



Competition Commission of India (CCI)

For Prelims: Competition Commission of India(CCI), Competition Act 2002

For Mains: Issues and achievements of Competition Commission of India (CCI), Various types of Statutory bodies

Why in News?

Recently, Finance Minister participated in the 13th Annual Day commemoration of the Competition Commission of India (CCI).

- Finance Minister also inaugurated the regional office at Kolkata and launched an upgraded website of CCI.

What is Competition Commission of India (CCI)?

- **About:**
 - Competition Commission of India (CCI) is a **statutory body** of the **Government of India** responsible for enforcing [the Competition Act, 2002](#), it was duly constituted in March 2009.
 - The [Monopolies and Restrictive Trade Practices Act, 1969 \(MRTP Act\)](#) was repealed and replaced by the **Competition Act, 2002**, on the recommendations of the **Raghavan committee**.
- **Composition:**
 - The Commission consists of **one Chairperson and six Members** who shall be appointed by the Central Government.
 - The commission is a **quasi-judicial body** which gives opinions to statutory authorities and also deals with other cases. The Chairperson and other Members shall be whole-time Members.
- **Eligibility criteria of members of CCI:**
 - The Chairperson and every other Member shall be a person of ability, integrity and standing and who, has been, or is qualified to be a judge of a High Court, or, has special knowledge of, and professional experience of not less than fifteen years in international trade, economics, business, commerce, law, finance, accountancy, management, industry, public affairs, administration or in any other matter which, in the opinion of the Central Government, may be useful to the Commission.

What is the Competition Act, 2002?

- The Competition Act was passed in 2002 and has been amended by the **Competition (Amendment) Act, 2007**. It follows the philosophy of modern competition laws.
 - The Act **prohibits anti-competitive agreements**, abuse of dominant position by enterprises and regulates combinations, which causes an appreciable adverse effect on competition within India.

- In accordance with the provisions of the Amendment Act, **the Competition Commission of India** and the **Competition Appellate Tribunal** have been established.
- The government replaced the Competition Appellate Tribunal (COMPAT) with the **National Company Law Appellate Tribunal (NCLAT)** in 2017.

What are the Functions and Role of CCI?

- **To eliminate practices having adverse effects on competition**, protect the interests of consumers and ensure freedom of trade in the markets of India.
- **To give opinion on competition issues** on a reference received from a statutory authority
- **To undertake competition advocacy**, create public awareness and impart training on competition issues.
- **Consumer Welfare:** To make the markets work for the benefit and welfare of consumers.
- **Ensure fair and healthy competition in economic activities** in the country for faster and inclusive growth and development of the economy.
- **Implement competition policies** with an aim to effectuate the most efficient utilization of economic resources.
- **Effectively carry out competition advocacy** and spread the information on benefits of competition among all stakeholders to establish and nurture competition culture in the Indian economy.

What are the Achievements of CCI till now?

- The Commission has **adjudicated more than 1,200 antitrust cases i.e., case disposal rate is 89 % in antitrust cases.**
- It has also **reviewed more than 900 mergers and acquisitions till date**, cleared most of them, **within a record average time of 30 days.**
- The Commission has also come up with several innovations like the **'Green Channel' provision for automated approval on combinations/transactions** and cleared more than 50 of such transactions.

What are the Challenges?

- **Challenges Posed by Digitization:** As we didn't have a robust digital economy at the time of enactment of the Act (2002), CCI should understand the technological nuances of the new digital era.
- **Need For New Market Definition:** India's Commission needs to update its definition of market now. Since there are **no boundaries in the digital space, defining relevant markets has been a tough task for regulators** around the globe.
- **Threat From Cartelization:** There is a possibility of threat from cartelization. Since there is a global shortage of commodities due to the pandemic, and now, following **the war in Eastern Europe**, the supply chain has been adversely affected.
 - There is a need to look into these and ensure that there are no monopolistic/duopolistic tendencies leading to **price rises and supply side manipulations.**

Way Forward

- With the advent of **Web 3.0, AI, IoT, Blockchain** and other technological developments, and emergence of issues like **data protection and privacy, platform neutrality, deep discounting, killer acquisitions, etc, the need for a robust competition law**, attuned to meet the needs of present-day techno-legal world, is important for India, which enables a true level playing field for the digital market players.
 - CCI should understand the technological nuances of the new digital era and whether these markets are being fairly, effectively, and transparently used for the benefit of consumers.
- **FAQs** can become a permanent tool of advocacy which should be used to disseminate information on a ready-to-use basis.
 - This would strengthen CCI's position as a proactive and progressive regulator, and such guidance will help market players take preventive measures.

Source: PIB

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