

# Competition (Amendment) Bill, 2022

July 21, 2022

**In news**– The Union government has recently introduced the Competition (Amendment) Bill that seeks to bring changes in the governing structure of the Competition Commission of India (CCI).

## **About the bill-**

- It seeks to modify the substantive provisions to **address the needs of new age market.**
- The revamp of the Competition Act **aims to check anti-competitive practices in the digital economy**, a sector that has seen intense litigation and regulatory scrutiny as traditional brick-and-mortar traders question the business practices of new age firms, including deep discounts.
- It also seeks **improve regulatory set-up by increasing the CCI's accountability**, giving it flexibility and enforcement efficiency.

## **Proposed changes-**

Following are some some of the changes proposed under the bill-

- **A board with part-time members** to supervise CCI activities.
- CCI to **mandatorily issue penalty guidelines** and give reasons in case of any divergence.
- CCI to be able to engage in **structured negotiations with parties and arrive at mutually-workable solutions** without having to go through lengthy formal proceedings, thus **bringing it on par with the Securities and Exchange Board of India (SEBI).**

- **CCI can make appeals to the National Company Law Appellate Tribunal** conditional on a pre-deposit of up to 25% of the penalty imposed by the CCI.
- Shortening of the merger review period from 210 to 150 days.
- **Introduction of a green channel** for merger applications.

### Competition Commission of India(CCI)-

- **CCI, set up under the Competition Act 2002, has the mandate to promote competition and curb unfair business ways across sectors.**
- It **consists of a chairperson and 6 members** appointed by the Centre.
- The Chairperson and every other Member shall hold office as such for a **term of five years** from the date on which he enters upon his office and shall be eligible for re-appointment.
- It is the duty of the commission to **eliminate practices having adverse effect on competition**, promote and sustain competition, protect the interests of consumers and ensure freedom of trade in the markets of India.
- The commission is also required to **give opinion on competition issues** on a reference received from a statutory authority established under any law and to undertake competition advocacy, create public awareness and impart training on competition issues.