

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

**Course: Competition Law
Semester- II (Batch: 2020-21)**

End Semester Online Examination: June 2021 (LLM)

Date: 26th June, 2021

Duration: 8 hours

Max. Marks: 50

Instructions:

- The respective marks for each question are indicated in-line.
- Indicate correct question numbers in front of the answer.
- No questions or clarification can be sought during the exam period, answer as it is, giving reason, if any.
- Word Limit: 600-650 words

- Q.1** Indian Union of Steel Dealers (IUSD) alleged before the Competition Commission of India (CCI) that certain domestic steel manufacturers operating in an oligopolistic market situation had engaged in arbitrary and disproportionate pricing of stainless-steel materials. IUSD further alleged that while the domestic steel manufacturers increased prices when the prices of iron ore went up, they had not reduced the prices of stainless-steel materials when the prices of iron ore came down; and hence, the pricing strategy was anti-competitive. (Note: The above situation is hypothetical and used only for examination purpose) **Marks (2x5= 10)**
- a) Whether the above-said situation amounted to a cartelized behaviour on the part of domestic steel manufacturers under the Competition Act, 2002? Examine.
- b) What are the factors the CCI can take into account in the above-said situation as to the determination of the existence of a cartel? Elucidate.
- Q.2** Whether the below cost pricing does itself amount to predatory pricing? Explain the concept of predatory pricing as an abuse of dominant position in the light of the Competition Act, 2002. **(10)**
- Q.3** 'Corporate reorganizations in the form of mergers may be in line with the requirements of dynamic competition and can increase the competitiveness of the industry. Nevertheless, merger can have an appalling effect as it can raise competition concerns in the relevant market.' **(2x5= 10)**
- a) Explain the various types of combinations having appreciable adverse effect on competition in the light of the Competition Act, 2002.
- b) Elucidate the procedural requirements for a particular combination to take effect under the Competition Act, 2002.
- Q.4** Du Pont, an American chemical company, produced almost 75% of the cellophane, a flexible packaging material, sold in the United States, but it was found that cellophane constituted less than 20% of all sales of flexible packaging materials. **(2x5= 10)**

- a) Whether Du Pont was found to have held a monopoly position in the relevant market? Elaborate.
- b) What is the significance of SSNIP test in determining relevant product market under antitrust analysis? Explicate.

Q.5 The WhatsApp LLC and Facebook have challenged the notice dated 4th June 2021, issued by the DG (CCI), for an investigation. On 22nd June, 2021 the Delhi High Court refused to stay the notice (Business Standard.com, 23/06/2021). (10)

When such notice is required to be issued by the DG (CCI) in the process of investigation under the provisions of the Competition Act, 2002?

What are the views of Senior advocate, Mr Harish Salve appearing on behalf of the WhatsApp LLP and the views of the Additional Solicitor General, Mr Aman Lekhi appearing on behalf of the CCI?

Elaborate the procedure of Inquiry into the alleged matters of Anti-Competitive Agreements, Abuse of Dominant Position and Combination by the Competition Commission of India with the analysis of the relevant provisions and suitable cases.
