

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
STARRED QUESTION NO. 150
ANSWERED ON TUESDAY, THE 20TH DECEMBER, 2022**

PENALTY IMPOSED BY CCI ON FIRMS

QUESTION

*150. SHRI ABDUL WAHAB:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) the total amount of penalty imposed by Competition Commission of India (CCI) on firms in past five years, sector-wise;
- (b) the number of pleas challenging verdicts made to National Company Law Appellate Tribunal (NCLAT);
- (c) the purpose behind the deal-value threshold of \$250mn in the proposed amendment to the Competition Act, 2002 and the criteria employed to determine it;
- (d) whether CCI has enough capacity to deal with the shrink in mergers and acquisition from 210 to 150 days; and
- (e) if so, the details thereof, and if not, the reasons therefor?

ANSWER

THE MINISTER OF FINANCE
AND CORPORATE AFFAIRS

(SHRIMATI NIRMALA SITHARAMAN)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO PARTS (a) TO (e) OF RAJYA SABHA STARRED QUESTION NO. 150 FOR 20.12.2022 REGARDING PENALTY IMPOSED BY CCI ON FIRMS

(a) & (b): Under Section 27 of the Competition Act, 2002 ('Act'), the Competition Commission of India (CCI) has imposed a penalty of Rs.6724.77 crore on firms (Company/ Enterprises including individuals) in the past five years (i.e. November, 2017 to October, 2022). The sector-wise details of the total penalty imposed in the past five years by the CCI is at Annexure. The number of pleas challenging verdicts made during the past five years (i.e. 2017 to 2022) to National Company Law Appellate Tribunal (NCLAT) is 341. In many of these cases, more than one appeal has been filed against an order passed by CCI.

(c): A Competition (Amendment) Bill, 2022 to amend the Act was introduced in the Lok Sabha on 5th August, 2022. The Bill, inter-alia, seeks to provide for a deal value threshold of Rs.2000 crore as additional criteria for assessing combination notifications after considering the thresholds in other competition jurisdictions such as Germany and Austria. The Bill does not include deal value threshold of \$250mn.

(d) & (e): In view of making the assessment for combinations time-bound and quicker, the Bill seeks to provide that the overall time-limit for assessment of combination cases be reduced to 150 days from the existing 210 days. Considering the timeline within which the CCI, at present, approves a combination, the timeline of 150 days is found reasonable.

Annexure

Sector wise Details of Penalty Imposed (Nov 2017 to Oct 2022)	
SECTORS	PENALTY IMPOSED (IN RS.)
AGRICULTURE	2,22,40,622
AUTOMOBILE	19,89,31,66,530
BANKING	1,29,88,168
BIO TECHNOLOGY	96,61,385
CHEMICAL & FERTILIZERS	38,05,19,000
CIVIL AVIATION	54,36,00,000
COAL	1,35,68,00,000
FILM	12,59,350
HEALTH & PHARMACEUTICAL	1,21,37,15,021
INFORMATION TECHNOLOGY	24,12,81,47,509
MANUFACTURING	30,30,000
MISCELLANEOUS	11,97,34,38,903
PAPER	47,50,000
PETROLEUM & GAS	59,40,92,444
RAILWAYS	1,15,82,707
REAL ESTATE	14,82,60,794
SPORTS	6,92,350
TELECOMMUNICATION	1,00,46,907
TEXTILE	3,01,61,00,000
TOURISM	3,92,36,00,000
Total	67,24,76,91,690