

The Competition Board Imposes Administrative Fine on Biota for Submitting Misleading Turnover Information

The Turkish Competition Board (“**Board**”) imposed an administrative fine on Biota Herbal Medicines and Cosmetics Laboratories Inc. and its group companies (collectively, “**Biota**”) for submitting incorrect turnover information pursuant to Article 16/1(c) of the Turkish Competition Act No. 4054 (“**TCA**”).¹

A. Background

On August 15, 2024, the Board conducted an on-site inspection at Biota Herbal and imposed an administrative fine under Article 16/1(d) TCA for hindering the on-site inspection.² Biota submitted its consolidated turnover information for the year 2023 to the Board for determining the exact amount of the fine.

Subsequently, Biota applied for a settlement regarding the alleged infringement subject to the investigation. During the settlement process, upon the Board’s request, Biota again shared its turnover information for the year 2023 with the Board for the determination of the fine to be settled. However, the Board identified discrepancies between the turnover information provided by Biota for the settlement and the turnover information previously submitted by Biota to justify the administrative fine related to the obstruction of the on-site inspection. Biota explained this discrepancy as a system error and attributed it to intra-group transactions and internal invoices. The Board did not find these explanations sufficient and imposed an administrative fine on Biota on the grounds that it submitted incorrect information.

B. Board’s Evaluation

In its decision, the Board referred to previous decisions where administrative fines were imposed for providing incorrect or misleading information, such as the decisions on *Beyaz Et*, *Martı*, *Farmasi*, and *Özel Okullar*, and emphasized that the provision of inaccurate or

unreliable information or documents relating to concrete facts should be considered as providing false or misleading information. The importance of the requested information or document for the file and its effect on the final decision were highlighted as factors that increase the risk of administrative sanctions for information requests.

The Board determined that the turnover information submitted by Biota directly affected the amount of the administrative fine imposed for obstructing the on-site inspection and concluded that this information was false and misleading. As a result, the Board imposed an administrative fine based on the 2023 turnover information and accordingly revised the previously imposed fine for the obstruction of the on-site inspection.

C. Conclusion

This decision demonstrates that providing misleading turnover information can lead to the imposition of an administrative fine under Article 16/1(c) of the TCA when it directly impacts the investigation and decision-making process. The decision also suggests that if the incorrect turnover information does not affect the investigation and decision process, it will not, by itself, be considered as providing misleading information. In any case, it is crucial for undertakings to pay particular attention to providing accurate and reliable information to the Board to avoid the imposition of sanctions.

¹The Competition Board’s Decision No. 25-07/157-79 dated February 20, 2025 <https://www.rekabet.gov.tr/Karar?kararId=7ea81bfe-ddbb-40ed-9f48-7095aea766bd> (Date of Access: July 29, 2025).

²The Competition Board’s Decision No. 24-38/898-385 dated September 19, 2024 <https://www.rekabet.gov.tr/Karar?kararId=18a50e99-e288-4843-966f-b95534b1fee2> (Date of Access: July 29, 2025).

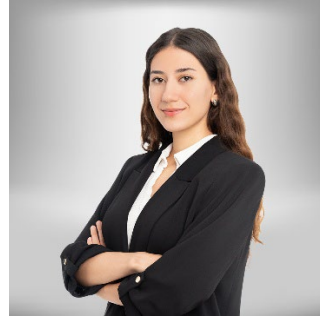
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