

The Role of Competition Commission of India in consumer welfare

Introduction

Competition is the foundation of efficiently working market systems. Its ultimate objective is to secure the interests of the consumers by providing quality products and services at a reduced cost. It accelerates growth and development by creating a level playing field for all players in the market so as no-one firm has undue advantage over the other. Adam Smith in his book “*The wealth of Nations*” observes that when individuals or companies are forced to compete, they will, in pursuit of their own self-interest, work harder. This results in weak competitors being eliminated, and the remaining firms producing better products at lower prices. Competition has played a significant role in unlocking fuller growth potential of Indian economy. The economic reforms program started in the 90’s unleashed unprecedented growth momentum in the country. The New Economic Policy, 1991 triggered the dynamic forces of the competition in the Indian economy by ending license-permit raj. As quoted by Dr. Manmohan Singh, the then Finance Minister, in the budget speech said that, “*it is essential to increase the degree of competition between firms in the domestic markets so that there are adequate incentives for raising productivity, improving efficiency and reducing costs.*”¹ Supported by strong macroeconomic fundamentals, a vibrant entrepreneurial force, a large and growing domestic market, Indian economy has been able to weather the winds of global financial much better than other countries.

Competition jurisprudence & need of regulating body

Competition policy encompasses any policy which promotes competition and facilitates efficient allocation of resources. Its main aim is to promote and protect competitive processes in order to

¹ Page-4, Speech of shri. Manmohan Singh, Minister of Finance, Budget 1991-92, available at <http://indiabudget.nic.in/bspeech/bs199192.pdf> , (Visited on November 10, 2014)

foster allocative, internal and dynamic efficiency. Hence it could be said that “*efficiency is the goal, competition is the process.*”² For an economy, measures like deregulation, liberalization and privatization are necessary but they do not necessarily ensure the efficient functioning of markets. Competition promotes efficiency in markets by making the firms provide goods and services at reasonable prices, produce quality products and keep the preferences of consumers in mind. The threat of competition leads to a faster rate of technological diffusions, as firms have to be particularly responsive to the changing needs of consumers. The main objective of competition law is to promote economic efficiency using competition as one of the means of assisting the creation of market responsive to consumer preferences. The advantages of perfect competition are three-fold³:

- i) Allocative efficiency- which ensures the effective allocation of resources.
- ii) Productive efficiency- which ensures that costs of production are kept at a minimum.
- iii) Dynamic efficiency- which promotes innovative practices

But sometimes, an incumbent producer may gain sufficient market power that may hinder market access to new firms or producers. A significant number of monopolies remain in place and are unlikely to disappear as result of market liberalization. Such firms need to be regulated in order to preclude them from abusing their dominant position and incurring in monopolistic practices in related activities. The emergence of regulatory governance in India is of recent origin. Regulation of markets became a necessity in the aftermath of globalization and economic liberalization of the economy as economy was thrown upon to competition within and from abroad. In a free market economy, vested interest groups, large monopolistic firms and other

² Remarks by William J. Kolasky before ABA, available at <http://www.justice.gov/atr/public/speeches/200446.htm> , (Visited on November 12, 2014)

³ Competition Commission of India, from Wikipedia, the free encyclopedia, available at http://en.wikipedia.org/wiki/Competition_Commission_of_India (Visited on November 12/11/2014)

stakeholders could distort the process of competition and deprive markets of their ability to deliver efficient results. It was realized that India's old competition law i.e. the Monopolies and Restrictive Trade Practices (MRTP) Act, 1969 had outlived its utility and a new law was needed in line with new economic philosophy to protect and nurture the competitive process.⁴

Regulatory body is also important because of the existence of anti-competitive practices that deter the market efficiency. These are particularly harmful for small and medium size firms that are precluded from entering markets or from growing. There are for instance, a growing number of international cartels that distort international trade and investment flows, calls for a nation-wide coordinated competition policy. In addition, domestic cartels would certainly proliferate in the absence of such authority.

