# COMPETITION COMMISSION OF INDIA AND ITS TUMULTUOUS RELATIONSHIP WITH THE PRINCIPLES OF NATURAL JUSTICE

-Manish Singh\* & Divya Swamy\*\*

**bstract**—The heavy penalties imposed by the Competition Commission of India have not led to the collection of those penalties. The low rate of recovery stems from the Appellate Courts over-turning the CCI's orders on penalty. This could be attributed to arbitrariness in the imposition of penalties. This has led to the reversal of many orders passed by the Competition Commission of India. Primarily, these reversals have been rooted in the observation of departure from principles of natural justice in CCI orders. This paper attempts to analyse the nature and scope of discretion granted to the Competition Commission of India in adhering to the principles of natural justice. It attempts to study the applicability of the well-established standards of natural justice in orders passed by the Competition authorities. While analysing the ambit of natural justice in landmark competition cases that have been set aside by the Tribunal, an attempt shall be made to understand the limitations of the Commission in applying the principles of natural justice keeping in view the role of the competition regulator as a quasi-judicial body.

**Keywords:** Competition Commission, Natural Justice, Administrative Inquiry, Competition Appellate Tribunal, COMPAT.

<sup>\*</sup> PhD & Professor (Law), Dr. Ram Manohar Lohiya National Law University, Lucknow <manishsinghlu@gmail.com>.

<sup>\*\*</sup> Research Scholar (Law), Department of Legal Studies, Dr. Ram Manohar Lohiya National Law University, Lucknow.

## I. INTRODUCTION

For over a decade, the Competition Commission of India (hereinafter referred to as 'CCI') has been imposing heavy penalties on parties in contravention of competition provisions. However, the massive penalties imposed by the Commission have not translated into revenue for the Consolidated Fund of India.<sup>1</sup> In its annual report 2015-2016, the CCI acknowledged the small amount of penalty realised by it. Of the Rs13,981 crore imposed by it between 2011-12 and 2015-16, it only realized Rs 95 crore till 31 March 2016.<sup>2</sup> Till 2018 October, CCI had recovered only 0.3% of the penalties that it imposed. The answer seems to be arbitrariness in the penalties.<sup>3</sup> This has led to the reversal of many orders passed by the CCI. Primarily, this reversal has been rooted in the Appellate Court's observation of departure from principles of natural justice in CCI orders.

The rules of natural justice have developed in a manner that the extent of grant of natural justice is often considered as a proper measure of the level of civilization and Rule of Law existing in a society at any given point in time.<sup>4</sup> The rules of natural justice intend to embody fairness, reasonableness, equity and equality in the process of securing justice.<sup>5</sup> A corollary of the principle implies that it prevents the miscarriage of justice.<sup>6</sup> The principles of fairness and transparency are also recognised as a rule of law in the Constitution of India.<sup>7</sup>

While describing the power of the CCI to regulate its own procedure, Section 36 of the Competition Act, 2002, specifically provides that while discharging its functions, the Commission shall be guided by the principles of natural justice.<sup>8</sup> Thus, the CCI is not bound by the procedure laid down by Code of Civil Procedure, 1908 strictly.<sup>9</sup> However, this operates as a mechanism of self-regulation. The CCI is expected to adhere to the principles of natural justice to make the orders legally sound.

<sup>&</sup>lt;sup>1</sup> S. Murlidharan, *Why CCI's Massive Penalties are Yielding nothing for the Exchequer*, CNBC TV18, Feb. 3, 2022 6:13:50 PM IST, https://www.cnbctv18.com/business/companies/view-why-ccis-massive-penalties-are-yielding-nothing-for-the-exchequer-12351402.htm (last visited on March 10, 2023).

<sup>&</sup>lt;sup>2</sup> Shreeja Sen & Kritika Singh, CCI's Recovery of Penalties may be Higher with a Newer Definition of Dues, MINT Jan.18, 2017 11:57 AM IST, https://www.livemint.com/Politics/ TMaSzJCGzd8Bg0XfNbiVaL/CCIs-recovery-of-penalties-may-be-higher-with-a-newer-defin. html (last visited on March 10, 2023).

