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INDIAN COMPETITION LAW ALERT

Monopolies and Restrictive Trade Practices (“MRTP”) Commission Laid to Rest

The President of India has issued an ordinance¹ amending Section 66 of the Competition Act, 2002 relating to the repeal of the MRTP Act and transfer of cases pending before the MRTP Commission (the “**Ordinance**”) with effect from October 14, 2009.

The Ordinance provides for the immediate dissolution of the MRTP Commission and with effect from October 14, 2009 for the transfer of all cases pending before it pertaining to:

- (a) monopolistic or restrictive trade practices (including cases in which allegations of unfair trade practice are present) or unfair trade practice relating to false/ misleading disparagement of goods/ services, to the Competition Appellate Tribunal (the “**CAT**”); and
- (b) unfair trade practices (other than those relating to false/ misleading disparagement of goods/ services), to the National Commission constituted under the Consumer (Protection) Act, 1986 (the “**National Commission**”).

The Ordinance further prescribes that MRTP cases transferred to the CAT should be adjudicated in accordance with the provisions of the repealed MRTP Act and cases transferred to National Commission should be adjudicated in accordance with the Consumer (Protection) Act, 1986.

About the Competition Appellate Tribunal

The CAT was set up on October 19, 2009 and it is anticipated that it will be fully operational from November 4, 2009.

The following individuals have been appointed as its members:

- (a) Mr. Justice Arijit Pasayat (Chairman);
- (b) Mr. Rahul Sareen; and
- (c) Mrs. Praveen Tripathi.

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Disclaimer:

This document is not a substitute for legal advice. The content is intended for general informational purposes only.

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¹ An ordinance is a decree issued by the President when the Parliament is not in session, having the same effect as of law. An ordinance, however, is temporary in nature and must be approved by Parliament within six weeks from re-assembly of the Parliament; otherwise it is deemed to have lapsed. If an ordinance is passed by both the Houses of the Parliament, the ordinance will become an Act of Parliament.