

Seminar Report On

REGULATION OF COMPETITION IN INDIAN MARKETS

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18 Mar. 2019: A seminar on 'Regulation of Competition in Indian markets' was organized on 18th March from 9:00 a.m. to 11:00 p.m. at PDPU campus by the Economics Area faculties of the Department of Social Science. Mr. Yogesh Dubey, Deputy Director, Competition Commission of India (CCI), from New Delhi was the guest speaker. Participants were mainly from 2nd year to 4th year of BA/BBA, SLS. They learnt about the different areas of research and career opportunities at Competition Commission of India. The seminar aimed to enlighten students about the role of CCI in regulating competition among firms and monitoring mergers and acquisitions within India. The event was anchored by Ms. Jayati Gupta, a student from Economics Major of BBA15 batch.

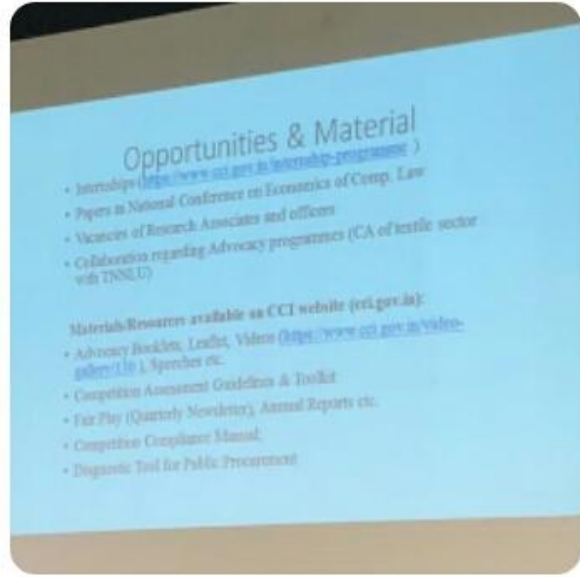
The session started with Dr. Prashanta Panda, the Head of the Department of Social Sciences emphasizing on the need and importance of institutes of eminence like CCI for regulating competition in India. Thereafter, Mr. Yogesh Dubey began his session by explaining the background and history of the organization and its main objectives.

Mr. Yogesh Dubey first explained the competition laws across the world. Canada was the first country to first introduce the same in 1889 followed by USA in 1890 and then India introduced it in the year 2009. Today, the competition laws are followed by more than 130 countries. Thereafter, he explained about the MRTP act which was formulated to prevent concentration of economic power. It was replaced by the Competition Act in 2002 which aimed at promoting and sustaining competition. It considered abuse of dominance as bad in the markets. There were specific provisions for imposition of penalties for violation of this Act.



Mr. Yogesh Dubey explaining the role of CCI in regulating competition in Indian markets

Mr. Dubey explained students the meaning of natural monopoly in certain industries. These are certain industries where the marginal cost keeps on falling but never turns zero. Not all the competitions are good for the market. The speaker thereafter stressed on the role of CCI in preventing practices having adverse effect on competition. The role of CCI is to promote and sustain healthy competition in the Indian markets.



(Clockwise: A PPT Slide on opportunities at CCI, Dr. Panda and faculty members of Economics presenting memento to Mr. Yogesh Dubey and the faculty members seated with Mr. Dubey during the inauguration of the session)

The speaker explained students about the anti-competitive agreements like the horizontal agreements, cartels, bid-rigging etc between 2 or more enterprises at the same level. He also explained about the vertical agreements that take place in industries having exclusive supply-distributed channels, for resale price maintenance and deal refusals. The speaker took the case of Horizontal Agreements and explained that penalties can be upto 10% of the turnover. In the Indian scenario, 11 cement manufacturing companies were asked to pay Rs. 6,700 crores as cement prices kept on increasing regardless of Raw material or Process Cost. He also explained the case of Pharmaceutical All India Association of Chemists and Druggists (A.I.A.O.C.D.)

They faced the requirement of N.O.C. from cartels, not Government and a huge sum was required to be paid to them. Companies as well as people taking decisions on behalf were also penalized upto 10% of the turnover and Income. Such cases were resolved after coming

into limelight and actions were taken by the Competition Commission of India to resolve the disputes.



In Pic: The student audience enjoying the session