

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

M.A. (CORPORATE LAW)

Academic Year: 2024-2025

Third Semester Repeat Examination (May, 2025)

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 misconduct and the University will take action as it deems fit.
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Section – A

Answer FIVE questions out of SEVEN questions and each question carries 10 marks.
(5 x 10 marks = 50 marks)

1. Critically evaluate the important economic schools of thought which greatly influenced the competition law and policy
2. Explain the significance of market power in competition law and various methods used to identify the market power under competition law.
3. Evaluate the objectives of the Competition policy and competition law and the difference between them.

4. Five major cement manufacturers in India — including Alpha Cements, Beta Build Ltd., and SolidMix Pvt. Ltd. — are suspected of fixing the price of cement, limiting production, and sharing market territories among themselves to avoid competition. The Builders' Association of India has filed a complaint with the Competition Commission of India (CCI) alleging cartelization. As a legal advisor to CCI, address the following:
- What are horizontal agreements under the Competition Act, 2002? Explain with examples.
 - Examine whether the alleged conduct of the cement companies falls under the definition of a cartel.
 - What is the presumption of appreciable adverse effect on competition (AAEC) in case of horizontal agreements?
 - What powers does the CCI have to investigate and penalize such agreements?
 - What possible defences or justifications, if any, can the companies raise under the Act?
5. TechGo Mobile Pvt. Ltd., a leading smartphone manufacturer, enters into exclusive agreements with several online platforms like BuyKart and MegaDeal to sell its newly launched phones only through these platforms for a period of one year. It also instructs its offline distributors not to sell below a fixed minimum price, failing which their dealership may be terminated. A complaint is filed with the Competition Commission of India (CCI) by a group of offline retailers and smaller e-commerce platforms alleging that the company's practices are anti-competitive. As a legal expert, answer the following:
- i. What are vertical agreements under the Competition Act, 2002? Is there any presumption of illegality in the case of vertical agreements like in horizontal agreements?
 - ii. Do the above arrangements by TechGo constitute exclusive supply agreement and resale price maintenance? Explain with reference to the Act.
6. Elucidate the factors considered for evaluating combinations under competition Act, 2002
7. MegaNet Ltd., the largest internet service provider in India, holds a 75% market share in high-speed broadband services across metro cities. It is alleged that MegaNet has:
- Started charging excessively high prices in areas where no other competitor operates.
 - Entered into contracts with builders to restrict other ISPs from entering residential complexes.
 - Offered deep discounts only to new customers, making it hard for small ISPs to compete.

A complaint is filed with the Competition Commission of India (CCI) alleging abuse of dominant position by MegaNet Ltd. As a competition law advisor, answer the following:

- i. What constitutes dominant position under the Competition Act, 2002?
- ii. Analyze whether MegaNet Ltd. is abusing its dominant position with respect to the conduct mentioned above.
- iii. What factors are considered by the CCI to establish abuse under Section 4?
- iv. What powers does the CCI have to investigate and penalize a company for abuse of dominance?

Section – B

Write short notes on any FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)

- A.** What is a “market” in economics? Explain various types of markets.
- B.** Critically Evaluate the importance of economics in competition law.
- C.** Explain the procedure for investigation of combinations under competition Act, 2002
- D.** Write a brief note on factors considered relevant product market and relevant geographical market
- E.** Write a note on Composition, powers and duties of Competition Commission of India.
- F.** Write a note on Competition Advocacy and its importance in the light of Competition Policy.