



Competition (Amendment) Bill, 2022

For Prelims: Competition Commission of India (CCI), Competition Act, 2002, National Company Law Tribunal (NCLT).

For Mains: Significance of Competition Commission due to the changing dynamics of the market.

Why in News?

Recently, [the Competition \(Amendment\) Bill, 2022](#), which seeks to amend the Competition Act, 2002, was passed in the [Lower House](#) amid protests from the Opposition. And the Forest (Conservation) Amendment Bill, 2023 is also introduced in parliament.

What is the Competition Act, 2002?

- The Competition Act, 2002, **regulates competition in the Indian market and prohibits anti-competitive practices such as cartels**, abuse of dominant market position, and mergers and acquisitions that may have an adverse effect on competition. The Act has been amended by the Competition (Amendment) Act, 2007.
 - The [Competition Commission of India \(CCI\)](#) is responsible for implementing and enforcing the Act.
 - The **Competition Appellate Tribunal** is a statutory body created in accordance with the Competition Act, 2002 to hear and **regulate on appeals against any rules made, decisions made, or orders made by the Competition Commission of India**.
 - The government replaced the Competition Appellate Tribunal with the [National Company Law Appellate Tribunal \(NCLAT\)](#) in 2017.

What are the Amendments to the Competition Act Proposed?

- **Penalties for Competition Law Violations:**
 - The Bill amends the definition of "**turnover**" to include global turnover derived from all products and services by a person or an enterprise.
 - The amendment allows for the imposition of penalties for competition law violations based on a company's global turnover, rather than just its turnover in India.
- **Timelines for Approving Combinations:**
 - The Bill reduces the time limit for the CCI to form a **prima facie opinion on a combination from 30 working days to 30 days**.
 - The change aims to speed up the process of approving mergers and acquisitions in India.
- **Review of Regulations:**
 - The Bill seeks to amend the Competition Act, 2002, to **regulate mergers and acquisitions based on the value of transactions**. Deals with transaction value of **more than Rs 2,000 crore will require CCI's approval**.
 - The Bill proposes to reduce the timeline for the CCI to pass an order on such transactions from 210 days to 150 days.
 - The Bill decriminalizes certain offences under the Act by **changing the nature of**

punishment from imposition of fine to civil penalties.

- These offences include failure to comply with orders of the CCI and directions of the Director General related to anti-competitive agreements and abuse of dominant position.

What are the Benefits of the Competition (Amendment) Bill?

▪ **Promoting Ease of Doing Business:**

- The amendments to the Competition Act aim to reduce regulatory hurdles and promote ease of doing business in India. The amendments are expected to provide greater clarity to businesses operating in India and reduce the compliance burden for companies.

▪ **Enhancing Transparency:**

- The inclusion of global turnover in the definition of "turnover" aims to enhance transparency and accountability in the Indian market. The amendment ensures that companies cannot escape penalties for competition law violations by shifting their revenue to other countries.

What is Forest (Conservation) Amendment Bill, 2023?

- The Bill aims to bring clarity to India's forest conservation law and fast-track strategic and security-related projects.
- The Bill seeks to clarify the scope of applicability of the **Forest (Conservation) Act, 1980**, on various lands.
- It aims to broaden the horizons of the Act, keeping in view India's aim to **increase forest cover for creation of a carbon sink of additional 2.5-3.0 billion Tonnes of CO2 equivalent by 2030**.
- The Bill amends the short title of the Act to be called the **Van (Sanrakshan Evam Samvardhan) Adhiniyam, 1980**.
- The Bill proposes to insert a **preamble to the Act to encompass the country's rich tradition of preserving forests and their biodiversity**.
- The bill **amends to exempt certain categories of lands from the purview of the Act** which includes the following:
 - **forest land situated alongside a rail line, or a public road** maintained by the Government, which provides access to a habitation, or to a rail, and roadside amenity up to a maximum size of 0.10 hectare.
 - The **forest land as is situated within a distance of one hundred kilometers along international borders or Line of Control or Line of Actual Control** proposed to be used for the construction of strategic linear projects of national importance and concerning national security.

[Source: IE](#)

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