
INTERNATIONAL JOURNAL OF ADVANCED LEGAL RESEARCH

LEGAL FRAMEWORK OF COMPETITION LAW IN INDIA & EU

- Gauri Saxena¹ & Dr. Meghna Biswas²

Historical Evolution of Competition Law in India

The development of competition law in India has been influenced by the nation's economic policies, international factors, and legislative reforms designed to promote a fair and competitive marketplace. At first, India got into a socialistic economic model with a lot of big government involvement into businesses, really limited private sector and very strict trade regulations. As the economy advanced bit by bit, its legal framework for regulating competition changed accordingly³. Thus, moving from an old law called the Monopoly and Restrictive Trade Practices Act introduced in 1969 to the current Competition Act replaced it in 2002.

Prior to independence, India possessed a largely uncontrolled economic landscape in which business giants functioned with no constraints. Following independence in 1947 the government embraced a planned economy based on socialist principles and it became state owned for the important industries. In the 1950s and 1960s, there started to be a number of concerns over very powerful people squeezing economic resources and running stuff in a way that harmed competition among companies⁴. This resulted in the implementation of the Monopolies and Restrictive Trade Practices (MRTP) Act, 1969, marking India's initial effort to regulate anti-competitive conduct.

The main purpose of this Act is to limit the amount of economic power collected by large companies and to stop them from engaging in monopolistic and unfair business practices. It was put in place based on recommendations of both the Mahalanobis Committee of 1964 and

¹ Student at Amity University, Noida

² Assistant Professor at Amity University, Noida

³ Agrawal, Aishwarya. "Evolution of Competition Law in India." *LawBhoomi*, 7 June 2024. <https://lawbhoomi.com/evolution-of-competition-law-in-india/>.

⁴ University of Mumbai, SYBA Political Science III Study Material, University of Mumbai, 2021, available at: https://archive.mu.ac.in/myweb_test/SYBA%20Study%20Material/pol_sc-III.pdf (last visited on 13 April 2025).

the Monopolies Inquiry Commission of 1965 and both committees stressed really strongly that regulation supervision is necessary to guard against exploitative business maneuvers. The Act set up a Commission MRTP to oversee compliance and enforce restrictions.

Monopolistic Restriction and Trade Prevention, and makes sure everyone follows the rules. Well, overall, the law ended up being quite narrow and restrictive compared to being supportive or promoting friendly competition. It really focused mostly on making sure big companies didn't bully smaller companies and run rough because monopolies are just tough to deal with. They didn't focus as much on making market strengths more spread out for everyone.

One of the biggest problems of the MRTP Act was its antiquated economic strategy. The Act functioned under the notion that all large firms were inherently monopolistic and damaging to the economy. It lacked the required measures to counter current anti-competitive behaviours such as cartels, abuse of dominance, and anti-competitive mergers. Additionally, its enforcement mechanism was inadequate, as the MRTP Commission did not have sufficient investigating and punitive powers.

The big economic changes in '91 marked a really important turning point for India's competition law system. Indian government reforms called Liberalization, Privatization and Globalization are moving markets toward openness and away from regulation. The reforms have cut trade barriers, opened markets to international businesses and attracted more investment from private sector players⁵. This transformation needed a more dynamic competition law to police anti-competitive activity in a liberalized economy. With globalization, India began attracting foreign firms, and Indian industries faced growing rivalry. But the MRTP Act just wasn't very good when considering the challenges that go with a highly market-driven economy⁶. Issues such as predatory pricing, bid rigging, price-fixing cartels, and misuse of dominant positions were not effectively handled under the current legal system. Recognizing those limitations, the Indian government started looking into ways to improve conditions for competition policy about a decade ago and they hired Mr. Raghavan to form a committee to help them fix what they viewed as flaws in that system.

⁵Soumi Bandyopadhyay, 'From MRTP to Competition Act: An Evolution of Competition Laws in India', 2(3) Journal of Legal Research and Juridical Sciences 1027 (2023).

⁶Ranjan, Sangya, *Monopolies in Indian Economy: Reasons for Shift from MRTP to Competition Act*, 1(2) *Int'l J. of Multidisciplinary Educational Research* 531-538 (2012).

The Raghavan Committee Report (2000) stressed the need for a contemporary competition legislation that accorded with worldwide norms. The research found critical flaws in the MRTP Act and advocated replacing it with a new, comprehensive legislation that focused on increasing competition rather than just preventing monopolies. Based on these proposals, the Competition Act, 2002, was adopted, signifying a paradigm shift in India's approach to competition law⁷.

The Competition Act, 2002, adopted a pro-active, market-driven approach to competition regulation. Compared with the MRTP Act which was very focused on big picture things like how concentration happens in the market, the new Competition Act took a whole different tack. Where the MRTP Act mainly regulated big companies, the Competition Act zeroes in on actually preventing companies from engaging in unfair practices. It's about taking on specific habits that hurt competition instead of just putting caps on how big companies can grow. The Act aimed at encouraging fair competition, protecting consumer interests, and preserving freedom of commerce for market players. Adopting the Competition Act puts India in line with major frameworks out there for competition law⁸. Us and America helped pioneer this stuff with stuff from 1890 like the Sherman Act and also Clayton Act from 1914. And on the European continent we've got important EU texts like Articles 101 and 102 from TFEU standing for stuff that happens among member states there.

Since its passage, the Competition Act, 2002, has undergone various revisions to keep pace with the shifting market scenario. Interpretations by Supreme Court judges and by COMPAT have really been key to drawing clear lines for what the law actually says. In major decisions like CCI v. SAIL (2010) and Excel Crop Care Ltd. v. CCI (2017), the courts stressed the necessity for effective enforcement tools. Additionally, changes in 2007 and 2019 reinforced the Act by incorporating provisions relating to leniency programs (for cartel identification), boosting fines for anti-competitive activity, and fast-tracking adjudication processes. With the advent of digital marketplaces and technology-driven competition, new issues have developed in regulating monopolistic actions by huge tech businesses.⁹ The CCI has recently

⁷ Raghavan, S.V.S. (2000). *Report of the High-Level Committee on Competition Policy and Law*. Government of India.

