

Question 2: Last year as the pandemic suddenly struck and disrupted the normal way of doing things what were the challenges faced by your agency and how did you deal with them. Did it result in slowdown in the merger and antitrust work?

1. There would be no exaggeration in saying that the Covid-19 pandemic has caused irreparable loss to man-kind and has become a formidable challenge for countries around the world since its onset in 2020.

2. The foremost focus has been on saving lives and getting populations vaccinated. Apart from the direct health implications, the economic impact of this pandemic has been significant. It has left an indelible mark on the global economic timeline by causing disruption of economic activities.

3. I would like to share experience of the Competition Commission of India in responding to the challenges arising out of COVID-19. CCI as a market regulator enforces the competition law in the country in light of its motto 'Fair Competition for Greater Good'. During the Covid-19 pandemic, the flexibilities embedded in the statutory framework came handy in implementing the law in a pragmatic manner thereby providing confidence to the stakeholders.

4. We recognised early that COVID – 19, has caused disruptions in supply chains, including those of critical healthcare products and other essential commodities and services. It was realized that businesses may need to coordinate certain activities, by way of sharing data on stock levels, timings of operation, sharing of distribution network and infrastructure, transport logistics, R&D, production, etc. To cope with significant changes in supply and demand patterns arising out of this extraordinary situation, the CCI issued a guidance advisory for businesses.

5. The advisory highlighted that the Competition Act has in-built safeguards to protect businesses from sanctions for certain coordinated conduct, provided such arrangements, result in increasing efficiencies. However, it was clarified that only such conduct of businesses which were necessary and proportionate to address concerns arising from COVID-19 would be considered. Businesses were also cautioned not to take advantage of the extraordinary situation on account of COVID-19 outbreak to indulge in anti-competitive activities.

6. Considering restrictions placed on physical movement, the CCI leveraged technology in a big way and reoriented its procedures. This included not only electronic filing of antitrust and combination cases but also conducting proceedings through virtual mode. A dedicated helpline was also set up to attend to the queries of stakeholders during the pandemic for timely guidance. Relevant public notices were regularly put on the website of the CCI for information of the relevant stakeholders. Enabling the processes with the push of technology, all internal movement of files were moved to E-office system, this helped secured and timely e-access to records and filings by the CCI staff.

7. Disruptions and difficulties faced during the pandemic triggered takeovers, mergers and acquisitions. Realizing the importance of M&A during the tough time, the CCI brought about substantive and procedural changes to combinations regime. Promptly mechanisms were put in place for online filings and timely approval of mergers & acquisition to mitigate the adverse effect of business environment on the overall economy. Pre-Filing Consultation facility for combinations was made available through video conference. A new revised guidance note was issued providing clarification to the parties to transaction while filing Notice for their combination. The requirement to provide information related to non-compete restriction clauses was omitted from the notification form. As a result, parties notifying a transaction are not

bound by general set of standards for assessment of non-compete restrictions, providing them flexibility to negotiate non-compete clauses. Besides, it reduces information requirements on them. CCI has recently introduced a green channel for an automatic approval of combinations. This is a first-of-its-kind trust-based system where notifiable transactions having no overlaps, are approved upon filing. It is expected to promote a speedy, transparent and accountable merger review process, striking a balance between facilitation and enforcement and creating a culture of voluntary compliance that supports economic growth. Over the last year the green channel route has gained traction, with one out of every five transactions being filed under this route, demonstrating stakeholders' confidence. All these changes were made in active consultation with stakeholders. As a result of our quick response to the lockdown due to COVID-19, we were able to put our M & A regulation activity on track. Despite the pandemic, we have been able to approve nearly, the same number of combination cases as we did in the corresponding period last year. In fact, the CCI has given timely approvals to all notifications filed even in the lockdown period. Thus, the business-friendly policies and political stability has led to boosting of investor confidence and M & A activity in India. The ongoing reforms have made India a preferred destination for strategic investments and M & A's activities even in COVID-hampered economy.

8. During this period, the CCI continued to process anti-trust cases in a smooth manner and issued appropriate orders and remedies across diverse sectors of the economy. The Commission was able to review a wide range of cases related to Bid Rigging, Automotive Sector, Power Sector, Pharma Sector, Minerals, Petrochemicals, Information Technology, Textiles, Agriculture, Real Estate, Food and Beverages that are germane to the growth of the economy. CCI has responded dynamically in crafting remedies in the wake of COVID-19 and the consequent disruptions brought by it in the economy. The objective of the Commission all along

has been to correct the market distortions and to discipline the behaviour of the market participants.

9. Another key area of the Commission's work during pandemic times has been advocacy including focus on making public procurement competitive. It is vital in ensuring that public money is spent efficiently. Public procurement triggers a multiplier effect in the economy that propels job creation, innovation and economic growth. Public procurement generates businesses for private enterprises and is having a significant bearing on their scale of operation and competitiveness. To take competition advocacy in public procurement at the provincial level, the Commission introduced the State Resource Person Scheme last year whereby Resource Persons are engaged in each State to train State and State Owned enterprises procurement officials, equip them with competitive tender design tools and competition assessment of bids and tender outcomes. CCI conducted 87 advocacy programmes for state government officials and state owned enterprises during the pandemic.

10. One of the other advocacy activities undertaken by the Commission during the pandemic pertains to providing inputs in formulation of public policies to make them competition compliant.

11. I am happy to say that we have been able to maintain efficiency in our operations and help the stakeholders and the economy in these trying times.

Thank you!