Commission and enforcement process

Competition commission of India (hereinafter referred "CCI") is a body of the Government of India responsible for enforcing the Competition Act, 2002 (hereinafter referred "act") throughout India and to prevent activities that have an adverse effect on Competition in India. The Act however, had a legal challenge, which delayed the establishment of the commission and enforcement of the Act. The Act subsequently amended by the Competition (Amendment) Act, 2007 embodying the modern principles of competition law. As in most modern competition laws, the Indian law seeks to (a) prohibit anti-competitive agreements, including cartels; (b) prevent abuse of dominant position; (c) regulates combinations (acquisition, acquiring of control and Merger and acquisition); and (d) propagate competition advocacy. It is the duty of the Commission to eliminate practices having adverse effect on competition, promote, protect and sustain the interest of consumers and ensure fair competition in the economy that will provide a

⁴ Page-4, fair play, the quarterly newsletter of CCI, Vol-8, Jan-March, 2014, available at www.cci.gov.in/Newsletter/nwl8.pdf, (Visited on November 5, 2014)

“level playing field” to the producers and make the markets work for the welfare of the consumers. 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.

The objectives of CCI are to play an overarching role as a market regulator across all sectors with the focus on anti-competitive behavior of enterprises that may distort competition. India’s regulatory landscape continues to evolve with change being the only constant. It’s been a legislative journey from the command and control mindset that prevailed at the time of License Raj to more modern regulatory regime with the objective of enhancing consumer welfare by sustaining competition in the marketplace. In this globalized era, the business activities in any part of the world can impact the Indian market and vice versa. Country’s new competition law opens up a new vista and CCI is empowered to take cognizance of such anti-competitive effects in the Indian market.⁵

The act had established a commission comprising of a chairperson and a maximum of 6 members. The commission is vested with the same broad power as are available to competition authorities in the other jurisdictions. An appellate body called the Competition Appellate tribunal (COMPAT) was later set-up, with final appeal lying to the Supreme Court of India. In 2009, the earlier MRTP Act was repealed and the MRTP commission established under the act was abolished. MRTP Commission’s pending cases were transferred to CCI.

CCI has been enforcing the provisions of the act in a consistent manner and has acquired significant experience in handling cases under section 3&4 (relating to anti-competitive agreements and abuse of dominant position) as well as section 5&6 (relating to regulation of

⁵ Anupam Sanghi, The significance of competition Commission of India, available at <http://www.livemint.com/Opinion/nKY6PoaDeUi9NP2aOhECYL/The-significance-of-the-Competition-Commission-of-India.html> (Visited on November 7, 2014)

combinations, such as merger, acquisition, amalgamation etc.). Given the duty cast upon commission, it is a daunting task to monitor the huge Indian economy and identify anti-competitive conduct of enterprises and set them right by prescribing apt remedial measures.⁶ In exercise of powers vested under the act, commission may inquire into any alleged contravention of provisions of the act.⁷ The commission has the powers vested in a Civil Court under the Code of Civil Procedure in respect of matters like summoning or enforcing attendance of any person and examining him on oath, requiring discovery and production of documents and receiving evidence of affidavit. After inquiry the commission may pass inter-alia any or all of the following orders under section 27 of the act. Commission, during the pendency of an enquiry may temporarily restrain any party from continuing with the alleged contravention, until conclusion of the enquiry or until further orders, without giving notice to such party, where it deems necessary.⁸

Enforcement of competition law by CCI was questioned by parties in High-courts, COMPAT and the Supreme Court. Issues raised in these forums pertained to jurisdiction of CCI and also certain innate issues of competition jurisprudence. In 2010 in the case of *CCI v. SAIL*⁹, where initial investigation orders of CCI were appealed against and challenged in the appellate tribunal, the apex court pronounced a landmark judgment and limited the intervention of appellate authority in *prima facie* investigations orders of CCI. The guidelines given in this case have become guiding force for the commission in enforcing the law.¹⁰

CCI V/s sector regulators

⁶ Section 18, The Competition Act, 2002

⁷ Section 19, The Competition Act, 2002

⁸ Section 33, The Competition Act, 2002

⁹ [2010 10 SCC 744]

¹⁰ fair play, the quarterly newsletter of CCI, Vol-8, supra 6

Are the sector regulators really equipped to curb anti-competitive behavior of dominant firms, bid riggers and cartels, and effectively achieve a level playing field?