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> K.I. Shephard v. Union of India, (1987) 4 SCC 431 (India).

<sup>&</sup>lt;sup>5</sup> Edward J. Sullivan, *The Missing Link: Fairness, British Natural Justice, and American Planning and Administrative Law,* 11(1) THE URB. LAW. 75, (1979).

<sup>&</sup>lt;sup>6</sup> Justice Brijesh Kumar, Principles of Natural Justice, First Year (3) J.T.R.I. JOU. (1995).

<sup>&</sup>lt;sup>7</sup> INDIA CONST. art. 140.

<sup>&</sup>lt;sup>8</sup> Competition Act, 2002, §36(1), No. 12, Acts of Parliament, 2003 (India).

<sup>&</sup>lt;sup>9</sup> Akash Choubey & Saurabh Mishra, Competition Law: Glancing Back, Looking Ahead, 17 P.L. WEB. JOUR. (2004).

#### 76 COMPETITION COMMISSION OF INDIA

Since the Act also vests the Director General with certain powers<sup>10</sup> of the Civil Courts under the Code of Civil Procedure, 1908 and powers of Inspector relating to production of documents and evidence and seizure of documents under the Companies Act, 1956, it is relevant to note that neither the Act, nor the Competition Regulations specifically mention that the DG is obligated to adhere to the principles of natural justice. However, the Competition Appellate Tribunal has opined that the principles of natural justice must be followed in real and not illusory terms even at the prima facie stage of the case.<sup>11</sup>

Significantly, the CCI is also a participant of the International Framework on Competition Agency Procedures (CAP).<sup>12</sup> The CAP is aimed at advancing basic fairness principles among all competition authorities and to promote more transparency and procedural fairness so as "to advocate the adoption of superior standards and procedures in competition policy around the world."

The main features that are to be observed by the agencies are, non-discrimination, confidentiality and transparency, no conflict of interest, adequate opportunity to defence, representation by counsel, independent review and written decisions.<sup>13</sup>

It is also a well-established legal principle that the essential requirement of natural justice is reasonable opportunity to the person charged and this entails (a) a reasonable notice; (b) an adequate notice; (c) a fair consideration of the explanation; and (d) passing of a speaking order.<sup>14</sup> Any departure from these rules leads to challenges to the discretionary powers of the CCI and the same not only delays the process of justice delivery, but often also vitiates it.

### **II. PRINCIPLES OF NATURAL JUSTICE**

The principle of natural justice is applicable to both, administrative authorities or quasi-judicial authority.<sup>15</sup> However, even though the administrative authority need not provide reasons like a Court passing a judgment, but the order must be accompanied by the rationale of such order. What constitutes natural justice may differ depending upon the facts of the case, and the provisions of the law applicable.<sup>16</sup>

<sup>&</sup>lt;sup>10</sup> Competition Act, 2002, §36(4), No. 12, Acts of Parliament, 2003 (India).

<sup>&</sup>lt;sup>11</sup> Jindal Steel & Power Ltd v. SAIL, 2011 SCC OnLine CCI 85 (Competition Commission of India).

<sup>&</sup>lt;sup>12</sup> https://competitioncooperation.eu/wp-content/uploads/2020/01/Session-III-Fairness-and-transparency-in-competition-agency-proceedings-practical-steps-PANDEY-SULTANPURI-CCI.pdf.

<sup>&</sup>lt;sup>13</sup> *Ibid*.

<sup>&</sup>lt;sup>14</sup> SAIL v. Jindal Steel and Power Ltd., 2010 SCC OnLine Comp AT 5: 2010 Comp LR 22 (Comp AT); CCI v. SAIL, (2010) 10 SCC 744.

<sup>&</sup>lt;sup>15</sup> David J. Mullan, Natural Justice and Fairness- Substantive as well as Procedural Standards for the Review of Administrative Decision-Making?, 17 REVUE DE DROIT DE MCGILL, 250 (1982).

<sup>&</sup>lt;sup>16</sup> Lawrence B. Solum, *Natural Justice*, Natural Law Lecture 2006, 51(1) Am. J. JURIS. 65 (2006).