⁸Dr. Aijaz Ahmed Raj, 'Comparison Between MRTP Act and Competition Act, 1969' (Lecture 11, B.A.LL.B. IX Semester, Rama University, 2025)<https://www.ramauniversity.ac.in/online-study-material/law/ballb/ixsemester/competitionlaw/lecture-11.pdf> accessed 17 April 2025.

⁹ Nishith Desai Associates, *Competition Law in India* (2021) https://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research%20Papers/Competition%20Law%20in%20India.pdf accessed 17 April 2025.

taken proactive steps in monitoring digital platforms, as demonstrated in its investigations into businesses like Google, Amazon, and Facebook for suspected anti-competitive actions. Every growing economy really needs to keep up and think of new ways to deal with challenges like monopolies in data, collusion by platforms running algorithms, and competition that takes place over platforms.

Overview of the Competition Act, 2002

The Monopolies and Restrictive Trade Practices (MRTP) Act of 1969 was abolished after India's newfound economic freedom in 1991 due to it being obsolete. The Competition Act, 2002 serves as India's benchmark for competition law as it facilitates anti-competitive practices, promotes fair market conduct, and ensures consumer protection. The Competition Act focuses on restrictive practices like agreements that are anti-competitive, the abuse of power, and control of mergers and acquisitions¹⁰. The introduction of this law as opposed to MRTP marks a revolutionary change of imposing devoid of constraints control to dealing with the misuse of power in a more restrained manner while working with monopolies. Structurally, it gave power to enterprises whereas it was previously viewed on a more behavioral side. This form traces back to the focus and enforcement of many other laws rather just one such as economic efficiency. Striking the balance between the dominant structure of the EU and US and the need to integrate India's framework to make it efficient for the country marks one of the primary motives of this act¹¹. This alongside increasing a country's marketplace, market efficiency while providing protection to consumers from unwanted mercantile endeavors will restore balance which is one of the principal objectives of the Competition Act.

Key Provisions of the Competition Act, 2002

1. Prohibition of Anti-Competitive Agreements (Section 3)

The Act prohibits contracts that are likely to cause or have caused a measurable negative impact on competition (AAEC) in India. These agreements are fundamentally segregated into two types; horizontal agreements (among competitors) and vertical agreements (across

¹⁰ Acharya, Mayashree. "Competition Act 2002." *ClearTax*, 14 June 2024, <https://cleartax.in/s/competition-act-2002>.

¹¹ Nafeez Khan, "Monopolistic and Restrictive Trade Practices (MRTP) Act", *Vedantu*, <https://www.vedantu.com/civics/mrtp-act>, accessed April 17, 2025.

different tiers of the supply chain)¹². Horizontal agreements are customer allocation, cartel formation, price fixing, market share distribution, and bidding collusion; the broad view on these practices, for lack of competition, seems to be that they are strictly illegal. In contrast to these, vertical agreements like lease back arrangements, exclusive distribution contracts, and minimum resale price maintenance are dealt with on a case-by-case basis and not presumed to hinder competition at face value.

2. Regulation of Abuse of Dominance (Section 4)

It is not illegal to have a strong position in the market, but that power cannot be misused. The law regards a company to be in a dominant position when it has sufficient market power which enables the company to set prices or otherwise behave independently of competitors and market forces. The Competition Commission of India (CCI) determines dominance by assessing an amalgam of factors such as market shares, size of potential competitors, financial capacity, and barriers to entry¹³. Common unfair methods of competitions include selling goods at a price lower than market price in order to extinguish competition, denying the customer access to premises, or other unreasonable terms of transactions with customers or suppliers. In many cases, the CCI has practiced these principles in an aggressive manner to curb such practices, standing competition from all sides.

3. Regulation of Combinations (Mergers, Acquisitions, and Amalgamations) (Sections 5 & 6)

The Act establishes mechanisms for controlling different mergers and acquisitions to ensure that competition is not lessened. Big companies looking to merge or acquire other firms need to obtain the permission of the CCI before proceeding with the deal. The CCI analyzes if it will result in reduced competition, increased market power, or harm to the consumers. If deemed necessary, the authority can allow, change, or entirely stop merges that are deemed to be harmful to competition¹⁴. Through the regulation of combinations, the Act ensures that

¹²YashikaSood& Drishti Grover, Anti-Competitive Agreements Under The Competition Act, 2002, ComplyBook (Nov. 26, 2022), <https://www.complybook.com/blog/anti-competitive-agreements-under-the-competition-act-2002>.

¹³ShardulAmarchandMangaldas& Co., "In Brief: Abuse of Dominance in India", Lexology, March 2, 2024, available at: <https://www.lexology.com/library/detail.aspx?g=177d9d82-7abb-4c90-b01f-542c21687545>.

¹⁴ Competition Commission of India, 'Regulation of Combination (Section 5 & 6)', available at [https://www.cci.gov.in/regulation-of-combination#:~:text=Regulation%20of%20Combinations%20\(Section%205%20%26%206\)&text=Any%20pers on%20or%20enterprise%2C%20which,to%20consummation%20of%20the%20same](https://www.cci.gov.in/regulation-of-combination#:~:text=Regulation%20of%20Combinations%20(Section%205%20%26%206)&text=Any%20pers on%20or%20enterprise%2C%20which,to%20consummation%20of%20the%20same) (last visited on April 17, 2025).

companies can expand through mergers and acquisitions without threatening the well-being of the consumers or establishing monopolies¹⁵. It places emphasis on economic growth while maintaining a competitive environment.

