	
2.1	NOTIFICATIONS	2.3
	ISION THREE: RULES & REGULATIONS DER COMPETITION LAW	
	COMPETITION COMMISSION OF INDIA (GENERAL) REGULA- TIONS, 2009	3.3

CONTENTS	I.	-1	6	,
CONTENTS	•			,

		PAGE	
3.2	COMPETITION COMMISSION OF INDIA (DETERMINATION OF COST OF PRODUCTION) REGULATIONS, 2009	3.33	
3.3	COMPETITION COMMISSION OF INDIA (RETURN ON MEASURES FOR THE PROMOTION OF COMPETITION ADVOCACY, AWARENESS AND TRAINING ON COMPETITION ISSUES) RULES, 2008	3.35	
3.4	COMPETITION COMMISSION OF INDIA (LESSER PENALTY) REGULATIONS, 2009	3.38	
3.5	COMPETITION COMMISSION OF INDIA (MANNER OF RECOVERY OF MONETARY PENALTY) REGULATIONS, 2011	3.45	
3.6	COMPETITION APPELLATE TRIBUNAL (FORM AND FEE FOR FILING AN APPEAL AND FEE FOR FILING COMPENSATION APPLICATIONS) RULES, 2009	3.56	
3.7	COMPETITION COMMISSION OF INDIA (MEETING FOR TRANSACTION OF BUSINESS) REGULATIONS, 2009	3.62	
3.8	COMPETITION COMMISSION OF INDIA (PROCEDURE FOR ENGAGEMENT OF EXPERTS AND PROFESSIONALS) REGULATIONS, 2009	2.77	
3.9	COMPETITION COMMISSION OF INDIA (FORM OF ANNUAL STATEMENT OF ACCOUNTS) RULES, 2009	3.67 3.77	
3.10	COMPETITION COMMISSION OF INDIA (FORM AND TIME OF PREPARATION OF ANNUAL REPORT) RULES, 2008	3.96	
3.11	COMPETITION APPELLATE TRIBUNAL (TERM OF THE SELECTION COMMITTEE AND THE MANNER OF SELECTION OF PANEL OF NAMES) RULES, 2008	3.104	
3.12	COMPETITION APPELLATE TRIBUNAL (SALARIES AND ALLOWANCES AND OTHER TERMS AND CONDITIONS OF SERVICE OF THE CHAIRPERSON AND OTHER MEMBERS) RULES, 2009	3.106	
3.13	COMPETITION APPELLATE TRIBUNAL (RECRUITMENT, SALARIES AND OTHER TERMS AND CONDITIONS OF SERVICE OF OFFICERS AND OTHER EMPLOYEES) RULES, 2010	3.113	
3.14	COMPETITION COMMISSION OF INDIA (TERM OF THE SELECTION COMMITTEE AND THE MANNER OF SELECTION OF PANEL OF NAMES) RULES, 2008	3.123	
3.15	COMPETITION COMMISSION OF INDIA (SELECTION OF CHAIRPERSON AND OTHER MEMBERS OF THE COMMISSION) RULES, 2003	3.125	
3.16	COMPETITION COMMISSION OF INDIA (SALARY, ALLOW- ANCES AND OTHER TERMS AND CONDITIONS OF SERVICE OF CHAIRPERSON AND OTHER MEMBERS) RULES, 2003	3.127	
3.17	COMPETITION COMMISSION OF INDIA (DIRECTOR GENERAL) RECRUITMENT RULES, 2009	3.130	

I-17 CONTENTS

		PAGE
3.18	COMPETITION COMMISSION OF INDIA (OATH OF OFFICE AND OF SECRECY FOR CHAIRPERSON AND OTHER MEMBERS) RULES, 2003	3.133
3.19	COMPETITION COMMISSION OF INDIA (SALARY, ALLOWANCES, OTHER TERMS AND CONDITIONS OF SERVICE OF THE SECRETARY AND OFFICERS AND OTHER EMPLOYEES OF THE COMMISSION AND THE NUMBER OF SUCH OFFICERS AND OTHER EMPLOYEES) RULES, 2009	3.135
3.20	COMPETITION COMMISSION OF INDIA (NUMBER OF ADDITIONAL, JOINT, DEPUTY OR ASSISTANT DIRECTOR-GENERAL, OTHER OFFICERS AND EMPLOYEES, THEIR MANNER OF APPOINTMENT, QUALIFICATION, SALARY, ALLOWANCES AND OTHER TERMS AND CONDITIONS OF SERVICE) RULES, 2009	3.162
3.21	COMPETITION COMMISSION OF INDIA (PROCEDURE IN REGARD TO THE TRANSACTION OF BUSINESS RELATING TO COMBINATIONS) REGULATIONS, 2011	3.176
3.22	COMPETITION APPELLATE TRIBUNAL (PROCEDURE) REGULATIONS, 2011	3.214
3.23	COMPETITION COMMISSION OF INDIA (COMPETITION ASSESSMENT OF ECONOMIC LEGISLATIONS AND POLICIES) GUIDELINES, 2017	3.218
3.24	COMPETITION (FORM OF PUBLICATION OF GUIDELINES) RULES, 2023	3.224
	/ISION FOUR : TRIBUNALS REFORMS ACT & LES FRAMED THEREUNDER	
•	TRIBUNALS REFORMS ACT, 2021	4.3
•	CONDITIONS OF SERVICE OF CHAIRPERSON AND MEMBERS OF TRIBUNALS, APPELLATE TRIBUNALS AND OTHER AUTHORITIES	4.22
•	TRIBUNAL (CONDITIONS OF SERVICE) RULES, 2021	4.26
DIV	/ISION FIVE : CASE LAWS DIGEST	
•	CASE LAWS DIGEST	5.3