The legislative mandate of the sector regulator is to focus on the industry concerns within the terms of licenses and policies issued by the government; frame regulations and consultation papers based on domain knowledge; and address economic issues like fixation of tariffs and issues relating to licenses. Sector rules and regulations are framed *ex ante* (laying down performance criterion) after consultation with industry and consumers, and reviewed from the time to time for correction, whereas the market regulator, CCI, performs mostly *ex post* functions only to curb concentration in the market. Here lies the essential difference in their approaches to anti-competitive activities or any conducts that may harm competition usually involve collusion/cartelization or strategies to concentrate in a particular market. Legislation with regard to sectors neither defines cartels or abuse of dominance nor provides the investigative mechanism to find such economic irregularities. Therefore, the act has overriding effect and envisages that it shall have jurisdiction in addition to and not in derogation of other laws.¹¹

The idea to oversee deals *ex ante* before they are expressed is to pre-empt combinations that could potentially have an adverse impact on competition in the relevant market. The analysis of competition concerns in any market invariably require an assessment of market power to see if the market dynamics would allow the parties to concentrate or deny market access to new entrants. Competition authorities intervene only for the prevention of market failures, restriction or removal of anti-competitive practices, and promotion of public interest.

Commenting over the perceived conflict between CCI and sectoral regulators, CCI chairman Ashok Chawla said: - “.... *broadly market regulator is a generalist while the sector regulator is a specialist. It is a misconception that when there are sector regulators, there isn't need for*

¹¹ Section 60-62, The competition Act, 2002

another (market) regulator....” While both competition authorities and sectoral regulators share the common goal of protecting public interest and play complementary roles in fostering competitive markets and safeguarding consumer welfare, they employ different approaches and have different perspectives on competition matters.¹²

The starting point, however, is for both to try and appreciate the difference between the technical domains of the sector regulators and anti-competitive behavior within the domain of competitive authorities. This would help in delineating the roles of two regulatory bodies. The chairperson of COMPAT Justice V.S. Sirpurkar believes that the success of the competition regimes lies in the benefit reaching common man. Regulatory bodies are institutionalized for independent management of the sector. The Supreme Court has recently enunciated the important role of a regulator while considering the powers/competence of Telecom Regulatory Authority of India (TRAI). However, several high courts are failing to appreciate the role of regulators, particularly, CCI which was set-up in 2009.¹³

Advocacy: a friendly approach to market

The cornerstone of a successful market economy is the existence of a “*competition culture*” for which competition advocacy is vital. CCI has been always advocating for adopting best practices in competing environment & in order to achieve this aim it does provide platform and opportunity to players of markets so they should not end-up with contravening the provisions. In line with the market friendly approach, CCI has been interacting with players on a continuous basis right from the inception. The players are encouraged to visit commission’s office and interact with officials and invite them to speak to members on ways to comply with the law. The commission encourages all association and their members to put in place a competition

¹² Anupam Sanghi, The significance of competition Commission of India, *supra*

¹³ Ibid

compliance program available on commission's website. Enterprise and their associations may also try to develop best practices guidelines for their members to create awareness of acceptable and unacceptable behavior under the act.

CCI has addressed the whole range of stakeholders including industry, academia, judiciary, consumers, public sector undertakings and government at the federal and provincial levels, to make them aware of the beneficial role of competition. In last five years, the commission has organized numerous workshops, conferences, seminars, used electronic media and undertaken studies in pursuance of advocacy mandate. Enforcement is the ultimate advocacy. Once penalties have been imposed on the contraveners, awareness has started to set in. CCI is focusing on advocacy in a very big way to pass on the message that the competition law is a new paradigm and the business community has got to adapt to it.¹⁴

CCI vis-à-vis CPRF

There is a tendency to confuse competition law with other related disciplines and concepts, in particular when it comes to consumer protection law and competition law. These are different concepts, though quite related since they seek to ensure that market can function for the maximum benefits of consumers. As such, they have been described as the "*two sides of same coin*". However, there are some distinctions which enable us to understand the significant disparity between the two. Promotion of consumer welfare is the common call of the consumer protection law and competition policy. The combined pressures exerted by the market forces has resulted in the creation of new system of policy frameworks for governing behavior in the market place for the ultimate welfare of the consumers. Under these, maximization of consumer

¹⁴ fair play, the quarterly newsletter of CCI, Vol-8, supra 7

welfare becomes the most predominant concern. Competition and consumer protection policy and law have several common, mutually complementary elements.

First, while the role of competition is to ensure that the market place remains competitive, so that a meaningful range of options is made available to consumers, the role of consumer protection law is to protect consumer's ability to choose freely and effectively among options.

Second, while competition law requires that consumers find a reasonable range of options in the marketplace, undiminished by artificial constraints like price-fixing or anti-competitive agreements & mergers, consumer protection law requires that consumers are able to make a reasonably free and rational selection from among those options, unimpeded by artificial constraints like deception or the withholding of material information.

