International Journal of Scientific Research and Engineering Development-– Volume 3 - Issue 4, July - Aug 2020

Available at www.ijsred.com

RESEARCH ARTICLE OPEN ACCESS

Competition Law: A Space to Economic Regulation in Neo -Legal System

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ABSTRACT

India, in its formative years of freedom, laid down the seeds of socialistic approach towards economic development. Five-year plans were designed with the aim of self-reliance and self-sufficiency of the Indian industry. In this process of indignity, focus was laid on strong governmental regime to ensure equal and prosperous distribution of resources. One such attempt of the state resulted in the enactment of the MRTP Act, 1969 with the basic aim of comprehensive control over direction, pattern and quantum of investment to ensure that wealth is not concentrated in the hands of the few.

Law has to be dynamic as conceptualised by father of sociology 'Auguste Comte'. In order to adjust with the changes promulgating in the society it is important for law to go into transition. The libertarianism theory is giving an orifice to individual choice through the prism of rule of law and personal liberty. It edifices government's role to fortify personal liberty by providing space for freedom of trade and markets. The very basic idea behind the approach is to flourish markets by inducing license free trade practice and refurbish the fabric of law with the evolution of society.

This paper would show the journey about the transition in Indian economic regulatory system through the MRTP Act, 1969 towards Competition Act, 2002 and its enforcement in August 2009. The voyage from a closed market era to an open market epoch with realistic laws, which can be contemplated with the New Economic Policy of 1991 and give birth to a system that enables free markets for the ennoblement of fair competition, entrepreneurship and individual choice. This paper instills the reasons as to why the Indian Economy was starving for the introduction of a new Competition Law regulator. In addition, it will endeavor to focus upon the outlets in implementation of the new law.

The deliberation is upon the premise that 'license free rule is more apposite for the modern day India.' the discourse would cover keen questions regarding whether the new policy is being successful in its course? What could be done to ameliorate the dismantled plight? And why this new approach has been devised?

INTRODUCTION

"Democracy no longer means what it was meant to. It has been taken back into the workshop. Each of its institutions has been hollowed out, and it has been returned to us as a vehicle for the free market, of the corporations. For the corporations, by the corporations."

With the inception of human life, liberty has been considered and acknowledged as a prime virtue for its existence. It is a cradle to a developed and organised human society within the social and economic framework as it is a cardinal part of the natural law. Henceforth, the man made law does not instil power to curb the liberty as that would not cave in natural law principles. John Locke, the stalwart of libertarian theory, has asserted that having natural liberty is the most superior virtue and no other grander power should curtail the same.[1] His thoughts have laid down the impression of ideal governance. It envisages the imperativeness of liberty to conform to the individual freedom and its nourishment.

In the present paper, the cardinal contention covers the essentiality of liberty of markets in a democratic politics, as it is the highest form of it. It stresses upon free-markets approach, which infuse competition, individual choice and entrepreneurship. The father of economics, Adam Smith, emulated that 'invisible hand'[2] in an economy would fortify that free-markets, which are left to its own running would be accruing to more benefits than intervention by the State on every venture. It is indeed very important to have regulations for the assurance of healthy competition in the market but those regulations should not be burdensome upon the constructive growth of an economy. Even the legislators of UK have ascertained the constitutive principle of liberty for the markets through the enlargement of their ambit by amending anti-trust laws. Therefore, for a fruitful and effective growth it is viable to adopt libertarianism as an approach towards development.

India is a country, which has always inclined towards a socialistic form of governance as it is being considered the most holistic pursuit by the stalwarts of the Constitution of India.[3] Article 38 and 39 of the Indian Constitution enshrine the directive principles for the State that it should take care of the distribution of wealth and the concentration of wealth is not in the hands of few. It is because of these principles that from the inception of post-independence era, there has been induction of several Industrial Resolutions, such as Resolution of 1948 and 1956, which have given a framework to Indian economic regulations. Moreover, the introduction of Industries (development and regulation) Act, 1951 for regulating private sector and Monopolies and Restrictive Trade Practices Act, 1969 for the annulment of concentration of wealth in the hands of few have been legislated. In continuation of this

Foreign Exchange Regulation Act was also enacted, whereby there was intervention by the Government for allowing the participation of the foreign companies.

