

**GUJARAT NATIONAL LAW UNIVERSITY  
GANDHINAGAR**

Course: **Competition Law**  
Semester-II (Batch: 2023-24)

**End Semester Examination: April 2024 (LL M)**

**Date: 27<sup>th</sup> April, 2024**

**Duration: 3 hours**

**Max. Marks: 50**

**Instructions:**

- Read the questions properly and write the answers in the given answer book.
- Do not write anything on the question paper.
- 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: 550-600 words for each answer

Answer **any five** of the following:

**Marks**

- Q.1 Certain retail aluminium dealers periodically circulated amongst themselves a list containing names of wholesale aluminium dealers, who were reportedly selling cast aluminium bars directly to consumers. Although there was no agreement on the part of the retailers to refrain from dealing with the wholesalers whose names appeared on the list, many of the retail dealers stopped purchasing cast aluminium bars from the listed wholesalers. (Note: It is a hypothetical case and used only for examination purpose)
- (5x2=10)
- a) Can an antitrust agreement be inferred from the course of conduct followed by the retail aluminium dealers? Examine.
  - b) Whether a parallel action alone can be sufficient to establish a conspiracy? Explicate.
- Q.2 Claron, a small manufacturer of natural and synthetic rubber, has planned to expand its business by selling the rubber products also to the construction industry. Claron submitted a complaint to the competition authority that Satron, a much larger producer of rubber materials, is offering the products at below cost prices to the regular customers of Claron in an attempt to eliminate Claron as a competitor. (Note: It is a hypothetical case and used only for examination purpose)
- (5x2=10)
- a) Does the business behaviour of Satron amount to predatory pricing? Elucidate in the light of EU competition law.
  - b) Explain the concept of predatory pricing as an abuse of dominance in the light of section 4 of the Competition Act, 2002.
- Q.3 Information has been submitted to the Competition Commission of India (CCI) under section 19(1)(a) of the Competition Act, 2002 alleging that three prominent Indian car manufacturers, which are referred to as the Original Equipment Manufacturers (OEMs), entered into exclusive agreements with their respective Original Equipment Suppliers (OESs) and authorized dealers imposing unfair prices on the sale of auto parts and restricting the free availability of genuine auto parts in the open market. These exclusive agreements therefore hindered the OESs from selling the auto spare parts directly to the independent car users and repairers in the market. (Note: It is a hypothetical case and used only for examination purpose)
- (5x2=10)

- a) What kinds of agreements have been entered into by the OEMs with their respective OESs and authorized dealers? Specify.
- b) With respect to the above-stated facts, identify the relevant market in the light of section 3(4) of the Competition Act, 2002.
- Q.4 Eleven major Indian sugar producers are alleged to have been coordinating at various levels of production and supply of white and fruit sugars for the past three years. Upon investigation by the fair-trade regulator, price parallelism has been found existing across the above producers; whereas, there is no substantive proof of affirmative correlation of data involving quantity of production, cost of production, capacity utilization, annual sales, profit margins etc., amongst these producers. (Note: It is a hypothetical case and used only for examination purpose) (5x2=10)
- a) Whether the price parallelism is sufficient for the CCI to hold the existence of a cartel amongst eleven major Indian sugar producers? Analyze.
- b) Explicate the anti-competitive effects of cartelization in the light of Indian cartel cases.
- Q.5 'Corporate reorganizations in the form of mergers may be in line with the requirements of dynamic competition and are capable of increasing the competitiveness of the industry. Nevertheless, mergers can have an appalling effect as it can raise competition concerns in the relevant market.' (5x2=10)
- a) Explain the monetary thresholds set for a combination as per section 5 of the Competition Act 2002.
- b) Elaborate on the *de minimis* exemption applicable for a combination as provided under the Competition Act, 2002.
- Q.6 Write a short note on each of the following: (5x2=10)
- a) Denial of market access and abuse of dominant position
- b) Significance of SSNIP test in determining relevant product market under antitrust analysis

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