

### THE COMPETITION (AMENDMENT) BILL 2022: LOK SABHA APPROVES COMPETITION LAW TWEAKS

#### Why in News?

- The Lok Sabha recently cleared the Competition (Amendment) Bill, 2022.
- The Bill aims at bringing in greater regulation - particularly for Big Tech firms - by introducing deal value threshold for approvals by the Competition Commission of India (CCI) and enabling cartels to avail of the CCI's settlement mechanism.

#### What is the Competition (Amendment) Bill, 2022?

- It was introduced by the Ministry of Finance to amend the Competition Act, 2002 to bring it in line with modern development of new technology, **digital market**.
- The 2002 Act establishes the **Competition Commission of India (CCI)** for regulating market competition.
- Later, the Bill was referred to the **Parliamentary Standing Committee on Finance** for further scrutiny.

#### What are the Key Features of the 2022 Bill?



- **Expansion of scope of the combinations** (mergers, acquisitions, or amalgamation of enterprises) to include transactions with a value above Rs. 2000 crores (from Rs. 2000 crores earlier).
- **Reduction in the time period for approval of combinations** from 210 days to 150 days.
- **Modification in the definition of control** for the purpose of classification of combinations.
- The Bill modifies the definition of control as the **ability to exercise material influence** over the management, affairs or strategic commercial decisions.
- **Expansion of the scope of Anti-competitive agreements.**

- Under the Act, anti-competitive agreements include any agreement related to production, supply, storage or control of goods/services, which can cause an appreciable adverse effect on competition in India.
- The Bill adds that enterprises or persons **not engaged in identical or similar businesses** shall be presumed to be part of such agreements.
- **Settlement and Commitment in anti-competitive proceedings.**
- The Bill permits CCI to close inquiry proceedings if the enterprise offers - settlement (may involve payment), commitments (may be structural or behavioural in nature).
- The manner and implementation of settlement and commitment may be specified by CCI through regulations.
- **More scrutiny on Big Tech giants:**
- As per the Bill, CCI members have to be **qualified in the field of technology** to add investigative strength and professional knowledge of the regulator.
- The Bill also seeks to introduce **knowledge and experience in the field of technology** as additional criteria for the members of the selection committee.

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## [WHY 2020-2030 HAS THE MAKINGS OF A LOST DECADE FOR THE GLOBAL ECONOMY](#)

### Why in News?

- The **World Bank**, recently, published a report titled “Falling Long-Term Growth Prospects: Trends, Expectations, and Policies”.
- The report offers the first **comprehensive assessment of long-term potential output growth rates** in the aftermath of the COVID-19 Pandemic and the Russian invasion of Ukraine.

### Key Highlights of the Report:

- The report “**Falling Long-Term Growth Prospects: Trends, Expectations, and Policies**” is published by the **World Bank**.
- The report uses a comprehensive database of multiple measures of potential growth.

- It examines trends in potential growth and its drivers, global and regional prospects for potential growth and investment over the 2020s, and a range of policy options to lift potential growth.
- **It documents three major findings –**
  - **First**, there has been a protracted, broad-based decline in potential growth and its underlying drivers.
    - Major adverse shocks also reduce potential growth by leaving a lasting impact on these drivers.
  - **Second**, the slowdown in potential growth is expected to persist for the rest of this decade.
  - **Third**, while they are significant challenges confronting **emerging market and developing economies (EMDEs)**, they are not insurmountable.
    - It is possible to reverse the slowdown in potential growth and chart a sustained, sustainable, and inclusive growth path by implementing ambitious, broad-based and forceful policies at the national and global levels.

### Reasons for the Slowdown:

- The biggest reason for the slowdown is that the EMDEs are in the midst of a prolonged period of weakness.
- The following table shows a broad-based decline over the past two decades whether a country belongs to EMDEs or the middle-income countries (MICs) or the low-income countries (LICs).

**TABLE A.1 Actual GDP growth (percent)**

Country group	Period	Growth	Country group	Period	Growth	Country group	Period	Growth
EMDEs	2000-10	6.0	EMDEs	2000-09	5.9	EMDEs	2000-08	6.3
	2011-21	4.4		2010-19	5.1		2011-19	4.9
	2022-24	3.6		2022-24	3.6		2022-24	3.6
MICs	2000-10	6.3	MICs	2000-09	6.1	MICs	2000-08	6.5
	2011-21	4.6		2010-19	5.3		2011-19	5.0
	2022-24	3.6		2022-24	3.6		2022-24	3.6
LICs	2000-10	6.0	LICs	2000-09	5.9	LICs	2000-08	6.0
	2011-21	4.8		2010-19	5.4		2011-19	5.2
	2022-24	4.9		2022-24	4.9		2022-24	4.9

Source: World Bank.