All the enactments have been endured for the augmentation of the industries and better economic welfare of the people for a fundamental growth of the country. However, these measures have failed in achieving the objectives laid down for them. In Addition, they promoted a number of inefficiencies, distortions and rigidities in the system.[4]

There is always a protocol, which has to be accoutred for the implementation and enforcement of any policy. The idea for the MRTP Act, to be repealed was to pursue a libertarian approach, as devised by the great thinkers like John Locke and Adam Smith that with less governmental intervention there would be more growth in the market sector and that too with higher developmental aspects. It has been thought about that there would not be regulative law reforms rather competitive legislations, which increase the virile competition and give opportunity for the new start-ups to be settled in the Indian market economy.[5] This would definitely magnify more development of the country with respect to economic advancements.

Consumer Protection Act, 1986 and Indian Competition Act, 2002 are the major attributes to the approach of evicting the anti-competitive environment in the country. By protecting, the consumers form the ill treatment of the business enterprises and by giving opportunity to the markets to enlarge without having any strict regulatory framework for entering into it. The whole approach was to mould a holistic environment for the business in India through these both legislations, as “they are two wings of the same house”.[6] Both incline towards securing the consumer deception and fostering the prelation of the competition in the markets through stifling the stringent regulatory norms. This paper is an effort to show how in India the license permit raj has taken its course and its metamorphosis to the competition era and to a mixed economy. The liberty of markets has to be fortified and the regulations, which have been imposed to keep check over the market in India, should assist government in delving upon a constitutive formula for giving room to the markets to grow and sustain effectively.[7] Moreover, India’s inability in structuring its growth and converting it into the development[8] is a key discourse of the paper.

Orifice to the Licensing Era

After independence, it was the greatest challenge for the Indian Government to edifice a proper channel for economic regulations in order to have proper supervision and adjudication of the disputes arising out of these pursuits. The foremost step into this arena was devised through Industrial

Resolution of 1948[9] when certain industrial aspects have been discussed for the first time and both public and private enterprises have been considered thoroughly. The highlight of the policy unfolds the industries where state is a monopoly. In addition, there was a provision of mixed sector in six different industries of strategic importance, there was also a pool of eighteen industries only pointed out for the governmental control and rest of the industries were being left for the exploration of private players. Then came the Industrial policy 1956[10], in this policy the more emphasis was being given on the small and cottage industries and also the ambit for the industries coming under the state was widened. In addition, the mutual dependence of private and public sectors has been expanded, as only four industries have not been allowed for private functioning.[11] Nevertheless, the major step in regulating the economy was being taken through the enactment of Industries (Development and Regulation) Act, 1951. This Act was specifically dealing with providing license to the upcoming industries and enshrining certain guidelines for the strict measures of adjudication. The major emphasis was given on the following:

- Maximum Governmental intervention in every facet,
- Registration and licensing of industrial undertakings, enquiry of industries listed in the schedule of registration and cancellation of registration and license if found working out of the permitted ambit (restrictive provisions)
- Direct regulation and control by the Government, Control on price, distribution, supply, etc and some constructive measures (reformative provisions)

These were the certain modulations brought by the enactment in regulating the economic affairs of the country. It was the first step towards infusing licensing measures on the industries, which further led to many extraneous consequences.

The cardinal points of criticism regarding this particular Act have been pointed out by the several commissions' reports, appointed by the government itself such as Monopolies Enquiry Commission in 1964 (also famously known as Das Gupta Commission), Dr. R.K. Hazari Commission in 1965[14] and Dutt Commission is 1967[15]. The very basic loophole founded by all these commissions was in the very strategy of the government. They stipulated their major enquiry upon the fact that licensing measures have been failed to fulfil their objectives and concurrently failed in their quest (what government had actually planned).