4. Role and Functioning of the Competition Commission of India (CCI)

The body in charge of enforcing the provisions of the Competition Act is the Competition Commission of India (CCI), which functions as a regulatory authority. This is done to make sure that all businesses operate within the prescribed legal boundaries while fostering an environment of free market competition. The CCI is empowered to conduct inquiries, impose fines, scrutinize mergers, and issue orders to prevent anti-competitive practices¹⁶. Among CCI's most important activities is competition advocacy, which involves the instruction of business persons and the public on tendencies and practices that contradict competition, as well as the promotion of compliance¹⁷. The commission has played a significant part in sharpen policies of competition in India by arguing against cartels, conducting probes into the activities of digital markets, and ensuring fair prices in all sectors of the economy.

5. Penalties and Enforcement Mechanisms

Laws sets steep fines on violators. Members of a cartel may be fined up to 10 percent of their revenues or the greater of three times the cartel profit. In cases of misuse of market power, the CCI is authorized to impose fines, enforce divestiture orders, or even restrain certain activities. The Act also contemplates a leniency policy that permits cartel members to report their participation in a cartel and receive reduced penalties¹⁸. The process of enforcement is both proactive and remedial, ensuring compliance to competition norms while also punishing abuses of competition. The CCI has issued landmark orders on several technology companies and cement companies and automobile companies which has also boosted the effectiveness of the Act over the years.

¹⁵PSA Legal Counsellors. "The Competition Act 2023 and Merger Control for New-Age Markets." *PSA Legal Counsellors*, October 2024, <https://www.psalegal.com/the-competition-act-2023-and-merger-control-for-new-age-markets/>.

¹⁶ Competition Commission of India, 'About Us' (Competition Commission of India, 2025) <https://www.cci.gov.in/about-us#:~:text=It%20is%20the%20duty%20of,in%20the%20markets%20of%20India> accessed 17 April 2025.

¹⁷ BYJU'S. "Competition Commission of India." *BYJU'S Free IAS Prep*, 17 Apr. 2025, <https://byjus.com/free-ias-prep/the-competition-commission-of-india/>.

¹⁸*Competition Law project*, CourseHero (n.d.), available at: <https://www.coursehero.com/file/242377934/Competition-Law-projectpdf/> (last visited on Apr. 17, 2025).

The Competition Act has been repeatedly amended to beef up its enforcement instruments and keep up with the latest economic situations and changes in the market. The Competition (Amendment) Act, 2007, provided a two-tier structure, dividing investigative and adjudicatory powers within the CCI. Recent tweaks, including the Competition (Amendments) Act of 2019, have recently made headway into some of the big new challenges arising from digital markets, tech giants, and cross border takeovers. We've got tougher rules now against shady market behavior¹⁹. Proposed modifications in 2023 aim to control giant tech corporations, create settlement and commitment processes, and expand CCI's capacity to examine digital market dominance. These upgrades really point to a consistent path to having a strong competition law that flexes as new kinds of business develop.

The Competition Act of 2002 is really key in making India's business environment sparkle. This act does an awesome job of fostering fair competition, protecting consumers, and having some control over those nasty practices of companies that try to cut corners and siccha others down. So this act steps in to root out cartels of cronies trying to rig up prices, it not only fights against using unfair power in trade but also stopping mergers from becoming monopolies unfairly. It's ensuring that true ability speaks at high tables and not strong cash. With such strong enforcement by CCI (Committee for Coordination in Investment) markets are really thriving and getting very efficient now. Businesses and consumers are really benefiting big time from this new modus operandi they're seeing²⁰. They both feel realized and satisfied that competition is being really looked after and this way encourages growth and innovation from companies. As new challenges emerge for the digital economy and for competition that involves players from different parts of the world, we're also going to need to tweak competition laws more and more so that they stay current and very important and effective too²¹. The Act is absolutely crucial for what India's economic policy is all about. It protects fair markets, it gives competitive businesses the best chance, and it guards consumers too moving through the constantly swirling changes of global markets.

¹⁹Harisankar K.S., *2023 Amendments to Indian Competition Law: Bringing Down the Hammer on Anti-Competitive Conduct – Part 2*, Kluwer Competition Law Blog (4 May 2023), available at <https://competitionlawblog.kluwercompetitionlaw.com/2023/05/04/2023-amendments-to-indian-competition-law-bringing-down-the-hammer-on-anti-competitive-conduct-part-2/> (last visited Apr. 17, 2025).

²⁰Mayashree Acharya, "Competition Act 2002" available at: <https://cleartax.in/s/competition-act-2002> (last visited on April 17, 2025).

²¹Sanchari Sen, "Fair Play in Business: How the Competition Act, 2002 Shapes India's Markets," Medium, Nov. 18, 2024, available at: <https://medium.com/@sensanchari2018/fair-play-in-business-how-the-competition-act-2002-shapes-indias-markets-c1d7aa37177f> (last visited Apr. 17, 2025).

Role and Functioning of the Competition Commission of India (CCI)

Outlawing anti-competitive agreements (cartels and restrictive trade practices), avoiding abuse of dominance by big market participants, and regulating mergers and acquisitions (combinations) that potentially distort competition. Through its awesome enforcement powers, CCI can now look into matters, swoop in unannounced and sometimes at very early dawn, if need be, impose fines and get companies to change the way they do business if they're caught being unfair towards one another or others in trade and commerce. Besides being the tough overseer that it is required by law to be, CCI also really takes part in promoting and advocating for things that are good for fair competition²². CCI also works hard to let businesses know about good competition principles through reaching out to lawmakers and to everyone. It makes sure people are aware of these things too. It regularly engages with international competition authorities and constantly adapts to new challenges. These days, those challenges often involve big digital marketplaces, powerful tech companies taking over things, and trade practices that cross borders too. Over the years, historic verdicts against industries like cement, telecom, autos, and e-commerce have highlighted the CCI's relevance in preserving a level playing field in the Indian economy. And as the momentum of the markets keeps shifting and evolving, the CCI works methodically and day by day to fine tune their approach to regulation. They make sure that they step in quickly with tough enforcement and work to bring transparency wherever they are. They are quick on their heels for new kinds of market competition concerns too²³. They are working always to make sure that growth is inclusive, competitive and friendly toward people who do business.

