

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
RAJYA SABHA
UNSTARRED QUESTION NO. 355
ANSWERED ON TUESDAY, THE 06th FEBRUARY, 2024 / 17 MAGHA, 1945 (Saka)

ISSUE OF CARTELIZATION BY COMPANIES

QUESTION

355 SHRI PRAMOD TIWARI

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) Whether Government is aware of the issue of cartelization by different companies restricting production and supply of different products in the market;
- (b) the actions taken by Government to investigate and prevent these practices by different companies to distort the competition; and
- (c) the number of cases of cartelization by different companies in the last five years and the actions taken by Government against them?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS.

(RAO INDERJIT SINGH)

(a) to (c) : The Competition Commission of India (CCI) has been established under Competition Act, 2002 (the Act) to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect the interests of consumers and to ensure freedom of trade carried on by other participants in markets, in India, and for matters connected therewith or incidental thereto. Section 3 of the Act prohibits anti-competitive agreements which includes cartels as one of the proscribed anti-competitive agreements.

As per information provided by CCI, in the last five years from 01.01.2019 to 31.12.2023, upon completion of inquiries, so far, in 2 cases of cartelization, order under Section 27 of the Act has been passed. In Case No. Suo-Motu 06 of 2020, vide order dated 09.06.2022, penalty of Rs. 29,22,625/- has been imposed. In another Reference Case No. 02 of 2020 vide order dated 11.10.2022, parties were ordered to cease and desist from indulging in practices in contravention of Section 3(3) of the Act.