The underlying idea was to decide and ensure the capacities according to plan priorities and targets. However, the licenses have not been allocated according to the prescribed approach and perchance, private companies ended up investing into only profitable area of their interests. Likewise, there was

discretionary allocation done by the government without any transparency and due to the same licensing, concentration of power was also heightened up in the hands of few. In addition, there were several imbalances referring to regional biases, the Dutt committee has pointed out that few states like Maharashtra, Gujrat, Tamil Nadu and West Bengal had the most of the benefits. The whole approach turned out to be a mess during the strict licensing era, which has led to surfeit of repercussions.

Advent of Mahalanobis Committee and the MRTP era

The Mahalanobis Committee has made the most effective observations, as it has delved upon the adversities caused by the earlier enactments and policies vouched out by the government and prescribed certain mending. In pursuance of this, Monopolies and Restrictive Trade Practices Act was adopted in the year 1969 in order to curb the increasing concentration in the industrial sector. This Act has hooded national monopolies (covered by Section 20(a) of the Act as 'single large undertakings') and product monopolies (covered by Section 20(b) of the Act as 'dominant undertakings')[16]. These two categories have been made in order to have a control over the production capacity of big industries (although, this particular part was severed after 1985). The Act also included Restrictive Trade Practices (RTP) and Monopolistic Trade Practices (MTP).[17] At a larger glance, the Act had devised approach towards curbing the monopolistic trade practices because until 1984 the Act was only looking after the monopolistic trade practices and not the unfair trade practices. The major concern for good governance should be increasing of the virile competition rather restricting only the monopolies in order to engulf a healthy economy.

MRTP Act superficially included:

Monopolistic Trade Practices: Section 2 (i) is talking about the same and it bears the responsibility for checking that the concentration of wealth is not there to the detriment of the public and it supervises that no company or enterprise should use the dominant position in order to abuse the market. It has been considered that such kinds of companies, who are taking unduly advantage of their position, should be penalized for consumer welfare.

Restrictive Trade Practices: it enshrines all the irregular and illegal activities, carried out by the companies in order to obstruct the business of some other companies. It is made to stifle such activities, which are anti-competitive in nature and should be restricted.

Unfair Trade Practices: Sachar Committee has recommended this particular provision and it is being added through Section 36-A of the Act. It was majorly included in order to evict the practices related to

misrepresentation and misleading through the advertisements, unfulfilled guarantees and false promises of utility, quality and efficacy of the products.

This Act was being enacted keeping in mind the Directive Principles, given in the Constitution of India (Article 38 and 39), which state that the wealth should be distributed equally among the citizens and there ought not to be any disparities in it.

In order to adjudicate over the matters pertaining to the same there had been making of an MRTP Commission[19], under the aegis of Section- 5 of the Act. It has to look after the matters pertaining to the restrictive trade practice, monopolistic trade practice and unfair trade practice and regarding the imports, whether it has been done in the correct procedure or not and it has to submit its findings to the government. There are some of the judgements delivered by the Commission pertaining to the same.

In **M/s Shyam Gas Company v. State of UP**[20], the gas agency was the sole proprietor of providing gas services in that area of the state. It took advantage of its position and favoured the condition that for having a gas connection, customers have to buy the gas stove from the company only. This particular act was being adjudged as a restrictive trade practice and the same was penalized. In another case of **Bal Krishna Khurana**, the seller was selling the sub-standard goods to the consumers, which has been found out to be an unfair trade practice by the commission and the same has been restrained from trading.

These were the few judgements, which portray a constitutive growth but slowly and gradually with the initiation of the new policy of 1991, the commission had given many foul judgements, which were not apt for the public interest at large.

