



FACULTY OF JURIDICAL SCIENCES

COURSE: B.A.LL.B. IX th Semester

SUBJECT: COMPETITION LAW

SUBJECT CODE: BAL 901

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LECTURE 31

TOPIC: POWERS, DUTIES AND FUNCTIONS OF THE COMPETITION COMMISSION OF INDIA

Powers and Functions of the Commission

1. To eliminate practices having adverse effect on competition, promote and sustain competition, protect interests of consumers and ensure freedom of trade by other participants
2. ***Inquire into certain agreements and dominant position of enterprise***– It provides that the Commission may either *suo moto* or on receipt of any information of alleged contravention of Section 3 (prohibits anti-competitive agreements) may inquire into the same.
3. ***Inquiry into combinations***– Section 20 of the Act entrusts the Commission with the power to inquire into any information relating to acquisition and determine whether such combination or acquisition may have an appreciable adverse effect on competition (AAEC).
4. ***Reference of an issue by a statutory authority to the Commission***– Section 21 of the Act enumerates that in the course of a proceeding if any issue is raised that any decision of a statutory authority will be in conflict with the provisions of the Competition Act, 2002, the statutory authority shall make a reference in this regard to the Commission.
5. ***Reference by Commission***– Section 21A of the Act provides that if in the course of proceeding an issue is raised by any party that any decision taken by the Commission is in contravention of the provisions of Competition Act, whose authority is entrusted to a statutory authority then the Commission may make a reference in respect of the issue to the statutory authority.

6. **Power to issue interim order**– Section 33 of the Act empowers the Commission to issue interim orders in cases of anti-competitive agreements and abuse of dominant position, thereby temporarily restraining any party from carrying on such an act.
7. **Competition Advocacy**– Section 49 of the Act provides for competition advocacy and enumerates that the Central or the State Government may while formulating any policy on Competition or any other matter may make reference to the Commission for its opinion on possible effect of such policy on Competition. However, the opinion given by the Commission is not binding on the Central Government.

Exercise:

1. On receipt of a reference from Central or State Government or a Statutory Authority, if the Commission is of opinion that there exists a prima facie case, it shall direct the _____ to cause an investigation to be made into the matter
 - a) Chairperson, CCI
 - b) Secretary, CCI
 - c) Senior Most Member, CCI
 - d) Director General, CCI
2. The Supreme Court of India discussed the scope of Section 26 of the Competition Act, 2002 in the case of
 - a) CCI vs NTPC
 - b) CCI vs SAIL
 - c) CCI VS Jindal Steel and Powers Ltd
 - d) None of these
3. If after inquiry, CCI find the involvement of any enterprise in any anti-competitive agreement or abuse of dominant position, it may impose such penalty which shall be not more than _____ of the average turnover for last three preceding financial years

- a) one percent
- b) two percent
- c) five percent
- d) ten percent

4. CCI hauls up _____ for abusing market dominance

- a) Godrej
- b) Parle G
- c) DLF
- d) Smith & Jones

5. If after satisfaction on a prima facie basis, CCI issue a notice to show cause to parties to combination, such combination being likely to cause, or has caused an appreciable adverse effect on competition within relevant market in India, calling upon them to respond within _____ of the receipt of notice, as to why investigation in respect of such combination should not be conducted

- a) Ten days
- b) Twelve days
- c) Thirty days
- d) Fifteen days