

CCI allowed to hire agencies for enforcement

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CORRESPONDENT

New Delhi: The Competition Commission of India (CCI) has been granted the authority to appoint external agencies to oversee the implementation of its orders, a move aimed at strengthening its enforcement capabilities.

The CCI can appoint accounting firms, management consultancy firms, or any other professional organisation, chartered accountants, company secretaries, cost accountants to monitor the implementation of its orders. This is in response to concerns raised by entities about non-adherence to certain CCI orders.

"Where the Commission is of the opinion that the implementation of its orders passed under Section 31 or Section 48A or Section 48B or any other provisions of the Act and regulations made thereunder, needs monitoring, it may appoint agencies to oversee such implementation, on such terms and conditions as deemed fit by the Commission," as per the new regulations.

Section 48A and 48B pertain to commitment and settlement, respectively, Section 31 refers to orders on mergers and acquisitions.

Among others, the agency would be responsible for implementing the CCI of any non-compliance with its orders.

The regulator can appoint agencies to handle various kinds of orders, including those related to mergers and acquisitions.

"This is a significant step forward in strengthening the enforcement mechanisms of the CCI," said Mohit Chaudhary,

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- External agency can be appointed to implement orders
- CCI orders relate to mergers and settlements
- CCI will have to give final order in 180 days of its interim order

managing partner of Kings & Alliance LLP. "It will help to ensure that the Commission's orders are implemented effectively and that there is a level playing field for all businesses."

"The CCI's power to appoint agencies, including accounting firms, management consultancies, and professionals like chartered accountants, to monitor the enforcement of its orders is a major advancement. This move strengthens the enforcement mechanism and ensures better implementation of regulatory decisions," Sindhuja Kashyap, partner, King Stubb & Kasiva, advocates and attorneys, said.

The new regulations also introduce a 180-day timeframe for passing a final order from the date of issuing an interim order. This aims to streamline the regulatory process and ensure timely decisions.

Anjali Malhotra, partner-regulatory, Nangia Andersen India, said: "The General Regulations, 2024 include clear distinction between interlocutory and miscellaneous applications, clarity on permission to engage multiple representatives through one authorisation letter and specifications on the role of various officers."

CCI can now hire agencies to monitor compliance; tweaks confidentiality regime

Last Updated: Sep 19, 2024, 12:37:00 PM IST

Confidentiality ring

The CCI can now set up confidentiality rings comprising authorised representatives of the specified parties, who would be able to access sensitive information in unredacted form.

The key changes in the CCI (General) Regulations, 2024, also include a clearer distinction between interlocutory and miscellaneous applications, clarity on permission to engage multiple representatives through one authorisation letter and specified roles of various officers, said Anjali Malhotra, partner (regulatory) at Nangia Andersen India.

The regulations also spelt out detailed procedures that would be followed for initiating inquiries, handling complaints and ensuring compliance with the amended Competition Act.