- **The World Bank has looked at a whole set of fundamental drivers that determine economic growth and found that all of them have been losing power.**

- These fundamental drivers include things like –
  - Capital accumulation (through investment growth),
  - Labour force growth, and
  - Growth of total factor productivity (which is the part of economic growth that results from more efficient use of inputs and which is often the result of technological changes) etc.
- Not surprisingly then, the **potential growth rate is expected to decelerate further.**

### Observations about India:

- Even though India has also lost its growth momentum over the past two decades, it is and **will likely remain a global leader when it comes to growth rates.**
  - India falls under the **South Asia Region (SAR)**, which is expected to be fastest growing among emerging market and developing economies for the remainder of this decade.
  - To be sure, **India accounts for three-fourths of the SAR output.**
    - SAR includes countries like Afghanistan, Pakistan, Sri Lanka, Nepal and Bangladesh etc.
  - Economic activity in the SAR rebounded strongly from the recession caused by the COVID-19 pandemic, **expanding by 7.9 percent in 2021.**
  - Output in the region is on track to grow by about 6.0 percent a year between 2022 and 2030, faster than the 2010s annual average of 5.5 percent.
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## [NCLAT UPHOLDS CCI'S ORDER AGAINST GOOGLE IN ANDROID ANTITRUST CASE](#)

### Why in news?

- The National Company Law Appellate Tribunal (NCLAT) partially upheld Competition Commission of India's (CCI) Android dominance order against Google.
  - CCI is a statutory body established in March 2009 under the Competition Act, 2002 with an aim to eliminate practices having adverse effect on competition.

### National Company Law Appellate Tribunal (NCLAT)

#### What is National Company Law Appellate Tribunal (NCLAT)?

- **About**
  - NCLAT is a quasi-judicial body in India that was established under the Companies Act, 2013 to hear appeals against the orders passed by the National Company Law Tribunal (NCLT).
  - Established in 2016, it is headquartered in New Delhi.
  - It is an appellate authority that hears appeals against the orders passed by the NCLT.
  - It is the second-highest forum for company law cases in India after the Supreme Court.

- The decisions of the NCLAT are final and binding on the parties involved, and the orders passed by the NCLAT can be challenged only in the Supreme Court of India.

- **Functions**

- The NCLAT is empowered to hear appeals against orders passed by the NCLT related to insolvency and bankruptcy, merger and acquisition, and company law matters.
- It is also the Appellate Tribunal for order passed by the Competition Commission of India (CCI) as well for orders of the National Financial Reporting Authority.

- **Composition**

- The NCLAT is headed by a Chairperson and consists of judicial and technical members who are appointed by the Central Government.

## **Background of the case**

### **What is the background of the present case?**

- In 2018, Android users moved the competition watchdog (CCI) alleging that Google was abusing its dominant position in the mobile operating system-related market.
- The CCI subsequently ordered an investigation by the director general (DG) of its investigative arm into this matter.
- In 2019, the CCI expressed a prima facie opinion that current practices followed by Google amounted to the imposition of unfair conditions on device manufacturers.
- In October 2022, based on the report of DG, the commission imposed a penalty of Rs 1,337.76 crore on Google.
- This was the second time that the tech giant has been fined by the CCI.
- In 2018, it had imposed a fine of Rs 136 crore on Google for unfair business practices in the Indian market for online search.
- This ruling was challenged before the NCLAT.

### **Why CCI had fined Google?**

- CCI said that Google used its dominant position to make it mandatory that original equipment manufacturers (OEMs) pre-install its entire Google Mobile Suite on their phones and place them prominently.

- The Mobile Suite includes Search, Chrome, YouTube, Google Play store, Maps, and Photos, among others.
- The CCI found that this mandate amounts to imposition of unfair conditions on the device manufacturers.
- Hence, it was in contravention of the provisions of the Competition Act, 2002.
- As per the provisions of this act, there shall be an abuse of dominant position if an enterprise directly or indirectly, imposes unfair or discriminatory condition in purchase or sale of goods or services.

### How CCI wanted Google to change?

- Apart from imposing monetary penalty, the commission has issued cease and desist orders against Google from indulging in the found anti-competitive practices.
- It also says that OEMs should not be mandated to choose Google's proprietary applications and services to be pre-installed and placed as Google says.
- It is also told to not restrict uninstalling of its pre-installed apps by the users.
- The Commission also said that Google will have to allow users to choose their default search engine during the initial device setup.

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### WHAT IS THE GLOBAL WIND ENERGY COUNCIL (GWEC)

**The Global Wind Energy Council (GWEC), in its latest report, said that India can emerge as a major player in the wind energy sector if facilitative policy measures are put in place.**



#### About Global Wind Energy Council (GWEC):

- It is a **member-based trade association** that represents the **entire wind energy sector**.
- It was **established in 2005** to provide a credible and representative forum for the **entire wind energy sector** at an international level.
- The members of GWEC represent **over 1,500 companies, organisations and institutions in more than 80 countries**, including manufacturers, developers, component suppliers, research

institutes, national wind and renewables associations, electricity providers, and finance and insurance companies.