Key Cases and Precedents in Indian Competition Law

The implementation of competition law in India has been profoundly affected by landmark cases that have created crucial precedents in areas such as abuse of dominance, cartelization, predatory pricing, and anti-competitive agreements. India's Competition Commission, which started in 2002 under the Competition Act, has been super important in making sure the markets are fair and free of cheating by big companies that want to bit by bit take over others. They punish companies when they engage in practices that are unfair competition. Some of

²² Arjun Singh Tamang, "Competition Law Enforcement: Challenges Faced by the Competition Commission of India," *Metalegal Advocates*, October 16, 2024, available at: <https://www.metalegal.in/post/competition-law-enforcement-challenges-faced-by-the-competition-commission-of-india> (last accessed April 17, 2025).

²³ Competition Commission of India, *Introduction to Competition Law: Part 1 – Basic Introduction*, available at https://www.cci.gov.in/public/images/publications_booklet/en/introduction-to-competition-law-part-1-basic-introduction1652182155.pdf (last visited Apr. 17, 2025).

the most noteworthy instances that have affected the evolution of competition law in India are mentioned here.

One of the most important cases in Indian competition law is MCX Stock Exchange Ltd. v. National Stock Exchange of India Ltd. (2011)²⁴. In this case, the National Stock Exchange (NSE) was accused of engaging in predatory pricing by supplying its services in the currency derivatives market at free costs while charging in other areas. The CCI decided that NSE had misused its dominant position to push out competitors like MCX Stock Exchange (MCX-SX). Because of that, NSE got slapped with a fine of fifty-five crores and it was told to change its pricing so that fair competition is preserved. This decision created a critical precedent by showing that dominant corporations cannot engage in predatory pricing to destroy competition, confirming one of the core foundations of Indian competition law.

Another major case that really showed how tough the Competition Commission of India was on cartels was Builders Association of India versus Cement Manufacturers Association in 2012. The Builders Association of India asserted that large cement makers were involved in price-fixing and market allocation, leading to artificially inflated costs. After examination, the CCI determined that cement businesses had formed a cartel, breaching Section 3 of the Competition Act, 2002. The CCI slapped a huge ₹6,300 crore penalty on top cement makers including ACC, UltraTech, and Ambuja Cement. This ruling reiterated that cartelization, even if informal, would incur harsh penalties, hence enhancing deterrent against collaboration in critical industries.

There has been a big shakeup in the way competitions work in India due to what we've seen with digital markets lately. In the Google Antitrust Case (2018-2022), Google was accused of exploiting its dominant position in the Android mobile ecosystem by compelling smartphone makers to pre-install Google apps, so stifling competition. After a thorough investigation, the Competition Commission has imposed a fine of 1.33 billion rupees on Google and ordered that the company stop bullying device makers into preloading their own apps. This case was really where the rug went from carpeting fluffy dreams of triumphant tech giants to sticky realities. And the new reality is that corporations full of tech now have competition law obligations and they also have to play fair according to the market.

²⁴MCX Stock Exchange Ltd. v. National Stock Exchange of India Ltd., (2011) 7 Comp. L.J. 141 (CCI).

There was another really big case in the digital space, battle of Uber India versus Meru Cabs back in 2019²⁵, and its topic was getting ripped off on hailing and driving rides. Meru Cabales says that Uber is really giving out big discounts to customers and sweet deals to their drivers too which is like creating an atmosphere that makes others leave the taxi business because they feel like they don't have a leg to stand on anymore. Initially, the CCI rejected the complaint, saying that Uber was not dominant in the relevant market. Then the NCLAT Higher Tribunal ordered that the CCI/Customer Commission to review again because big digital companies require a more refined way of thinking when it comes to dealing with concentration of power and pricing.

The Amazon-Future Retail case from 2021 also has really big implications for competition law right in India, particularly smack in the middle of the e-commerce world. Amazon is contesting this merging agreement for Future Retail along with Reliance Industries. They argue that their previous acquisition of Future Group does not go in line with those merger plans anymore. This dramatic turn of events stirs up quite a bit of focus. The case generated serious concerns about anti-competitive agreements and market concentration in the fast-rising online retail industry. After carefully looking into the matter again, CCI (Commissioner for Competition) has stepped on backpedal with its approval of Amazon's investment in Future Coupons and has also slapped a fine of 2 billion rupees on Amazon because big e-commerce sellers need to be totally transparent and have to ensure competition is competitive, issuing warnings. This move really put together solid precedents for regulating tricky practices like taking unfair advantage of shoppers through online shopping and helping big companies merge together. It's been a really strong foundation for legal standing that will serve as an example of standards moving forward. They really made a point of checking who is important within the marketplace if they're doing business online.

These major cases demonstrate how the CCI has aggressively pushed to prohibit anti-competitive activity across numerous industries, including manufacturing, technology, stock exchanges, and digital marketplaces. The rulings have played a crucial role in defining abuse of dominance, cartelization, predatory pricing, and anti-competitive agreements in the Indian legal framework. With markets and digital platforms constantly changing, there's also a real need to make policies nimbler too and better tools for ensuring new challenges in the competition world are addressed neatly.

