

LEGAL UPDATES

NCLAT: NCLAT ORDERED A STAY ON THE ORDER OF CCI PUNISHING THE MD OF CARLSBERG, LISTED FOR HEARING ON 29TH MARCH

The Delhi NCLAT bench comprising Justice M. Venugopal, Learned V.P. Singh and Dr A.K.Mishra stayed the CCI order punishing the MD of Carlsberg ('Appellant') directing him to not resort to practice in contravention of Sec.3 of the Competition Act/the Act on paying a 10% penalty amount as penalised by the CCI. The bench observed, "...the contentions...raised on behalf of the Appellant need an elaborate and deeper examination, in the hands of this 'Tribunal', at the time of final hearing of the 'Appeal'." The Appellant submitted that he was a non-executive director of Carlsberg and hence, cannot be made liable vicariously for the misconduct of Carlsberg hence, he is not eligible as the person responsible at the time the violation was committed. He further contended that (i) As per Sec.48(1) of the Act the liability of the Appellant cannot be proved merely on the mention of him in the Carlsberg's Leniency Application, (ii) Sec.48(1) of the Act can be charged in the case where the individual is in charge and responsible for company's business operations. Hence, in order to promote justice, the bench directed the Appellant to pay 10% of the amount penalized by the CCI within 3 weeks. In conclusion, though the CCI has the opportunity to file their reply, the bench permitted the Appellant to file their rejoinder through e-filing and in hard copy before March 29, 2022.