The principle of natural justice has twin ingredients.<sup>17</sup> The first rule is *nemo judex in causa sua* or *nemo debetesse judex in propria causa* that is, 'no man shall be a judge in his own cause'.<sup>18</sup> The second rule is *audi alteram partem* that is, 'hear the other side'.<sup>19</sup> A corollary of this rule has also been deduced which states *qui alliquidstatueritparteinaudita altera, aequum licet dixerit, haud aequumfecerit*, that is, 'he who shall decide anything without the other side having been heard, although he may have said what is right, will not have done what is right'.<sup>20</sup> This also implies that justice should not only be done but should manifestly be seen to be done. Failure to give reasons amounts to denial of justice.<sup>21</sup>

The administrative principle of natural justice entails that if an order is passed in violation or in abhorrence of any of these principles, it shall vitiate such an order completely<sup>22</sup>. It is significant, however, that principles of natural justice are not a codified concept but constituted by well-defined principles laid down by the Courts. The idea of incorporating these principles while exercising decision making power is to 'be fair and free of arbitrariness.'<sup>23</sup> It has been considered as an essential for 'the requirements of substantial Justice'<sup>24</sup>, or as 'the substantial requirement of justice'<sup>25</sup>. It is 'the natural sense of what is right and wrong'<sup>26</sup> and may also be considered as 'fundamental justice'<sup>27</sup>. In England it was equated with 'fair play of action'<sup>28</sup> while in India it was considered as 'a duty to act fairly'<sup>29</sup>. In fact, the major concern of these principles relates to the purpose of striking a suitable balance between the bestowing of wide discretionary power and the mechanism of controlling its exercise.<sup>30</sup>

### **III. APPLICATION IN COMPETITION LAW CASES**

The CCI cannot be exempted from following the same standard of natural justice principles as other courts, since there can be 'no distinction between a

- <sup>24</sup> James Dunbar Smith v. R., (1877-78) 3 AC 614.
- <sup>25</sup> Arthur John Spackman v. Plumstead District Board of Works, [LR] 10 App Cas 229.
- <sup>26</sup> Vionet v. Barrett, (1885) 55 LJRD 39.
- <sup>27</sup> Hopkins v. Smethwick Local Board of Health, (1890) 24 QBD 712.
- <sup>28</sup> Ridge v. Baldwin, (1963) 1 QB 539: (1962) 2 WLR 716.
- <sup>29</sup> Maneka Gandhi v. Union of India, (1978) 1 SCC 248: (1978) 2 SCR 621.
- <sup>30</sup> Md. Jobair Alam & Md. Abu Sayeed, *The Role of Natural Justice in Regulating the Exercise of Administrative Discretion: A Critical Reflection*, 23(2) DHAKA UNI. L. JOU. 173, (2012).

<sup>&</sup>lt;sup>17</sup> CCI v. SAIL, (2010) 10 SCC 744.

<sup>&</sup>lt;sup>18</sup> M.C. Okany, The Application of Audi Alteram Partem Rule with Particular Reference to Public Service Contracts of Employment, 13 NIGERIAN L.J., 42 (1986).

<sup>&</sup>lt;sup>19</sup> *Ibid*.

<sup>&</sup>lt;sup>20</sup> Dr. Justice B.S. Chauhan, *The Art of Hearing*, NATIONAL JUDICIAL ACADEMY, https://nja.gov. in/Concluded\_Programmes/2018-19/P-1110\_PPTs/5.Art%20of%20Hearing.pdf (last visited on March 16, 2023)

<sup>&</sup>lt;sup>21</sup> Alexander Machinery (Dudley) Ltd. v. Crabtree, 1974 LCR 120 (NIRC).

<sup>&</sup>lt;sup>22</sup> David J. Mullan, *Natural Justice and Fairness- Substantive as well as Procedural Standards* for the Review of Administrative Decision-Making?, 17 REVUE DE DROIT DE McGILL, 250 (1982).

