Indian Economy · GS - III

The effectiveness of competition regulation depends not only on the powers of regulatory institutions but also on the timely disposal of proceedings. Examine the role of the Competition Commission of India in promoting fair competition and the institutional challenges that affect its effectiveness.

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 20/11/2026	GS - III	Indian Economy

MARKS	WORD LIMIT
15	~250 words

Answer Hint

Competition Act 2002, anti-competitive agreements, abuse of dominant position, combinations, consumer welfare, market concentration, digital markets, regulatory capacity, procedural delays, appellate oversight, ease of doing business.

Model Answer

Introduction

The Competition Commission of India (CCI), established under the Competition Act, 2002, safeguards competitive markets by preventing anti-competitive practices and protecting consumer interests. Delays in regulatory and appellate proceedings can weaken the effectiveness of competition enforcement.

Role of CCI

- **Anti-competitive agreements:** It investigates cartels, bid-rigging and agreements that restrict competition.
- **Abuse of dominance:** It acts against practices such as predatory pricing, discriminatory conditions and denial of market access.

- **Merger regulation:** It scrutinises combinations that may adversely affect market competition.
- **Consumer welfare:** Competitive markets encourage innovation, better quality and reasonable prices.
- **Market development:** It promotes competition advocacy and awareness among businesses and public authorities.

Institutional Challenges

- **Procedural delays:** Prolonged investigations and litigation can reduce deterrence and allow anti-competitive practices to continue.
- **Complex markets:** Digital platforms, network effects and data concentration create new regulatory challenges.
- **Capacity constraints:** Competition investigations require specialised legal, economic and technological expertise.
- **Regulatory uncertainty:** Inconsistent or delayed decisions can affect business confidence and investment.
- **Appellate litigation:** Multiple stages of legal proceedings can prolong final resolution.

Way Forward

The CCI needs adequate technical capacity, time-bound investigations, transparent procedures and stronger coordination with sectoral regulators. Effective case management and timely appellate adjudication are equally important.

Conclusion

A credible competition regime requires both strong enforcement powers and procedural efficiency. Timely decisions strengthen consumer welfare, market fairness and confidence in India's economic institutions.