Malfunctioning of the License-Permit Raj

In the last chapter we learned about the reasons of inception of the Monopolies and Restrictive Trade Practices Act, 1969. Also, we read about the handy Foreign Exchange Regulation Act, 1973. Just as there are pros and cons of everything, the same notion has been established in case of the MRTP Act, 1969. There are pros and cons of every legislation. The difference between any other Act which is still a law in our country and MRTP or any repealed Act is that the Repealed Acts have more cons than its pros, hence leading a way towards the malfunctioning of the system. These kinds of acts work as constant speed-breakers and never allow the economy to run free from all kinds of glitches. It is very pertinent to understand the reasons as to why this License Permit Raj (MRTP Act, 1969) was repealed completely and the Indian economy was starving for a new law in command. In spite of laudable objectives of the MRTP Act, it was unable to achieve its objectives both in terms of

enforcement of the law and enforcement of its rulings. From the jurisprudential perspective the MRTP Commission took a fairly narrow view of private contractual view. However, in spite of notable rulings from the Supreme Court under the MRTP Act, from a regulation and enforcement perspective, the MRTP Act failed to achieved its objectives. Against this background, the Finance Minister of India in its budget speech in February, 1999 made the following statement in regards to the then existing MRTP Act –

"The MRTP Act, has become obsolete in certain areas in the light of international economic developments relating to competition law. We need to shift our focus from curbing monopolies to promoting competition. The Government has decided to appoint a committee to examine these range of issues and propose a modern competition law suitable for our condition".

The MRTP Act was passed at a time of strict regulation and licensing of Industries which was aimed at achieving the objectives of the MRTP Act, namely, to prevent (a) Economic Power concentration in a few hands and curbing monopolistic behavior, (b) prohibition of monopolistic, unfair or restrictive traded practices. The intention behind this was both to protect consumers as well as to avoid concentration of wealth.[22] The MRTP Act, was enacted at a time when India had the policy of "Command and Control" paradigm for the administration of the economic activities of the country. Most of the process attributes of competition, such as entry, price, scale, location etc. were regulated. Thus, the MRTP Act, had very little influence over these process attributes of competition, as they were part of a separate set of decisions and policies of the Government. As the new paradigm of economic reforms, namely, LPG took root in the mid 80s and intensively from the early 90s, the MRTP Act, was hardly adequate as a tool and a law to regulate the market and ensure the promotion of competition therein. The MRTP Act, though a competition law, could not be effective in the absence of other governmental policies inhering the element of competition[23]. The MRTP Act conceived and legislated more than 30 years ago, was a consequence of "Command-and-Control" policy approach of the Government. The so call MRTP firms with assets more than Rs. 100 crores (about US $ 22 million) were prohibited fromentering and expanding in any sector except those listed in Appendix I of the Industrial (Development and Regulation) Act, 1951. Even, in respect of such listed sectors, the MRTP firms were required to obtain MRTP clearances in addition to the usual industrial licenses. In other words, the MRTP firms, generally considered big in size, were allowed to grow only under Government supervision. Size, therefore, was a pejorative factor in the thinking of the Government, the premise being "big becoming bigger is ugly"[24]. Yet another reason of failing of the MRTP Act, 1969 was the absence of definition or even mentions of certain offending trade practices such as:

- Abuse of Dominance
- Cartels, Collusion and Price Fixing
- Bid Rigging
- Boycotts and Refusal to Deal
- Predatory pricing