<sup>&</sup>lt;sup>23</sup> Union of India v. Tulsiram Patel, (1985) 2 SCC 398: AIR 1985 SC 1416.

quasi-judicial function and an administrative function<sup>31</sup> If one were to analyse the decision-making role of a body it will be evident that an unjust decision in administrative inquiry may lead to consequences similar to, if not graver than a decision in a quasi-judicial inquiry<sup>32</sup>. Moreover, since the CCI has civil jurisdiction<sup>33</sup> in anti-competitive cases, it must adhere to the rules of natural justice as in any other administrative inquiry which have civil consequences. The COMPAT has been dissolved and competition appeals of cases decided in the CCI are now being filed before the National Company Law Appellate Tribunal (NCLAT) since 26.05.2017.

The irony is that it is the flexibility associated with principles of natural justice, which makes it unique and more difficult to adhere to. Whenever a contravention of the principles is brought before a court or Tribunal the burden is to decide 'whether the observance of that rule was necessary for a just decision on the facts of that case'<sup>34</sup>. It is also significant to note that in administrative action, which entails civil consequences, the principles of natural justice should be adhered to but while dealing with issues relating to the violation of principles of natural justice, the extent to which such principles should apply must be a consideration. The application of the principles would, therefore, depend upon the 'nature of the duty to be performed by the authority under the statute'<sup>35</sup>.

The principle of natural justice was earlier applied with some limitations to the field of administrative law, but with the development of law, it was expanded to include the right to notice and requirement of reasoned orders, upon due application of mind in addition to the right of hearing.<sup>36</sup> The faith of people in the administrative tribunals can be sustained only if tribunals act fairly and dispose of matters before them through well-considered orders.<sup>37</sup> In the context of the MRTP Act, 1969, the apex Court observed that good reasons in support of its decisions are imperative, instead of mere conclusions.<sup>38</sup>

The Competition Appellate Tribunal (COMPAT) addressed the issue of whether the appellant had a reasonable opportunity to present its case.<sup>39</sup> While there is no requirement of the CCI to invite parties to present their case before

<sup>&</sup>lt;sup>31</sup> E.P. Royappa v. State of T.N., (1974) 4 SCC 3: (1974) 2 SCR 348.

<sup>&</sup>lt;sup>32</sup> A.R. Vining & D.C. McPhillips, New Developments in Natural Justice: Their Application to Tenure Decisions, 27 McGill L. Jou. 331, (1982).

<sup>&</sup>lt;sup>33</sup> Manas Kumar Chaudhuri, MRTP Act to Competition Act: The Way Forward, 41(2) VIKALPA 170, (2016).

<sup>&</sup>lt;sup>34</sup> A.K. Kraipak v. Union of India, (1969) 2 SCC 262: (1970) 1 SCR 457.

<sup>&</sup>lt;sup>35</sup> Raj Restaurant v. MCD, (1982) 3 SCC 338.

<sup>&</sup>lt;sup>36</sup> Mishika Bajpai, Common Law Right to Defense and Disclosure in India, 59 HAR. INT'L L. JOU. (Online) 62, (2018).

<sup>&</sup>lt;sup>37</sup> Bombay Oil Industries (P) Ltd. v. Union of India, (1984) 1 SCC 141: (1984) 55 Comp Cases 356.

<sup>&</sup>lt;sup>38</sup> *Ibid*.

<sup>&</sup>lt;sup>39</sup> SUDHANSHU KUMAR, SM DUGAR, GUIDE TO COMPETITION ACT, 2002, (8th ed. Lexis Nexis).

a prima-facie opinion is taken, but the Commission may for the purpose of satisfying itself on any aspect permit the parties to present their point of view. However, it significantly noted that it was open to the Commission to adopt a particular procedure because in view of the Section 36. In this case the Commission after elaborate deliberation decided to ask appellant to indicate its view and after having done that, it is not open to the Commission to abandon the opportunity granted at any stage. Therefore, the issue of adequate opportunity is to be considered in the background of the principles of natural justice and to prevent the miscarriage of justice. Significantly, it was also observed that the application however should apply to a given case on a case-to case analysis.