²⁵In Re: Meru Travel Solutions Private Limited (MTSPL) v Uber India Systems Pvt. Ltd., Case No. 96 of 2015

For general queries or to submit your research for publication, kindly email us at ijalr.editorial@gmail.com

<https://www.ijalr.in/>

EU

Historical Evolution of Competition Law in the EU

The growth of competition law in the European Union (EU) has been determined by its goal to establishing a single market with free and fair competition. The underpinnings of EU competition law extend back to the post-World War II era, when European states sought economic unification to avert future wars and maintain economic stability²⁶. Over time, competition law in the EU has evolved via different treaties, legislation, and landmark judgements, making it one of the most advanced antitrust regimes internationally.

The beginnings of EU competition law may be traced to the Treaty of Rome (1957), which formed the European Economic Community (EEC)—the forerunner to the contemporary EU. This pact set the framework for competition regulation by incorporating Articles 85 and 86, which eventually became Articles 101 and 102 of the pact on the Functioning of the European Union (TFEU). These laws seek to prevent anti-competitive arrangements (such as cartels) and ban the misuse of a dominating market position by major firms. The Treaty of Rome knew that competition is the coin of high economic efficiency and also good for consumers and helping everyone to have a bigger and healthier market together²⁷.

During the 1960s and 1970s, the European Commission (EC), the major enforcer of EU competition law, vigorously applied these concepts to many industries. One of the oldest and most prominent instances was the Continental Can case (1973), in which the European Court of Justice (ECJ) declared that mergers might potentially lead to an abuse of dominant position if they considerably curtailed competition²⁸. This ruling broadened the role of EU competition law and it takes bigger mergers and acquisitions dealing into account as well now. Competition laws not only deal with cartels and monopolistic behavior anymore, but also now stress merger control as an essential regulatory tool to put in place.

²⁶ European Parliament, “Competition policy,” Fact Sheets on the European Union, available at: <https://www.europarl.europa.eu/factsheets/en/sheet/82/competition-policy> (visited on April 17, 2025).

²⁷ **Kenny M. Rosenberg**, *Corporate Complicity: Criminal Liability for Human Rights Abuses in the Wake of Kiobel*, 7(1) **J. ANTITRUST ENFORCEMENT** 6 (2019), available at <https://academic.oup.com/antitrust/article/7/1/6/5369223> (last visited Apr. 17, 2025).

²⁸ E-PG Pathshala, *Evolution of Competition Regulations in the US and Europe*, Ministry of Education, Government of India, available at https://epgp.inflibnet.ac.in/epgpdata/uploads/epgp_content/Law/03_Competition_law/04_Evolution_of_competition_regulations_in_the_US_and_Europe/et/8129_et_ET.pdf (last visited Apr. 17, 2025).

In the 1980s, the EU developed a more forceful stance toward anti-competitive behaviours, notably targeting cartels and state monopolies. The landmark Wood Pulp decision (1988) reaffirmed the idea that even corporations headquartered outside the EU might be liable to EU competition law if their conduct had major consequences on the European market. This decision established the doctrine of effects and that idea remains at the core principle for enforcement of competition law today.

In the '90s, Congress introduced a regulation that became known as the Merger Regulation. This new law gave the European Commission the awesome authority to scrutinize mergers with fines if they think they will really stifle competition inside the European Union. The legislation was later revised in 2004²⁹, expanding the Commission's capacity to analyse mergers based on their potential to generate or enhance a dominant position. The Airtours case (2002) and the GE/Honeywell merger case (2001) were significant cases where the Commission prevented mergers that may have resulted to less competition and increased pricing for consumers.

As digital markets and globalization transformed the economic landscape, that decade really saw a big increase in fuss over tech giants using power in an unfair and wrong way, along with competition matters also getting bigger and bigger in this new world of technology. One of the most famous examples in recent years was the Google Shopping case (2017), when the European Commission penalised Google €2.42 billion for abusing its dominance in search engine services by favoring its own shopping comparison service over competitors. This choice underscored how the EU wants to push fair competition in the digital market and to stop mammoth tech companies from using their power like a monopoly to crush competitors.

Recently, the EU actively participates in the competition law enforcement by regulating big data, artificial intelligence and digital platforms. The DMA and DSA passed in 2022 seek to prevent major internet platforms, including Amazon, Apple, Meta, and Google, from engaging in anti-competition practices. These laws show the EU is trying to address competition problems in these emerging markets and as always, focuses on ensuring competition in the age of internet.

²⁹ UNESCO, *The Right to Education: Towards Education for All throughout Life*, Paris: UNESCO, 2000, available at <https://unesdoc.unesco.org/ark:/48223/pf0000124159>.

To sum up, the long story of EU competition law portrays the rigorous pursuit of an equitable or balance in the market, protect against emerged monopolies, and respond to new economic environment. For every step taken in the competition law, from the origin in the Treaty of Rome to the latest act on digital markets, the EU is regarded as one of the most competitive and active jurisdictions in the world. With the persistent evolution of global markets, the EU remains an active leader in the implementation of competition policies and continuously renews its legislative arsenal for every new challenge in international business, technology, and innovations.

Overview of Key EU Competition Law Provisions (Articles 101 and 102 of the TFEU)

To undermine anti-competitive behavior by the market, the European Union (EU) has established competition laws. Along with this, it seeks to promote consumer welfare. The law of competition rests considerably on the foundational European Union (EU) competition law which lays down the principles against anti-competition agreements and the abuse of market power in Articles 101 and 102 of the TFEU³⁰. The EU Merger Regulation complements competition laws by ensuring that market competition is not stifled with mergers and acquisitions. These regulations are enforced mainly by the European Commission (EC), which also investigates breaches of competition regulations and has the authority to fine offending firms. EU competition law, through the years, has adapted to new challenges including those brought about by digital markets and international conglomerates.