The adoption of the economic reforms programme in 1991 was followed by pleas for scrapping the MRTP Act. The argument put forward was that the MRTP Act had lost its relevance in the new liberalized and global competitive scenario. It was said that only large companies could survive in the new global competitive markets and therefore 'size' should not be a restraint. Thus, there was a need to shift the focus from curbing monopolies to promoting competition**.** In this view, the government appointed an expert committee headed by S.V.S. Raghavan to examine the whole issue. The Raghavan Committee submitted its Report to the Government on Mat 22, 2000 where it proposed the adoption of a new competition law and doing away with the MRTP Act[25]. Under the MRTP Act, all firms with assets above a certain size were classified as MRTP firms. Such firms were permitted to enter selected industries only and this also on a case-by-case approval basis. In addition to control through industrial licensing, such large firms for any investment proposals required separate approvals. The government felt that this was having a deleterious effect on many large firms in their plans for growth and diversification. Then there was introduction of new industrial policy with respect of MRTP and dominant undertakings. These firms will now be at par with others, and not require prior approvals from the government for investment in the de-licensed amended Act gave more emphasis to the prevention and control of monopolistic, restrictive and unfair trade practices so that consumers are adequately protected from such practices. Moreover, there was a need of a commission, which would regulate these trade practices. Perchance, the inception of the Monopolies and Restrictive Trade Practices Commission was there (MRTPC). In spite of laudable objectives of the MRTP Act, it was unable to achieve its objectives in terms of both enforcement of the law and enforcement of its rulings. The Supreme Court of India upheld restrictive clauses in agreements[28] and applied the test of rule of reason in respect of such clauses in agreement[29]. There are plethora of cases judged by the Supreme Court, which show signs of malfunctioned MRTP Act. In September 1996, on a complaint by the Alkali Manufacturers' Association of India (AMAI), the MRTP Commission granted an ex parte interim injunction order against the American Natural Soda Ash Corporation (ANSAC), restraining it from exporting soda ash to India. The commission in March 2000 confirmed this. Meanwhile, in September 1998, the All India Float Glass Manufacturers' Association[30]

(AIFGMA) filed a somewhat similar complaint against three Indonesians. Both cases went in appeal to the Supreme Court, the appellants being ANSAC in the first case, and Haridas Exports (the Indian importer of the float glass consignment) in the second. Both cases involved allegations of predatory pricing, although that part of the complaint was not pressed by AMAI, which based its arguments mainly on the allegation that ANSAC was a cartel. In the float glass case, on the other hand, the question of predatory pricing was central. As it turned out, the Supreme Court did not go into either of these allegations. Instead, its judgment in Haridas Exports vs All India Float Glass Manufacturers' Association, which also subsumed the ANSAC vs AMAI case, set aside both the injunctions because the MRTP Commission lacked jurisdiction. Taken together with Haridas Exports, these cases show that the MRTP Commission has displayed a tendency to issue orders against business practices or prices that it regards as 'unfair'. However, the proper role for a competition authority, as rightly enunciated by the Supreme Court in setting most of these orders aside, is to restrain business practices that endanger competition.

New Policy and Liberalization - Competition Era

Since attaining Independence in 1947, India, for the better part of half a century thereafter, adopted and followed policies comprising what are known as “Command-and-Control” laws, rules, regulations and executive orders. The competition law of India, namely, the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act, for brief) was one such. It was in 1991 that widespread economic reforms were undertaken and consequently the march from “Command-and- Control” economy to an economy based more on free market principles commenced its stride. As is true of many countries, economic liberalisation has taken root in India and the need for an effective competition regime has also been recognised. [34] In the setting of the new monetary strategy ideal model, India has decided to sanction another law called the Competition Act, 2002 (Act, for brief). The MRTP Act has transformed into the new law, Competition Act, 2002. The new law is intended to nullify the surviving MRTP Act. Measures adopted by many countries are essentially designed to open competition in strategic sectors such as telecommunications, air lines, electricity generation and distribution etc. Such measures are a part of a tripod architecture with the three vertices, one may christen as Liberalisation, Privatisation, and Globalisation (LPG). A veneer running common to the LPG measures is the element of competition. The LPG syndrome seeks to make competition a driving force in the economic and commercial activities of the world. The law needed to yield to the changed and changing scenario on the economic and trade front. This was one important reason why a new competition law had to be framed. How difference and better was the new competition law as

