

**Competition Law Compliance** | • **Advisory**  
• **Capacity Building**

# CUTS Institute for Regulation and Competition

“We at CIRC can enhance your Competitive Edge and Legal Advantage - as we understand your business and legal boundaries of the game”

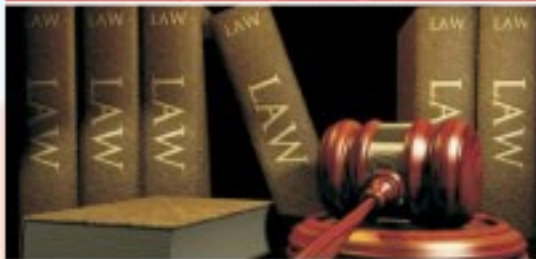
## The new competition law regime and the need for compliance

Competition law fosters competition through checking anti-competitive conducts and requires every market player to remain compliant. Violation of the provisions of the competition law can attract substantial financial penalties and may erode valuable brand equity. Under the present scheme of the Competition Act, 2002 (as amended in 2007) (the Act), the Competition Commission of India (CCI) can impose penalties and take remedial actions. The powers of CCI includes declaring an anti-competitive agreement void, imposing penalties three times of profits or ten percent of the turnover of an enterprise in case of cartels, and penalties of upto ten percent of the turnover of an enterprise in respect of abuse of dominance cases. Additionally, CCI can also impose civil imprisonment in case of non-compliance with its orders. Employees and companies can be held liable under the Act. In view of stringent penalties it is important that enterprises adopt business practices that are pro-competitive and compliant with the Act.



## What is CIRC?

CIRC has been established with the objective of filling the prevailing gaps and enhancing knowledge on competition and regulatory issues of the stakeholders. In view of the severe capacity gaps in the area CIRC has been mandated to provide research based capacity building solutions and offer relevant advisory to regulators, industry and other participants in the market process. At CIRC we understand the competitive processes across business sectors and the context of strategic decision making. With a robust research base on competition law, CIRC is uniquely positioned in providing both economic and legal support to the clients across industries (big and small) and professions. We help you optimize opportunities, limit risks, and resolve any competition and trade regulation issue.



“Pre-emptive compliance is the best way forward.”



**W**“We are your complete resource center – a one stop shop for all your competition, regulatory, and compliance needs.”

### **What do we offer?**

Professionals at CIRC practice various facets of competition advisory – regulatory, legal, and economic. We offer our clients an extensive range of competition law related services which include specific competition advisory, competition compliance audits, and training workshops to build in-house competencies. These services help companies limit the risks related to non-compliance.

While formulating the inorganic growth plans of your organization (mergers and acquisitions), we help in planning best structures to withstand competition law challenges. In addition to providing in-house legal assistance we can direct you to the best and most professional legal experts in the field of competition law.

### **Bouquet of services**

Like the process of competition, the nature of competition law is dynamic. Therefore, the analysis of an anti-competitive conduct is highly case specific and sometimes complex. Whether it is a complex structuring of a merger, a rebate scheme, or a distribution agreement, it may be seen as anti-competitive in one setting and not in another. This situational analysis makes it critical that the advisors/legal counsels understand your industry and business specific needs, which the professionals at CIRC are fully aware of. Our advisory reflects our extensive research on the subject. We keep full track of events and investigations happening in India and other jurisdictions.

We at CIRC believe that pre-emptive compliance is the best corporate strategy. CIRC advises clients on how to reach their business objectives while avoiding strategies, actions and situations that may lead to anti-competitive conducts and result in pecuniary penalty.



### **Competition advisory**

As the penalties under the Act are substantial, it is important that enterprises, big or small, seek legal assistance early on in their distribution, marketing and strategic growth plans. Accordingly, as part of our practice we advise on the competition risks presented by various business strategies and activities. We work to help clients understand the importance of competition issues across business operations. We at CIRC, offer assistance in structuring business agreements, transactions, and practices and keep an eye on the issues that might raise competition concerns relating to price fixing, market allocation, group boycott, resale price maintenance, tying arrangements, price discrimination, joint ventures and deceptive advertising etc.

### **Competition compliance audits**

We conduct competition compliance audits customized to the needs of individual clients. These audits are designed to cover all market facing decisions in view of the competition concerns covered by the Act. Due care is taken to suitably incorporate industry specific competitive processes, value chains and business models adopted by a company. As part of the audit, various agreements and conducts relating to production, marketing, finances etc. adopted by the company are reviewed. Each audit results in actionable ways and means to remain compliant. We assist companies in conducting internal investigations to uncover any non-compliant conduct on the part of individual employees and help them limit their civil and criminal exposure.

### **Building in-house competencies**

Since ignorance of provisions of the Act does not provide any leniency, it is essential for companies to train their business executives and make them aware about the rules of the game. Awareness of law is equally important for legal and non legal staff like marketing, sales, purchasing, finance, and compliance officers.

Training of legal staff is essential to ensure competition compliance in critical business transactions and contracts. Training of non legal staff has twin advantages: (a) embedding competition law sensitivity across functional departments, and (b) raising alerts about anti-competitive practices undertaken by other market players.

We conduct corporate training workshops aimed at better compliance that are tailor made to the needs of individual clients. CIRC training programmes provide specific and actionable checklists on different functional areas so as to ensure competitive advantage. A training workshop typically provides an overview of the Act, vertical and horizontal agreements including cartels, issues relating to abuse of dominance such as price fixing, customer sharing, regulation of substantial market power. Participants are provided with pointers for drafting documents and corporate communications, meaningfully engaging in investigation procedure and understanding sanctions and remedies. As a part of the training workshop we provide participants with resource material which has been written, edited and reviewed by experienced competition lawyers and economists.

**Contact us at:**

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