Key Provisions of EU Competition Law

1. Article 101 of the TFEU: Anti-Competitive Agreements

Article 101 of the TFEU forbids contracts, colluded conducts, and decisions of undertakings that restrain or obstruct competition within the EU's internal market. This also includes cartels, price-fixing contracts, market allocation agreements, and bid-rigging schemes which greatly prejudice competition in the market. It is also prohibited to enter into agreements which greatly restrict competition by adequate choice or unjustly raise prices³¹. On the other hand, Article 101(3) provides for exceptions to agreements which enhance efficiency,

³⁰ European Union, 'Implementing EU Competition Rules: Application of Articles 101 and 102 of the TFEU' (EUR-Lex, 2025) <https://eur-lex.europa.eu/EN/legal-content/summary/implementing-eu-competition-rules-application-of-articles-101-and-102-of-the-tfeu.html?fromSummary=08> accessed 17 April 2025.

³¹ **European Commission**, *Antitrust and Cartels, Competition Policy – European Commission*, 2023 (last accessed on 17 April 2025).

creativity, or consumer benefits, so long as complete obliteration of competition is not the case.

The European Commission already has taken an advanced stance on the detection and prosecution of cartels with its leniency program which seeks to obtain the voluntary confession of cartel members in exchange for reduced sanctions³². Some of the more notable ones, like the Lysine cartel case and the Truck cartel case, resulted in the highest penalties for the cooperating corporations.

2. Article 102 of the TFEU: Abuse of Dominant Market Position

Article 102 concerns firms with a dominant position in a relevant market, where those firms may engage in practices that significantly limit competition. While participating in market activities is generally not illegal, abusing the market position through activities such as predatory pricing, refusal to supply, tying and bundling, as well as exclusive dealings, is illegal. The aim of Article 102 is to ensure that market competitors do not employ anti-competitive action that restrict market entry or negatively impact consumer welfare³³. Notable enforcement cases conducted under Article 102 include actions against Microsoft, Google, and Intel, where they were found to have abused their positions in competition. For example, in the Google Shopping case, the European Commission fined Google €2.42 billion for preferential treatment of its own comparison-shopping service over competing services in search results.

3. Merger & Acquisition

Mergers and acquisitions (M&A) may drastically alter market dynamics, sometimes leading to market concentration that decreases competition. To prevent anti-competitive consolidations, the EU Merger Regulation (EUMR) requires enterprises participating in large-scale mergers to inform the European Commission before closing the deal³⁴. The Commission examines whether the proposed merger will substantially diminish competition and, if required, prohibits or puts constraints on the transaction to maintain market balance.

³² CUTS International & National Law University, Jodhpur, *Study of Cartel Case Laws in Select Jurisdictions: Learnings for the Competition Commission of India* (2008), available at: <https://www.cci.gov.in/images/marketstudie/en/docs1652440423.pdf>.

³³ Cleary Gottlieb Steen & Hamilton LLP, "In brief: abuse of dominance in European Union" (24 February 2025) <https://www.lexology.com/library/detail.aspx?g=e4c7dd25-3616-4c2d-a7a7-57aea0a8d92e>.

³⁴ European Commission, *Mergers Overview*, European Commission, available at https://competition-policy.ec.europa.eu/mergers/overview_en.

Notable examples include the banned merger of Siemens and Alstom, where the Commission found that the agreement would establish a dominating competitor in railway signaling and high-speed train construction, limiting competition. The big European Commission is the main doyen for making sure European Union competition rules are followed. They make sure everyone plays by the same rules and that no one company has such an oversized grip that competition gets stifled. It digs into anti competition behavior, does market research and fines companies or enforces structural remedies if they undertake practices that infringe competing companies. The EC functions through the Directorate-General for Competition (DG COMP), which supervises compliance and examines market conditions. Companies that get caught breaking competition rules under the EU can be hit with fines of up to 10% of their annual revenue worldwide.

Additionally, the EC interacts with national competition agencies (NCAs) within the European Competition Network (ECN) to enforce competition rules across various member states, guaranteeing a uniform approach. With the rise of digital platforms there's competition enforcement reaching further beyond markets and trade and into technology and digital services. Big digital players like Google, Amazon, Facebook, Apple and Microsoft (GAFAM for short) are really getting some heat lately for all the things they do online³⁵.

To address issues in digital markets, the EU proposed the Digital Markets Act (DMA) and the Digital Services Act (DSA) in 2022. The DMA is directly targeting big platforms that operate as gatekeepers of the internet³⁶. This agreement sets high standards like saying such big companies shouldn't implicitly give their own apps a head start over others and they should make sure that apps that run on different messaging platforms can work well with each other. With clear lines being drawn, competition will be fanned across the whole ecosystem.

Recent incidents, such as the Amazon marketplace inquiry, have highlighted issues over preferential treatment of in-house items, causing Amazon to amend its marketplace policy in the EU. Similarly, the Apple App Store probe explored how Apple prohibits third-party

³⁵ European Commission, 'ECN+ Directive: Making National Competition Authorities More Effective Enforcers' (European Commission, 2021) https://competition-policy.ec.europa.eu/antitrust-and-cartels/european-competition-network/ecn-directive_en accessed 17 April 2025.

³⁶ European Commission, 'Digital Markets Act: Ensuring Fair and Open Digital Markets' (European Commission, 2025) https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-markets-act-ensuring-fair-and-open-digital-markets_en accessed 17 April 2025.

payment methods, leading to regulatory involvement³⁷. EU competition law is often recognized as one of the stickiest regulatory rules in the world. Others have started to take inspiration from EU standards, including in major economies like India and the USA—but also as far away as in developing countries. The EU's extraterritorial policy permits it to impose sanctions on non-EU enterprises conducting business inside its jurisdiction, as demonstrated in cases involving US-based internet giants.

