

**NATIONAL CONFERENCE  
ON  
ECONOMICS OF COMPETITION LAW  
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SPECIAL ADDRESS**

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**Dr N. K. Singh, Chairman, Fifteenth Finance,  
Commission**

**My colleagues in the Commission, Member Sangeeta Verma, and Member, B.S. Bishnoi, Officers of CCI, esteemed participants, friends from the Media, a very  
Good morning**

1. I welcome you all to the National Conference on Economics of Competition Law. Like the last five editions, the sixth edition of this Annual Event brings together researchers, senior economists, policymakers and practitioners of competition law on one platform to have a robust exchange of insights on various important facets of markets and antitrust. At the outset, my compliments to each one of you!

2. We meet at a time when a pandemic of an unprecedented scale has affected economies across the globe, including India. How to reignite the national growth engines amidst the uncertain and shaky global economic environment is a pressing question before policymakers. The recent forecasts have imbued optimism for an impending recovery.

The challenge now is not only to spur economic rebound, but also to ensure that the steps towards recovery do not irreversibly alter markets. It is important that competition principles be respected along the way.

3. In India, the direction of the government's economic reforms agenda is clear. The economic stimulus package has provided strong impetus to structural reforms in various crucial sectors of the Indian economy. We broke away from the system of controls in the early nineties and it is being progressively replaced with a regime where the role of the state is that of a facilitator and where the market is to take the lead and become an instrument of growth and *Aatmnirbhar*. It is therefore imperative that we have markets that are well-functioning, undergirded by healthy competition.

4. The Competition Act, 2002 is the centrepiece of the regulatory architecture governing markets in India. The Competition Commission of India, as the custodian of this law, has been striving to ensure that competition-impediments in markets across sectors in India are identified and remedied. On the enforcement front, the Commission has thus far reviewed 1118 antitrust information and 816 Combination notices. Interventions of the Commission are guided by analysis and reason. Economic analysis of evidence forms an integral part of the assessment. An economics-based approach guarantees that the statutory provisions do not unduly thwart pro-competitive

strategies. Another complementary goal that this approach serves is that it ensures that anti-competitive behaviour does not outwit legal provisions. Moreover, this assessment is not static. Rather, with markets changing and technologies emerging, antitrust enforcement is an evolving process informed by market developments and new economic insights, within the overarching statutory framework provided in the Act.

5. The goal of competitive markets cannot be achieved only through enforcement. Markets may be fraught with infirmities that may not always lend themselves to antitrust scrutiny within the statutory framework. Understanding markets across sectors, reaching out to stakeholders and identifying the structural and other competition-bottlenecks assumes particular importance. The Commission has therefore included Market Studies as an important constituent of its toolkit. With the element of stakeholder engagement prominently embedded in them, these Studies allow the Commission to gauge market developments, track evolving competition dynamics and understand incentive structures in different sectors. Besides industry stakeholders, we are engaging extensively with sector experts and academia for these market studies.

- Taking stock of the market studies undertaken by the Commission in the last one year, let me inform that, we have recently completed the Market Study on the **Telecom Sector** in India. The study has helped gather useful insights on key features of the telecom sector in India, and issues that may, directly or indirectly, have a bearing on

competition. The study findings indicate that the new business models in the telecom industry that are based on vertical convergence will necessitate the application of competition tools developed for multi-sided markets. The study also brings forth the aspect of data in the context of competition in digital communications market and the conflict between allowing access and protecting consumer privacy. It has also emerged from the study that privacy can be a parameter of non-price competition. Low privacy standard may imply reduction in consumer welfare. Lower data protection can also lead to the standard legal category of exclusionary behaviour, which undermines the competitive process. The anti-trust law framework is broad enough to address the exploitative and exclusionary behaviour arising out of privacy standards, of entities commanding market power.

- The Commission has also initiated a study of **common ownership** by institutional investors to gauge the trends and patterns of common investors across various sectors in India. This Study aims to understand the common Private Equity investors' underlying incentives and motivations behind such investments. We hope the Study would help us in identifying the kind of shareholding rights available to common shareholders, the type of influence these rights provide, and the available safeguards in companies' policies for mitigating competition concerns, if any.

- Another market study on the pharmaceutical sector is in progress. This Study intends to appreciate the factors that influence price competition in the sector, with particular focus on the emerging issues in distribution, branded-generics, entry of bio-equivalents and the regulation-competition interplay.

6. Government policies and legislations, formulated with certain stated objectives, may inadvertently and unintendingly restrict competition, erect entry barriers and distort level playing fields. The Commission has thus taken up the task of assessing policies, laws and regulations relating to different sectors of the economy from competition perspective. The objective is to identify unnecessary and obsolete restrictions as also to suggest pro-competitive reforms that would contribute to the nation's larger agenda of improving ease of doing business and propelling economic growth. We are building capacity within the Commission for competition assessment and involving Institutes of higher learning as partners in this process.

7. Another focus area of the Commission's work that I would like to highlight here is public procurement. Competitive procurement markets are fundamental to ensure that public money is well spent and fiscal space is created for greater public spending and infrastructure investment.

In countries such as ours, public procurement spending triggers a circular investment and income cycle in the economy that also propels job creation, innovation and economic growth. For private enterprises, public procurement is often a crucial component of their businesses, having a significant bearing on their scale of operation and competitiveness. Opening and levelling the playing field in procurement markets can allow opportunities for smaller entities, better ideas, and newer innovations. In view of this, the Commission introduced the State Resource Person Scheme last year whereby Resource Persons are engaged in each State to train State and PSU procurement officials, equip them with competitive tender design tools and competition assessment of bids and tender outcomes.

8. Before I conclude, let me also mention that the Commission intends to bring out a Journal on Competition Law and Policy. This is yet another attempt to stimulate research and scholarship on competition law and policy, particularly in the Indian market context.

9. With these words, I extend a warm welcome to the panellists, presenters, discussants and distinguished guests. It is our privilege to have Dr. N.K. Singh, Chairman, Fifteenth Finance Commission, as the Keynote Speaker today. A leading economist, academic and policymaker, Dr Singh has had a long and distinguished career as a member of the Indian Administrative Service and brings a wealth of national and international experience to fiscal policy leadership. We look forward to hear

him today. I wish the Conference all success! Thank you very much.