Thirdly, while consumer protection policy and its enforcement agencies are primarily concerned with the nature of consumer transactions, trying to improve market conditions for effective exercises of consumer choices, competition commission is concerned with prevention of any practice which can have appreciably adverse effect on market. Thus, the two disciplines focus on different market failures and offer different remedies, but are both aimed at maintaining and well functioning of competitive markets that promote consumer welfare.

Fourthly, the working of the consumer grievance redressal forums is a very individualistic process with the individual consumer being given in the highest priority. However, in many cases, there are large scale violations of consumer rights by a single producer, such as is often seen in the case of builders such as DLF.¹⁵ In such circumstances, it is necessary that the individual character of proceedings in the consumer forums be discarded in favor of a class

¹⁵ Belaire owners' association v. DLF Ltd., Case no.- 19/2010, available at <http://www.cci.gov.in/May2011/OrderOfCommission/192010S.pdf> , (Visited on November 5, 2014)

action suit type proposition, wherein consumers with similar grievances can be joined together into a single entity for obtaining relief under the COPRA.

Fifthly, while consumer protection redressal forums are limiting themselves by looking only at restrictive and unfair trade practices in market by players and its sub-ordinates which have impact upon consumers, competition commission widens its umbrella and covers a lot more anti-competitive practices, such as cartels, rigging, predatory pricing, abusing dominant position which might not have direct impact upon consumers but on competition in market.

Sixthly, the very constitution & functioning of both bodies is different. While competition commission is armed with an investigative mechanism and can also take *suo-moto* cognizance, consumer forums are not vested with such powers.

In some cases, the industry representatives in India adopt the view that the CCI conflicts with the consumer redressal forums as the Consumer protection Act, 1986 already exists to deal with any or all such grievances. In cases where the commission is of the opinion that the nature of the grievance is such that it does not fall under the purview of the act, the commission dismisses the case and leaves it open for the parties to seek redressal elsewhere. Most of the complaints that have been dismissed by the CCI were directed towards seeking compensation from the developer for personal interests, for which CCI is not the platform.

Instances where CCI intervened

Recently, the CCI impose a hefty penalty of Rs 6200 Crore on 11 leading cement firms in the country for forming a cartel and colluding to charge higher prices from the consumers. CCI in its order, said,

“The commission holds the cement firms acting together have limited, controlled and also attempted to control the production and price in the market in India. Such

Cartelization goes against the spirit of competition and distorts the market, resulting in serious inefficiencies which harm the consumers.”¹⁶

In the case, *Sh. Shamsher Kataria v. Honda Sael Cars India Ltd. & Ors.*¹⁷ The CCI has found 14 companies to be in contravention of the provisions of Act. The informant alleged *anti-competitive practices* by 3 car companies in not allowing the spare parts and after sale services market to grow to the detriment of consumers and independent repairers. Ensuing detailed investigation throughout the automobile industry commission found 14 car companies were indulged in practices resulting in denial of market access to independent repairers and latter were not provided access to branded spare parts and diagnostic tools which hampered their ability to provide services in the aftermarket for repair and maintenance of cars. Having a monopolistic control over the spare parts and diagnostics tools of their respective brands, the car companies charged arbitrary and high prices for their spare parts. The car companies were also found to be using their *dominant position* on the market for spare markets and diagnostic tools to protect the market for repair services, thereby distorting Fair competition. Accordingly, Commission, under section 27 of the Act, directed the car companies to cease and desist from indulging which has been found to be in contravention of the provisions of the Act. Further, the commission directed the car companies not to put any restrictions for impediments on the operation of independent repairers/garages. Commission also imposed a penalty calculated at the rate of 2% of the average turnover of the 14 companies amounting to Rs. 2544.64 crores in aggregate.

The CCI has found the Chemist and Druggist association, Goa (CDAG) to be in the continued contravention of the provisions of the act. In an earlier case MRTP-C-127/2009/DGIR (4/28), the

¹⁶ CCI issues order against Cement Manufacturers, Imposes penalty of more than six thousand crores on 11 Cement companies, available at <http://www.pib.nic.in/newsite/erelease.aspx?relid=84974> , (Visited on November 11, 2014)

¹⁷ Case no.- 03/2010, available at <http://www.cci.gov.in/May2011/OrderOfCommission/27/032011.pdf> , (Visited on November 11, 2014)