Fairness is a flexible, pragmatic and relative concept, not a rigid, ritualistic or sophisticated abstraction. On the issue of whether it would be necessary to indicate reasons while forming opinion that a prima-facie case exists, the Appellate bodies have been very clear. The Commission must indicate reasons which need not be elaborate but should be sufficient to show application of mind. But sufficiency of foundational material for the recording of reasons cannot be questioned.<sup>40</sup>

Providing reasons for any decision is paramount to every conclusion. It introduces clarity in an order, without which the order would become purpose-less.<sup>41</sup> Reasons substitute subjectivity by objectivity.<sup>42</sup> The right to reason is an obligation of any sound judicial system especially because the absence of reason reflects on the non-applicability of judicious mind.<sup>43</sup>

The COMPAT while also referring to landmark cases of the apex court laid down that the idea of imbibing natural law principles is not only to prevent bias, but also to eliminate the possibility of any such bias.<sup>44</sup> Furthermore, if there is a violation of natural justice, no other independent prejudice or actual harm needs to be established, to prove the denial of justice<sup>45</sup>.

The COMPAT while deciding the appeal against CCI order in *Manju Tharad* v. *Eastern India Motion Picture Assn.*<sup>46</sup>, quashed the penalties imposed and held that CCI must give reasoned order with application of mind as safeguard against any possible injustice and arbitrariness which was missing in

<sup>&</sup>lt;sup>40</sup> Anandha Kumar. V, The Entanglement of the Principles of Natural Justice befitting to Competition Law, 4(1) INT'L JOU. L. MAN. & HUM. 1143, (2021).

<sup>&</sup>lt;sup>41</sup> Raj Kishore Jha v. State of Bihar, (2003) 11 SCC 519.

<sup>&</sup>lt;sup>42</sup> SAIL v. Jindal Steel and Power Ltd., 2010 SCC OnLine Comp AT 5: 2010 Comp LR 22 (Comp AT).

<sup>&</sup>lt;sup>43</sup> SAIL v. STO, (2008) 9 SCC 407.

<sup>&</sup>lt;sup>44</sup> Grindlays Bank Ltd. v. Central Government Industrial Tribunal, 1980 Supp SCC 420: AIR 1981 SC 606; Union of India v. Mohan Lal Capoor, (1973) 2 SCC 836: AIR 1974 SC 87; SAIL v. STO, (2008) 9 SCC 407; N.K. Prasada v. Union of India, (2004) 6 SCC 299.

<sup>&</sup>lt;sup>45</sup> CCI v. SAIL, (2010) 10 SCC 744.

<sup>&</sup>lt;sup>46</sup> 2012 SCC OnLine CCI 29 (Competition Commission of India).

the given case. In *Vedant Bio Sciences* v. *Chemists and Druggists Assn. of Baroda*<sup>47</sup>, the CCI member who had adjudicated the matter, had retired. He had only heard the matter and not signed the final order. The resultant decision was then assailed on grounds of violation of principles of natural justice. The impugned order of penalty was set aside and remitted back to the CCI to pass appropriate order in accordance with law.<sup>48</sup> It was also alleged by the appellant, that the cross-examination of persons tendering evidence was disallowed by the CCI, to which the COMPAT held that there was a manifest illegality.<sup>49</sup>

The COMPAT observed that the CCI's failure to give notice to the appellants and incorporating the reasons of its disagreement with the findings and conclusions recorded by the Joint DG, led to depriving them of an effective opportunity to show that they had not formed any cartel. This not only caused prejudice to them, but also resulted in gross violation of principles of natural justice.<sup>50</sup> Such a prejudice was considered as a violation of the principles of natural justice.

However, in the Google case<sup>51</sup>, the NCLAT upheld the penalty imposed by CCI while holding that merely because the Informants were working at CCI even during the investigation, does not vitiate the process. Principles of natural justice were not violated by the DG during investigation even though there was no Judicial member deciding the matter.<sup>52</sup>

#### **IV. CONCLUSION**

It is a well settled principle that at the prima facie stage, there is no statutory duty on the CCI to issue notice or to grant hearing.<sup>53</sup> Hence, no party can claim it as a matter of right since the exercise of power under Section 26(1) of the Act is merely forming an opinion that is inquisitorial and regulatory in nature. Moreover, even if no notice or hearing is granted to the affected party before directing further investigation, the order would not prejudicially impact the rights of a party.<sup>54</sup> The CCI does retain its power to hear petitioners' objections against maintainability of the proceedings.<sup>55</sup> At the stage of S. 26(1) and 26(2), the Commission is not under any obligation to interact with the parties even if the order is adverse to the parties because even though an order

<sup>&</sup>lt;sup>47</sup> Vedant Bio Sciences v. Chemists & Druggists Assn. of Baroda, 2012 SCC OnLine CCI 58, Competition Commission of India.

