

WELCOME ADDRESS
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[Check against delivery]

Chair, International Competition Network, Shri Andreas Mundt,

Chairman, Competition Commission of India, Shri D.K. Sikri

Delegates from across the world who have arrived in New Delhi to attend the International Competition Network (ICN's) 17th Annual Conference in New Delhi;

Friends from print and electronic media;

Ladies and gentlemen;

- 1.** India's experiment with competition law began with Competition Act, 2002 founded on more than three decades experience of MRTP Act, 1969.
 - a) While piloting the 2002 Act, the Government of the Day, the one led by Prime Minister Shri Atal Bihari Vajpayee ji, duly acknowledged the relevance of this new legislation in the post liberalization era.
 - b) However, this was done while exercising certain amount of caution as the Competition Authority is an agent of economic facilitation and should refrain from policing role.
- 2.** Today, India is a bright spot in the global economy witnessing a steady and high 7 percent growth coupled with availability of plenty of skilled workforce. It is this promising bright future for India that is drawing the attention of global investors.
- 3.** Friends! Shri Narendra Modi Government in the last about 4 years has been able to transform the economy by undertaking a series of

measures with the motto of 'Perform, Reform and Transform.' It has focused on a series of institutional reforms, which would go a long way in the thickening of domestic markets.

Institutional Reforms

- 4.** Measures such as GST, bankruptcy code, and demonetisation have changed the business environment and ushered in more transparency and accountability.
- 5.** Demonetisation and GST have created conditions for greater formalisation and digitisation of the economy. Digital invoicing for GST will help ease movement of goods, services and capital across the country and will ensure more accurate matching of revenues and expenses across the entire supply chain. This is being made easier through a wide-ranging digital payments infrastructure.

5.1. Apart from these, GST allows competition to flourish by lifting the veil of protection that the incumbents enjoy from a fragmented tax system. Since the inception of GST last year, there has been a fifty per cent increase in the number of indirect taxpayers. Large increase in voluntary registrations, especially by small enterprises who buy from large enterprises and want to avail of input tax credits, is being reported. Traditionally, lack of formalisation had limited access to new markets and deterred the formation of business linkages that inhibited the ability of corporates to leverage and grow. But all that will be a thing of the past now.

- 6.** The Insolvency and Bankruptcy Code has put in place the much-sought legal framework for speedier, transparent and efficient resolution of corporate insolvencies replacing the erstwhile stringent, archaic and time consuming exit regulations.

6.1. The IBC provides entrepreneurs an opportunity to quickly liquidate loss making ventures and re-invest the recovered

credit in new ventures, which they can manage more successfully in future. The IBC will ensure greater flow of credit to the capital market.

7. These reforms have helped India move from 142nd to 100th position in the World Bank's 'Ease of Doing Business' rankings. These moves will help in laying the foundation for a cleaner economic organisation of the nation. With the economy becoming more dynamic, legacy issues that had tempered competition will slowly fade away, providing a much larger canvas for the instrumentality of competition law.

The Indian Competition Law

8. Friends! The role of well-functioning markets in achieving development goals has been recognized in the development literature as well.

'When government policies limit competition, more efficient companies can't replace less efficient ones. Economic growth slows and nations remain underdeveloped.'

It is in this context that the instrumentality of the Competition Law of India must be understood.

Globalisation of Competition Law

9. Friends! The architecture of the Indian Competition Law, not only avoids an inconsistent application of the law but also aligns with global antitrust practices, and integrates seamlessly with a globalized law enforcement regime.
10. While competition laws around the world differ in language, provisions, and interpretation, they reflect a large degree of consensus on what competition law is set to achieve. The fact that competition laws draw their core analytical framework from the same source and, as a result, speak an increasingly similar language,

however does not imply a tension-free international landscape of competition enforcement.

11. The regulatory framework controlling trade and market competition are influenced largely by national governments and hence result in conflicting outcomes. This has triggered the need for the authorities to cooperate with their international counterparts in order to reduce the risk of diverging assessments and asymmetry of information in parallel procedures.

International Cooperation

12. Friends! Effective cooperation between nation-states to implement competition laws in letter and spirit is becoming essential to overcome the challenges faced in issues such as cross-border investigations and mergers while confronting different legal systems, differing evidence collection mechanism and also when implementing leniency and immunity programmes.
13. There is a growing need to follow a phased, flexible and planned approach of global antitrust co-operation at various levels extending from administrative issues to investigatory assistance based on positive comity. I hope that constant dialogue and negotiations would lead to evolution of global antitrust standards.

Role of ICN

14. Friends! In the few years of working of our Competition law, India has been actively pursuing the idea of international cooperation and has already signed seven MoUs.
15. India is also an active participant in international competition law seminars, workshops and deliberations. In this direction, organisations like ICN, OECD and UNCTAD can play an important role.

16. Specifically, I am told that the role of ICN has been very positive in promoting international antitrust cooperation. As the only dedicated international body on competition law, it is contributing towards building a sound framework for cooperation, facilitated by dialogues and bilateral discussions between antitrust agencies on this platform.
17. Friends! It is a matter of great pride for me that the Indian competition authority is hosting the 17th ICN conference in Delhi. This event is an affirmation of India's place in the global economic order.
18. It is now time that the naysayers of globalisation realise that the flow of globalization is irreversible despite the recent populist backlash and resurgence of protectionism. The World must come together to buck this trend and India's stand in terms of its preference for a multi-polar world, is abundantly clear. We are also clear that the soft international architecture in the area of competition law and policy will have to muddle with this multi-polar reality. Multi-polarity and legal pluralism will predictably form essential features of the global governance of antitrust.
19. Friends! I sincerely hope that the deliberations at this ICN will provide a fillip to approaches and mechanisms for greater global governance of antitrust. In the absence of an ideological consensus, this may not and perhaps, need not necessarily take the form of policy convergence. But it must promote collective exchange of ideas among various competition authorities.
20. With these words, I wish the Competition Commission of India and the delegates who have travelled thousands of miles to come to Delhi all the very best for this conference and wish the three day conference deliberations to be fruitful.

Thank you! Jay Hind!