- **Headquarters: Brussels, Belgium.**
  - **Mission:** To promote the **development and deployment of wind power as a sustainable and cost-effective source of energy.**
  - The GWEC **conducts research, provides market intelligence,** and advocates for policies that support the growth of wind energy.
  - It also **organizes events and conferences** to bring together stakeholders from around the world to discuss key issues in the industry.
  - **Reports published: Global Wind Report**
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## WHAT IS KANGRA TEA?

Kangra Tea from Himachal Pradesh was recently granted the European Geographical Indication (GI) tag.



### About Kangra Tea:

- It is a type of tea produced in the **Kangra district of Himachal Pradesh.**
  - It is a **high-quality tea** that is known for its **unique flavour, aroma, and colour.**
  - It is **made from the leaves, buds, and tender stems of the Camellia sinensis species** cultivated in the Kangra valley.
  - **Black tea and green tea** have **both been cultivated** in the Kangra Valley.
  - **In India,** Kangra tea received the **Geographical Indication (GI) designation in 2005.**
  - **Features:**
    - Kangra tea **leaves are narrow** and have a **multi-stemmed frame.**
    - **Green tea** has a **subtle woody aroma,** while **black tea** has a **sweet, lasting aftertaste.**
    - It has a **light colour** and a **high body in liquor.**
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## HIGHER EDUCATION FINANCING AGENCY (HEFA)

Recently, a Parliamentary panel has asked the Ministry of Education to make more efforts to ensure the “speedy disbursement” of sanctioned loans by the Higher Education Financing Agency (HEFA).



### About Higher Education Financing Agency:

- Higher Education Financing Agency provides financial assistance for the creation of **capital assets in premier educational institutions** in India.
- It is registered under **Section 8** as a **Not-for-profit under the Companies Act 2013** as a Union Govt company and as Non-deposit-taking Systemically Important (NBFC-ND-SI) with RBI.
- It was established on 31st May 2017 and is a **joint venture of the Ministry of Education, GoI and Canara Bank** with agreed equity participation in the ratio of 90.91% and 09.09% respectively
- **What are the objectives?** The main aim of HEFA is for the development of India’s top-ranked institutions like IITs, IIITs, NITs, IISCs, and AIIMS into globally top-ranking institutions through **improvement in their academic and infrastructure quality**.
- It is particularly interested in financing the building of educational infrastructure, and R&D infrastructure and thereby enabling the institutions to reach top rankings globally.

## SECOND SUMMIT FOR DEMOCRACY

### Why in news?

- US President Biden co-hosted the second Summit for Democracy with the governments of Costa Rica, the Netherlands, Korea, and Zambia.
- India was also an invitee to the summit. PM Modi virtually addressed the Summit.

### Summit for Democracy

### Background

- On December 9-10, 2021, US President Biden hosted the first Summit for Democracy.





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- This summit brought together leaders all over the world to set forth an affirmative agenda for democratic renewal and to tackle the greatest threats faced by democracies today through collective action.

## **Aim**

- The summit aims to show how open, rights-respecting societies can work together to effectively tackle the challenges of our time such as the COVID-19 pandemic, the climate crisis, and inequality.

## **Principal themes**

- The Summit is centered around three principal themes:
  - Defending against authoritarianism
  - Addressing and fighting corruption
  - Advancing respect for human rights

## **Criticism of this summit**

- **Questions over some invitees' democratic credentials**
  - The first summit extended invitation to those countries whose leaders are accused by human rights groups of harboring authoritarian tendencies.
    - Eg., The Philippines, Poland and Brazil.
- **Invitation of Taiwan angered China**
  - The first summit included Taiwan, stoking anger from China, which considers the democratically governed island part of its territory.
- **W- eaponsing democracy**
  - Russia and China accused Washington if “w- eaponsing democracy”.
    - They accused the Biden administration of exhibiting a Cold-War mentality.
    - This will stoke up ideological confrontation and a rift in the world.
  - They said that US is lecturing the world when its own democracy, particularly the conduct of elections at home, is ragged and inconsistent.
- **Summit was ill-advised**
  - Many analysts believe that the summit was ill-advised as:
    - US needs non-democracies to work with on regional & global challenges;



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- invite list filled with inconsistencies;
- US is not in a position to preach or provide model.

## News Summary: Second Summit for Democracy

- The second Summit for Democracy was co-hosted by the U.S., Costa Rica, the Netherlands, South Korea and Zambia.
  - 121 leaders across the world were invited to the three-day Summit.
    - India, Nepal and Maldives were invited while Bhutan, Bangladesh and Sri Lanka did not get the invitation.
    - Pakistan, which was invited, declined to attend for the second time, ostensibly due to the exclusion of China.
  - The text for Summit for Democracy Declaration was finalised and is left open to be endorsed by the participating leaders.
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