

**DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD**

M.A. (CORPORATE LAW)

Academic Year: 2024-2025

Third Semester - End Semester Examination (December, 2024)

2.3.9. Competition Law and Economics

Duration of the Examination: 2 ½ hours

Total Marks: 70 marks

INSTRUCTIONS TO CANDIDATES

- a) Read the instructions carefully and adhere to the same.
- b) Please mention your DDE ID No. date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.
- c) The questions to be interpreted as given and no clarification can be sought from the Invigilator.
- d) Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.
- e) Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.
- f) Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.
- g) Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.

SECTION A

Answer FIVE questions out of SEVEN questions and each question carries 10 marks.

(5x10 Marks = 50 Marks)

1. Bharat Evolution Corporation Limited (BECL) a public sector undertaking which manufactures turbines which can be used in Thermal Power plants. BECL is having 60% of Market share in the relevant product Market. The National Thermal Power Limited (NTPL) proposing to install 6 power plant units in the state of Telangana with the installed capacity of 800 MV each unit. The NTPL gave the public announcement for inviting the bids from the companies. BECL filed a bid, being the public sector undertaking BECL managed to negotiate the terms of Public Announcement which are beneficial to BECL. Megha Electronic Company Ltd is public Limited company which filed a case before CCI arguing that the BECL being the Market leader and also government undertaking is abusing its dominant position, which is a violation of competition Act provisions. In counter Argument BECL raised the objection that, as it is government entity which will not come under the scope of Enterprise under Competition Act. Critically Evaluate.
2. The Agreements between two or more enterprises that are at the same stage of production chain and are engaged in identical or similar trade of goods or provision of services in the same market constitutes horizontal agreements. Evaluate how horizontal agreements can have an impact on competition with the help of provisions under Competition Act, 2002 and the judicial Precedents.
3. In October 2022, the Competition Commission of India (CCI) issued orders against Alphabet under Section 27 of India's Competition Act 2002 for violations of Section 4 of the Act. These orders addressed complaints from three different groups concerning the markets for Android

app stores and payment apps using India's Unified Payments Interface (UPI). The CCI found that Google held a dominant position in the Indian markets for licensable operating systems for smart mobile devices and the Android app store, identifying six abuses of this dominance. The determination of dominance in the Indian mobile OS market was based on multiple factors. Explain various factors to be considered by Adjudicating authority while determining the abuse of dominant position under the Competition Act, 2002 with relevant judicial precedents.

4. Explain the Key Amendments made to Competition Act, 2002 through Competition (Amendment) Act, 2023 and its impact on Regulation of Combinations.
5. In the case of ***Competition Commission of India v. Thomas Cook (India) Ltd*** the Supreme Court observed that "Once a particular transaction or a series falls within the purview of combination, it is obligatory to report the same to the Commission under Section 6 of the Act. Section 6(1) prohibits combinations which cause or likely to cause an adverse effect on the competition and such a combination shall be void. Section 6(2) of the Act requires that advance notice has to be given of the proposal to enter into a combination and that has to be given within 30 days of approval of the proposal relating to merger or amalgamation, execution of any agreement or other document or acquisition referred to in Section 5(a). Section 6(2) makes it clear that no combination shall come into effect until 210 days have elapsed from the date on which notice has been given to the Commission under Section 6(2) " Examine the Procedure to be followed in case of the combinations and the legal provisions relating to the same also explain the exceptions given to any entities under the Act.
6. "Merger may combine both anti-competitive as well as pro-competitive effects and in order to analyse the same efficiencies and benefits considerations have always played a significant role before the competition authorities. For that reason, efficiencies and benefit considerations are invariably incorporated as relevant factors to be taken into account in assessing whether the prohibition test is met". Critically Evaluate the statement
7. "The CCI examined allegations of predatory pricing against Uber, where it was accused of using massive funding to offer below-cost pricing to eliminate competition. However, the CCI concluded that Uber was not in a dominant position and its pricing strategy was a competitive response to market conditions". Examine the Concept the Predatory Pricing and the factors to be considered by CCI to maintain the balance between competitive pricing strategies and anti-competitive concerns.

SECTION B

Answer FOUR questions out of SIX questions and each question carries 05 marks.

(4x5 Marks =20 Marks)

- A. In US, there are two important economic schools of thought that have greatly influenced the Anti-trust Laws in US. Namely Harvard School and Chicago school. Critically evaluate the both schools and the difference in their approach.
- B. The Competition Act, 2002 plays an important role in controlling the market power. Various provisions under Competition Law enable the competition Commission of India to examine the factors like market share, economic strength, vertical integration and other factors while assessing the market power. Explain the concept of Market Power and the Importance of Market power while assessing the Abuse of Dominant under the Act.
- C. The Competition policy in any country facilitates the Economic Development and growth of the country and it also encourages innovation in a country. Evaluate.
- D. Explain the Concept of Competition Advocacy.
- E. Write a note on the concept of Relevant geographical Market and Relevant Product Market.
- F. Explain the Concept of "Control" while regulating the Combinations with the help of judicial precedents.