<sup>&</sup>lt;sup>48</sup> Chemists & Druggists Assn. of Baroda v. Vedant Bio-sciences, 2016 SCC OnLine Comp AT 458.

<sup>&</sup>lt;sup>49</sup> *Ibid*.

<sup>&</sup>lt;sup>50</sup> Express Industry Council of India v. Jet Airways (India) Ltd., 2018 SCC OnLine CCI 11.

<sup>&</sup>lt;sup>51</sup> Google LLC v. Competition Commission of India, 2023 SCC OnLine NCLAT 147.

<sup>&</sup>lt;sup>52</sup> *Ibid*.

<sup>&</sup>lt;sup>53</sup> *Ibid*.

<sup>&</sup>lt;sup>54</sup> South Asia LPG Co. (P) Ltd. v. CCI, 2014 SCC OnLine Del 4502.

<sup>&</sup>lt;sup>55</sup> Aamir Khan Productions (P) Ltd. v. Union of India, 2010 SCC OnLine Bom 1226: (2010) 112 BomLR 3778.

directing investigation to be conducted by DG may be adverse, it is not final and no penalty is imposed upon the party.<sup>56</sup> In *CCI* v. *SAIL*,<sup>57</sup> it was clarified that the right of notice of hearing is not contemplated u/s. 26(1) of the Act. This was further supplemented in the case of *CCI* v. *Bharti Airtel, Vodafone and Ors.*<sup>58</sup>, where it was held that Order under Section 26(1) is an administrative order on formulated based on *prima facie* opinion and the High Court is not competent to adjudge the validity of such an order on merits.<sup>59</sup>

It will thus not be incorrect to state that the threshold expected by the law when a Court delivers a judgmentis much higher. On the other hand, even though an order of an administrative authority must be supported by rational reasons<sup>60</sup> and justification, it need not be as detailed as a judgment by Court. It is to this extent that the distinction between passing of an order by an administrative or quasi-judicial authority has 'practically extinguished'<sup>61</sup> since both are required to pass reasoned orders.

There are various landmark cases where the denial of natural justice principles has been alleged. Even though the COMPAT has on a case-to-case basis assessed the violation of rights and has also set aside some orders, it has also acknowledged the fact that it is well settled that the principles of natural justice'must not be stretched too far'.<sup>62</sup> For instance, even though the non-service of objections and documents was considered to have caused prejudice, the aggrieved party was also considered wanting in its conduct.<sup>63</sup>

While looking into the procedural loopholes and the CCI's failure to comply with the principles of natural justice, the COMPAT has also resorted to remitting back a case to the CCI for fresh consideration<sup>64</sup> since the earlier proceedings had vitiated. The need for a speaking order has time and again been emphasized especially since at the stage of final disposition and imposition of penalties, non-compliance with procedural laws would render the order untenable in law.<sup>65</sup> This necessarily implies that while holding an inquiry under Section 26(7) or Section 26(8) the CCI is required to comply with rule of *audi alteram partem* and give an 'effective opportunity of hearing to person against

<sup>&</sup>lt;sup>56</sup> Competition Act, 2002, §26, No. 12, Acts of Parliament, 2003 (India).

<sup>&</sup>lt;sup>57</sup> CCI v. SAIL, (2010) 10 SCC 744.

<sup>&</sup>lt;sup>58</sup> CCI v. Bharti Airtel Limited, 2018 SCC Online SC 2678.

<sup>&</sup>lt;sup>59</sup> Ibid.

<sup>&</sup>lt;sup>60</sup> Chhavi Agarwal, Due Process of Law and Natural Justice, MANUPATRA http://manupatra.com/ roundup/323/Articles/due%20process%20of%20law.pdf (last visited on March 12, 2023).