Moreover, competition law from the EU has inspired regulatory rules in growing economies. Take for instance India's Competition Act of 2002—it hangs out with EU rules for agreements that promote competition and control by dominant players. The EU competition law framework is a comprehensive system meant to protect fair competition, deter monopolistic behavior, and encourage innovation and consumer welfare. The European Commission plays a really big role when it comes to making sure that keeping markets fair and balanced works out well. By implementing Articles 101 and 102 of the Treaty on the Functioning of the European Union as well as merger control legislation, they help make sure that big companies don't collude or try to take over other companies and monopolize things. By doing this, they work to prevent less powerful companies or consumers from being disadvantaged. So they do an important job serving the interests and needs of all sorts of European citizens. With the digital economy booming and new concerns emerging, the EU recently put in place some important rules³⁸. The most talked about new regulation is known as the DMA—Digital Markets Act. As global markets change, EU competition law will continue to adapt, impacting both local and foreign competition policy.

Role and Functioning of the European Commission

The European Commission is really important when it comes to making sure everyone plays fair and follows competition rules in the things they do. They make sure that businesses are up against each other, fair to each other, and not giving one another advantages that they shouldn't have. The Commission, as the executive wing of the EU plays a huge role as it has to catch and punish unfair business tactics that are not allowed by rules set out in something called Treaty on Functioning of European Union (that's a long name, let's call it TFEU).

³⁷Arise News, 'Amazon Faces Potential EU Investigation Over Preferential Treatment Of Own Products', Arise News, 21 November 2024, <https://www.arise.tv/amazon-faces-potential-eu-investigation-over-preferential-treatment-of-own-products/>.

³⁸Nishith Desai Associates, *Competition Law in India*, available at <https://www.nishithdesai.com/Content/document/pdf/ResearchPapers/Competition-Law-in-India.pdf> (last visited April 17, 2025).

They check to see if companies are doing dodgy business stuff that goes against the rules and then they punish them appropriately³⁹. The Competition Commission works mainly through a Directorate General for Competition (DG COMP) division, which tackles mergers that may cause problems, breaks up unfair business dealings, investigates when any one company is using its power to bully others, and also looks into restrictions that states make on businesses.

1. Enforcement of Anti-Competitive Practices (Articles 101 and 102 TFEU)

The Commission is responsible for implementing Article 101, which forbids cartels, price-fixing, and restrictive agreements, and Article 102, which covers the misuse of a dominating market position. The European Commission gets to look into companies that are accused of doing naughty things like that and slap them with really big fines too up to 10% of their total sales worldwide.

One of the Commission's biggest enforcement tools is its program to uncover cartels and offer leniency as an incentive. This program encourages companies to come forward voluntarily if they've done anything that violates the rules by reporting cartels to get much smaller fines as a reward instead⁴⁰. This approach has been essential in revealing significant cartels, such as the Truck Cartel and the Air Cargo Cartel, amounting to billions of euros in fines.

2. Merger Control and Regulation

Under EU Merger Regulation which is quite straightforward, the EU Commission looks carefully at mergers big and small. They decide whether a deal might seriously harm competition in an area. They want to make sure that if companies combine, they don't stop people from buying and selling as freely as they normally would—so free trade, but better off for consumers and business in general of course⁴¹. Companies surpassing specific turnover levels must inform the Commission before continuing with a merger. The Commission looks at whether a merger puts one company in such strong control as to trample on competition

³⁹ European Union, 'Promoting Fair Competition' (European Union, 2025) https://european-union.europa.eu/priorities-and-actions/actions-topic/competition_en accessed 17 April 2025.

⁴⁰European Commission, 'Antitrust and Cartels' (European Commission, 2025)https://competition-policy.ec.europa.eu/antitrust-and-cartels_en(accessed April 17, 2025)

⁴¹ European Commission, 'Mergers', available at: https://competition-policy.ec.europa.eu/mergers_en (last visited on April 17, 2025).

and harm consumers too, basically pondering whether unity of companies could lead to less competition and worse deals for people.

The EC has the ability to approve mergers, or turn them down or impose conditions to stop competitive disadvantages either to customers or competitors. Notable examples include the banned Siemens-Alstom merger, when the Commission concluded that the agreement would diminish competition in the railway industry, and the conditional clearance of Google's acquisition of Fitbit, requiring Google to adhere with data protection regulations.

3. Investigative and Monitoring Powers

We're doing raids early in the morning, just popping into companies and workplaces to gather clues about suspicious behavior meant to crush competition.

- Sending official requests for information to companies and market players.
- Engaging in market research and sector inquiries to analyse industry-wide competition risks.

Through these procedures, the Commission has effectively uncovered and penalised anti-competitive conduct in critical areas like as technology, pharmaceuticals, financial services, and energy.

4. Regulating State Aid

Along with making sure people and companies play nice with each other and don't cheat, the Commission also makes sure countries within the EU aren't giving special help out of pocket that gives unfair advantages⁴². Under EU rules found in Articles 107 and 109 of the TFEU everyone has to get Commission approval for any special treats for companies or industries. Those special treats could be in the form of government money or reductions in taxes so everyone can enter without the stronger ones using unfair advantages.

For example, during tough times with Coronavirus people shamefully known as COVID 19, the Commission created a temporary guideline for aid from countries. With this framework, member states could help out suffering firms and still make sure that playing among the

⁴² European Commission, "State Aid," available at: https://competition-policy.ec.europa.eu/state-aid_en (last visited on April 17, 2025).

nations would be fair. The Commission's competition law conclusions follow a defined legal process:

- During preliminary work, the EC firms up its case with complaints, market research, and it snoops too.
- Inspection in an Alleged Anti-Cheer Squad Case - If the Commission thinks there might be some ulterior moves that aren't cheer leading, they start a serious investigation and do lots of digging into corporate operations and take formal hearings.
- Decision and Sanctions If a breach is verified, the Commission can impose fines, remedial measures, or structural remedies to restore market competition.
- Judicial Review - Companies can dispute the Commission's judgements before the General Court and the Court of Justice of the European Union (CJEU).

