

NATIONAL LAW UNIVERSITY, DELHI
LL.M. (Professional) (LBSNAA), II -Semester (Batch of 2021)
End-Semester Examination, Commercial Law Group
Paper: Competition Law

Time: 6:00 hrs.

Total Marks: 100

Instructions:

1. All questions are compulsory.
2. No clarification shall be sought on the question paper.
3. No answer should be more than 1000 words.

Q1. A Group Housing Complex consisting of 5 multi-storied residential buildings was announced by a renowned builder in the area. As per the advertisement, each of the five multi-storied buildings was to consist of 19 floors with 368 apartments in the total. the construction was promised to be completed within a period of 36 months. However, in place of 19 floors with 368 apartments, 29 floors have been constructed with corresponding increase in number of apartments. Therefore, the areas and facilities originally earmarked for the apartment allottees were substantially compressed. The project was also abnormally delayed. The apartment allottees have to bear huge financial losses and had to wait indefinitely for occupation of their respective apartments.

An information about the above facts was filed with CCI and it was alleged that the builder had abused its dominant position. Do you agree with the allegation? Justify your answer with reasons. **(18 Marks)**

Q2. In a case, an informant informed the CCI that the Sugar Mills Association and E Manufacturers Association of India persuaded the Oil Marketing Companies to float a joint tender for the purpose of procuring ethanol. It was alleged to be an agreement amongst horizontal players to procure ethanol from various suppliers in contravention of Section 3 of the Competition Act, 2002 which was likely to cause appreciable adverse effect on competition within India in supply and distribution of ethanol. Analyse the facts, frame the issues to be determined for establishing the allegation. **(18 Marks)**

Q 3. Critically analyse the following statements: **(15 Marks)**

- A. No determination of effect is required as object restrictions reveal a sufficient degree of harm.
- B. Firms have common interest in reducing competitive pressure in horizontal agreements whereas firms have conflicting interests in vertical agreements.

Q 4. A share purchase agreement between IAG Ltd, HW Ltd and a General Insurance Company Limited was proposed. The Proposed Combination envisages acquisition of 9.99% of the equity shareholding in the General Insurance by HW Ltd from IAG Ltd. As per the agreement between the Parties, the Acquirer will be having information and certain other rights in relation to the target company. HW Ltd is an indirect wholly owned company of certain private equity funds managed by W LLC. Discuss the applicable provisions of the Competition Act relating the facts and explore what are the requirements envisaged by the Act for CCI to approve such share purchase agreements. **(18 Marks)**

Q 5. “The key to success in the fiercely competitive environment is fast adaptation to changes and constant innovation in business models, technology, pricing models to shake the markets out of equilibrium, and render old ways of doing business uncompetitive, dislodging the existing market leaders.” Do you agree with the statement? Justify your answer with the help of decided case law. **(15 Marks)**

Q6.A. “Horizontal agreements are synonymously referred to as cartels in competition law terminology across the world.” Write your opinion on the statement justifying your opinion. **(8 Marks)**

B. “Allegation of predatory pricing is often defended either as a market strategy or on the ground of economically unsustainable.” Comment. **(8 Marks)**