Commission found CDAG to be in contravention of the act and thereafter passed an order under section 27 of the act on 11.06.2012 imposing a penalty of Rs. 2 lakhs on CDAG. It was a Suo-moto cognizance where after detailed investigation, the commission found that CDAG was indulging in anti-competitive practices in complete disregard to the commission order dated 11.06.2012. Commission also found that CDAG forced pharmaceutical companies to follow its mandate by threatening the other stockists in Goa to stop taking supplies or suspend receiving supplies from them till such time they stopped supplies to the unauthorized stockists such as M/s Xcel Healthcare. Observing that the case involved continued contravention and utmost disrespect to the commission's earliest order, the commission imposed a penalty calculated at the rate of 10% of the average receipts of CDAG amounting to 10,62,062 (Rupees Ten lakhs sixty two thousand and sixty two rupees only).¹⁸

In the matter of *Mr. Ramakant Kini v. Dr. L.H. Hiranandani Hospital, Powai, Mumbai*,¹⁹ informant stated while availing maternity services of the hospital, he was not allowed to avail LifeCell's (a famous company for such services) umbilical cord stem cell banking services. The said hospital, instead, insisted to have the services from Cryobanks, with which the hospital had an exclusive tie-up. After considering the matter, CCI found that the patients were forced to take services of Cryobanks, if they wanted to preserve the stem cells of their new born babies. The consumers were left with no other choice for availing the stem cell services, while hospitalized in the said hospital. Based on those reasons, the exclusive agreement between hospital and company was held to be anti-competitive and in contravention of the section 3(1) of the Act. The commission passing the order also declared the agreement between both the parties null and void

¹⁸ Press release by CCI, dated- 27/10/2014, available at <http://cci.gov.in/May2011/PressRelease/PressReleaseSuoMoto052013.pdf> , (Visited on November 12, 2014)

¹⁹ Case no.- 39/2012, available at <http://www.cci.gov.in/May2011/OrderOfCommission/27/392012.pdf> , (Visited on November 11, 2014)

& imposed a penalty of 3,81,58,303 (three crores eighty one lakhs fifty eight thousand and three hundred three).

The commission rejected actor/producer Ajay Devgan's allegation of abuse of dominant position by Yash Raj Films (YRF) in the case of *Ajay Devgan film & another v. Yash Raj films Pvt. Ltd & Ors*²⁰. and held that there was no violation of act in the case. Ajay Devgan Films Pvt. Ltd (ADF) had moved the commission alleging that YRF was abusing its dominant position by asking exhibitors to dedicate more screens to its upcoming release, Shahrukh Khan-Starrer "*Jab tak hai Jaan*" (JTHJ) affecting ADF's film "*Son of Sardar*" (SOS). In the order, CCI observed, the act of booking theaters by a distributor for its two films simultaneously when the theatre owners have the liberty either to agree or not to agree is not a restraint on the freedom of business of theatre owners. ADF filed appeal before the COMPAT against the order of CCI. The COMPAT also refused to stay the YRF's tie-up with single screen theaters across the country for the release of its film JTHJ.

Maharashtra State Generation Company (MAHAGENCO) & M/s Gujrat State Electricity Corporation Ltd. alleged that *Coal India Limited (CIL)* is abusing its dominant position by supplying with low-grade coal at inflated prices. CCI held that-

"it is of considered opinion that CIL through its subsidiaries operates independently of market forces and enjoys undisputed dominance in the relevant market of production and supply of non-cooking coal in India & found in contravention of the provisions of section

²⁰ Case no.- 66/2012, available at <http://www.cci.gov.in/May2011/OrderOfCommission/662012.pdf> , (Visited on November 13, 2014)

4(2) (a) (i) of the act for imposing unfair/discriminatory conditions and indulging in unfair/discriminatory conduct in the matter of supply.”²¹

In august 2011, in the case of *DLF Park Place Residents Welfare Association v. DLF House Development Ltd.*²² CCI had imposed a penalty a around Rs. 630 crores for misuse of its *dominant position* to treat home buyers unfairly. The complaint was filed against DLF Home Developers Ltd, a DLF group company, pertaining to delays and the firm increasing the number of units being built in same area. In its order, the CCI said-

“The abuse of Dominant position in this case is in respect of the basic necessity of housing. The earlier deliberation on the elements and extent of abuse make it clear that DLF has been grossly abusing its dominant and that too against a vulnerable section of nifty intraday chart consumers, who have little ability to act or organize against such abuse.”