<sup>61</sup> CCI v. SAIL, (2010) 10 SCC 744.

<sup>&</sup>lt;sup>62</sup> Gulf Oil Corpn. Ltd. v. CCI, 2013 SCC Online Comp AT 132.

<sup>63</sup> Ibid.

<sup>&</sup>lt;sup>64</sup> Board of Control for Cricket in India v. CCI, 2015 SCC OnLine Comp AT 238: 2015 Comp LR 548 (Comp AT).

<sup>&</sup>lt;sup>65</sup> Ramesh Kumar Maali & Akansha Mehta, *CCI is not Playing Fair-Penalising BCCI for abuse of Dominance is Legally Unsustainable*, 73 PL COMP. L. (2015).

whom a finding is likely to be recorded on the issue of contravention<sup>'66</sup>, not only to controvert the allegation made but also the evidence produced to show that violation had not actually occurred.

This principle of natural justice must however not be followed as an empty formality.<sup>67</sup> It stated that the doctrine cannot be applied as a "straitjacket formula". It all depends upon the kind of functions performed and to the extent to which a person is likely tobe affected. Uniformity must be maintained at all levels to ensure that 'the fruits of growth are fairly and equitably distributed'.<sup>68</sup>

Ever since the CCI started functioning in a full-fledged manner, its orders have faced scrutiny before the appellate authority and High Court on procedural grounds. In response to this, the Supreme Court while settling issues on merits issued certain directions in the larger interest of justice administration interpreting the General Regulations of the Commission. These regulations relate to speedy and expeditious disposal of the matters.<sup>69</sup>

Some judges have however expressed that 'the principles of natural justice are vague and difficult to ascertain'<sup>70</sup>. This is not very out of the ordinary especially since the issue of natural justice has been quite 'illusory' in light of the fact that even though they need to be applied liberally, the Courts have time and again guided the Tribunal for careful application. The COMPAT has been playing a very active role in trying to remedy the errors committed by the Commission in trying to hastily resolve issues. The struggle that remains is to balance speedy dispute resolution as against providing procedural relief to the defendant in all cases.

This is not in derogation of the fact that the purpose sought to be achieved through competition law is impaired by 'weak enforcement' that becomes an 'impediment to consumer interest'.<sup>71</sup> Nevertheless, the trend adopted by the CCI in applying these principles within the competition issues defeats the very purpose of the Tribunal i.e., quick disposal of cases. To overcome all those difficulties, a streamlined approach should be followed by the CCI so as avoid unnecessary procedural delay.<sup>72</sup> More significantly, when the decision-making process grants to parties the opportunity to defend and thereafter, speaking orders are passed by Tribunals, procedural sanctity is achieved.

<sup>&</sup>lt;sup>66</sup> Schott Glass (India) (P) Ltd. v. CCI, 2014 SCC OnLine Comp AT 3: 2014 Comp LR 295 (Comp AT).

<sup>&</sup>lt;sup>67</sup> Dharampal Satyapal Ltd. v. CCE, (2015) 8 SCC 519.

<sup>&</sup>lt;sup>68</sup> Dr. Manmohan Singh, *Statement at the Asian African Conference* (April, 2005) archivepmo. nic.in/drmanmohansingh/speech-details.php?nodeid=108 (last visited on March 16, 2023)

<sup>&</sup>lt;sup>69</sup> Vijay Kumar Singh, Competition Law and Policy in India: The Journey in a Decade, 4 NUJS L. REV. 523 (2011).

<sup>&</sup>lt;sup>70</sup> Errington v. Minister of Health, (1935) 1 KB 249.

<sup>&</sup>lt;sup>71</sup> S. Chakravarthy, The Need and Rationale for and the Objectives of Competition Policy and Competition Law, http://www.circ.in/pdf/CPS06-Rationale-For-Competition- Policy-Law.pdf (last visited on March 16, 2023)

<sup>&</sup>lt;sup>72</sup> Anandha Kumar, V., *The Entanglement of the Principles of Natural Justice Befitting to Competition Law*, 4(1) INT'L JOUL. MAN.& HUM. 1143, (2021).