The European Commission's competition policy is acknowledged as one of the most strict and powerful internationally. I've seen this pattern emerge in lots of different places too like in India, the U.S., and even some fast growing countries that are just getting their feet wet in the global economy⁴³. They set up similar procedures for enforcement, looking to model themselves after that EU system. The Commission's historic cases, notably against internet titans like Google, Microsoft, and Apple, have set worldwide norms for regulating digital markets.

The European Commission is super important in making sure everyone plays fair in business across Europe. They look out to ensure companies aren't cheating or fleecing customers, and that everyone sticks to nice rules. By putting into practice Articles 101 and 102 of the TFEU—rules that prevent big companies from unnecessarily squeezing smaller competitors by stopping unfair deals and providing subsidies to certain companies unfairly—that is, by carefully regulating mergers and enquiring into government handouts favoring specific competitors, the EU Commission really does encourage the big vitality and wellbeing of people shoppers. In this new digital economy world, the Commission never stops reinventing its practices and policies to deal with headline issues that keep appearing. And in doing so, it constantly solidifies its reputation as a powerhouse in ensuring competition laws are strong and enforced all over the world.

⁴³European Union, "State aid procedural rules," https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legisum:0802_8 (visited on April 17, 2025).

Key Cases and Precedents in EU Competition Law

The European Commission has really been a key player in defining competition law by issuing rulings that have set up really important legal precedents that others follow. Clear and powerful examples of this have made rules for competition and fair trading that businesses in Europe follow. These instances cover cartels, misuse of dominant positions, mergers, and governmental help, ensuring that enterprises function in a fair and competitive market⁴⁴. Some high-level cases highlight how strong and effective competition law is enforced by the EU -- it's notable in tech, pharma, energy and finance.

One of the most prominent instances in EU competition law is the Google Antitrust instances. Over the years, the EC has punished Google for abusing its dominant position in different areas. In 2017, Google was fined €2.42 billion for favoring its own retail comparison service over competitors in search results. In 2018, there was a good old slap on the wrist for Google they paid a record fine of €4.34 billion for some not so good competitive behavior with their Android operating system. Because Google required manufacturers who used Android on their phones to load Google apps and lots of other services right on the device, that was pretty rubbing in everyone's faces⁴⁵. Essentially damning anyone who even remotely competed with them so directly in that way. It was a big fat slap. In 2019, the EC slapped another €1.49 billion punishment for preventing third-party websites from displaying competitive search advertisements. These judgements highlighted the Commission's stance on self-preferencing and unjustified limits in digital markets, creating a worldwide precedent for tech laws.

Another major case was the Microsoft Antitrust Case in 2004, where the EC penalised Microsoft €497 million for abusing its dominant position in the operating system industry. Microsoft was found guilty of stitching its Windows Media Player so closely to Windows that it was preventing customers from choosing competing players freely and destabilizing fair competition between different media players. The Commission thought that Microsoft needed a little more separation and so they ordered Microsoft to split off its media player system. They also ordered Microsoft to provide interoperability information to other companies so they can work together better. This ruling made sure that big companies can't act like they own the whole stage of theatre and block out others or kill new talent.

⁴⁴ Global Competition Review, "Cases and Precedents - Mergers: European Union," Lexology, June 8, 2023, available at <https://www.lexology.com/library/detail.aspx?g=cbfec05d-5df8-4a30-b523-4f513da4822b>.

⁴⁵ European Commission, "Commission adopts new rules to make it easier for consumers to switch energy suppliers," MEMO/17/1785, available at: https://ec.europa.eu/commission/presscorner/detail/ro/memo_17_1785 (last visited on 17/04/2025).

In merger control, the EC has banned or set restrictions on some high-profile acquisitions. One such example was the Siemens-Alstom combination (2019), which the Commission banned owing to concerns that the combination would considerably restrict competition in the railway signaling and high-speed train industries⁴⁶. Although the firms contended that the merger was required to compete with China's CRRC Corporation, the EC decided that it would establish a European monopoly, eventually harming consumers. This really brought home the importance of nurturing competition in critical industries even in the face of global challenges.

The Intel Antitrust Case (2009) was another key precedent. The EC penalised Intel €1.06 billion for engaging in anti-competitive actions to remove competitor chipmaker AMD from the market. Intel was found guilty of delivering conditional rebates to computer makers, deterring them from choosing AMD CPUs⁴⁷. The case says big companies shouldn't use their power to charge more prices or in other ways that squelch choices for customers. Though Intel eventually appealed, the case remains a key ruling in defining abusive market behavior.

In the domain of cartel enforcement, the Truck Cartel Case (2016) led in fines of €3 billion levied on key truck manufacturers, including Daimler, Volvo/Renault, Iveco, and DAF, for participating in price-fixing over 14 years. This case really showed how strong the Commission is when it comes to speaking out against those sneaky agreements that really screw with efficiency and end up making consumers pay more. Collectively, these examples really show that the Commission for Europe plays a really active role. One of the roles is enforcing fairness in markets and protecting people's rights, and another is putting a stop to any behavior that abuses power⁴⁸. The way the European Commission really enforces competition law serves as an example to other countries everywhere and shapes competition policies around the globe.

⁴⁶Aditi, 'Abuse of Dominance: The Microsoft Cases', (2014) 1 *Academike* 3, available at <https://www.lawctopus.com/academike/abuse-of-dominance-the-microsoft-cases/>.

⁴⁷ European Commission, "EU to propose new rules to improve the enforcement of intellectual property rights," Press Release IP/09/745 (June 29, 2009), available at: https://europa.eu/rapid/press-release_IP-09-745_en.htm (last visited on April 17, 2025).

⁴⁸ European Commission, "European Commission Approves €1.2 Billion Investment in Renewable Energy Projects," Press Release IP/16/2582 (Dec. 14, 2016), available at: https://europa.eu/rapid/press-release_IP-16-2582_el.htm (last visited on Apr. 17, 2025).