In other instance of *MCX Stock Exchange Ltd. v. NSE of India Ltd*²³, a penalty of Rs. 55.5 Crore was imposed on the National Stock Exchange by the CCI for abusing its dominant position in the currency derivative market by cross subsidizing this segment of business from other segments where it enjoyed virtual monopoly.

In the case of *M/s HT Media Ltd. v. M/s Super Cassettes Industries Ltd.*²⁴, CCI imposed a penalty of Rs. 2.83 Crores @ 8% of the average turnover of the last 3 financial years on super

²¹ Cases no.- 03, 11, 59/2012, available at <http://www.cci.gov.in/May2011/OrderOfCommission/27/592012.pdf> , (Visited on November 13, 2014)

²² Cases no.- 18, 24, 30, 31, 32, 33, 34, 35/2010, available at <http://www.cci.gov.in/May2011/OrderOfCommission/DLFParkMainOrder300811.pdf> (Visited on November 13, 2014)

²³ Case no.- 13/2009, <http://www.cci.gov.in/May2011/OrderOfCommission/MCXMainOrder240611.pdf> , (Visited on November 13, 2014)

²⁴ Case no.- 40/2011, <http://www.cci.gov.in/May2011/OrderOfCommission/27/C-2011-40.pdf> , (Visited on November 14, 2014)

Cassettes Industries Limited for abusing Dominant Position. The commission held super cassettes Industries limited in Contravention of the provisions of section 4(2) (a) (i) of the act for imposing unfair conditions of Minimum Commitment Charges (MCC) upon the private FM stations in its existing agreements. Apart from issuing a cease and desist order, CCI directed super cassettes industries limited to modify the unfair condition of MCC imposed on private FM stations in the agreements within 3 months.

The investigation which was against the global internet giant *Google*, for its alleged involvement in anti-competitive practices in India, being dominant in the search engine market. It was alleged *“Google is leveraging its position in the generic search to specialized search market, by way of discriminatory and retaliatory practices relating in AdWords. Google sells keywords to advertisers and then displays them on search engine result page in the form of short advertisements.”* Subsequently another complaint was received against Google from CUTS International, a prominent NGO. The fair trade watchdog asked the giant to co-operate in the probe. Later, CCI penalized Google for *“Non-cooperation in the investigation”* by imposing fine of Rs. 1 Crore.²⁵

Conclusion

Competition is the best means of ensuring that the *“Common Man”* or *“Aam Aadmi”* has access to the broadest range of goods and services at the most competitive prices. With increased competition, producers will have maximum incentive to innovate and specialize. This would result in reduced costs and wider choice to consumers. A fair competition in market is essential

25 Anubhav Sinha, CCI penalizes Google for non-disclosure of information; fines it one Crore rupees, available at <http://spicyip.com/2014/05/cci-penalises-google-for-non-disclosure-of-information-fines-it-one-crore-rupees.html> (Visited on November 09, 2014)

to achieve this objective. The goal of commission is to create and sustain fair competition in the economy that will provide a “*level playing field*” to the producers and make the markets work for the welfare of the consumers.

To achieve its objectives, the CCI endeavors to do the following:

- i) Make the markets work for the benefit and welfare of consumers.
- ii) Ensure fair and healthy competition in economic activities in the country for faster and inclusive growth and development of economy.
- iii) Implement competition policies with an aim to effectuate the most efficient utilization of economic resources.
- iv) Development and nurture effective relations and interactions with sectoral regulators to ensure smooth alignment of sectoral regulatory laws in tandem with the competition law.
- v) Effectively carry out competition advocacy and spread the information on benefits of competition among all stakeholders to establish and nurture competition culture in Indian economy.²⁶

The shift from the previous competition regime to the current one is from the structure to conduct and from the *rule of law* to *rule of reason*. To enable this task, robust powers are granted to CCI in terms of penalizing provisions, and a dedicated appellate authority. A competition law expert can test all haphazard ways of commercial life to iron out distortions and market strategies that are not desirable for healthy competition. CCI is a new paradigm. During last five years, CCI has achieved a reasonable level of success. The commission has evolved its processes based on intentional best practices and adhered to principle of competitive neutrality itself as an impartial competition regulator enforcing the law equally on private as well as state owned

²⁶ Competition Commission of India, from Wikipedia, the free encyclopedia, supra

entities. The orders of the commission reflect the robustness of the system and determination to curb anti-competitive practices in Indian markets.²⁷

²⁷ fair play, the quarterly newsletter of CCI, Vol-8, supra 8.