compared with the MRTP Act, 1969? Earlier in the paper it has been identified that there have been terms and issues about which there has not been any reference in the MRTP Act. The Competition Act, 2002 explicitly defines the offences of Abuse of Dominance, Cartels, Bid Riggings and Predatory Pricing. These definitions were not mentioned in the former Act. The Act explicitly mentions the criteria to measure if an unfair competition is being practiced. The MRTP Act, 1969 was rather ambiguous and subjective[35] by not giving any constructive measure to ascertain if any such things are being practiced or not. MRTP Act, 1969 has also failed to define what is a restrictive trade practice or a monopolistic trade practice. Next, the Act mandates the Competition Commission of India shall not be bound by the provisions established in the Code of Civil Procedure, 1908. In this case, the MRTP Commission would be free of the provisions of CPC and would not be bound to abide by the said provisions which would be a miscarriage of Justice. Hence, in the year 1999, a committee was devised to decide the fate of the MRTP Act. The Committee was to decide on amendment or devising a new Act altogether. The central Government made a committee, which was headed by Mr. S.V.S Raghavan. This committee is also known as the Raghavan Committee[36]. Other dignitaries of this committee were the Chairman Of Hindustan Lever Limited, a Consumer Activist, a Chartered Accountant and an Advocate. There were about 80 different competition laws of different countries at that time, which were available. No particular Competition Law of any country was taken as a model but features of different Competition Laws were considered relevant for the report of the Raghavan Committee. As India adopted the 1991 LPG policy it was contended that the MRTP Act, 1969 had outlived its utility. It was contended that a new Competition Law was required for the country as the country had adopted a new industrial policy which opened the gate for foreign companies to trade in and with India. The Finance Minister of India in 1999 at a parliamentary session went to the extent of saying that " The MRTP Act has become obsolete in certain areas in the light of International economic developments relating to Competition Law. We need to shift our focus from curbing monopolies to promoting competition. The Government has decided to appoint a committee to examine the range of issues and propose a modern Competition Law suitable for its conditions." After considering the recommendations of the Standing Committee and effecting some refinements, the Parliament, on Dec 2002 passed the new law, namely, Competition Act, 2002. The bill was introduced in parliament in August 2001, and was referred to the standing committee on home affairs. The committee submitted its report in August 2002, but because parliament was not in session, it was not tabled in parliament until November 21. Thereafter, the government moved with alacrity: the Lok Sabha passed an amended bill on December 16, by the Rajya Sabha on December 20, and the resulting Competition Act 2002 received the presidential assent on January 13, 2003.[37] Adoption of

liberalization policy invited a situation in which the MRTP Act was not efficient anymore. India adopted Liberalization and invited foreign companies to trade and do business within India. This would mean that there would not be restriction of foreign companies to carry their trade in Indian soil. This change invited problems and clashes in the MRTP Act. The principles of Liberalization are totally opposing the MRTP rules. The new Competition Act, 2002 is not part of the Indian Jurisprudence. It has been made effective by the Government of India notification on March 31st, 2003. A staff has been appointed and the commission was running successfully. Nevertheless, like every other thing there are some lacunas in this act as well. There are still things, which are left to be rectified and are still left to be identified by the commission so that the running of the system could be more smoothened.

Liberalizing Trends and the New Law's Outlets

The government has passed the new law by keeping in view that with the inception of liberalization era, there would be more responsibility of managing the economic affairs. There were several changes made to the anti-trust laws of the country as discussed in the earlier discourse and all the changes were being made for the better growth of the economic condition of the country.[38] The major concern still revolves around the effective way of implementation of the law. The biggest setback in the whole process was that the cardinal operation of the law kicked off in 2009 and that too with not very commendable precision. There have been additions and modifications to the new law. For example, the addition of the dominant position to the Section 4 of the new law and the provision that the firms and companies 'should match up the competition' would render at last the happening of most anti-competitive practices because the big firms would somehow unintentionally deter the new start-ups. They, in order to match up with the rivals would bring their prices down for the marginal sales and this would affect the whole sale of the new start-ups.

Moreover, the new law has replaced the MRTP commission set up by the previous enactment and because of this earlier, a writ petition was filed for not giving the functional status to the Competition Commission of India because it was vouched to be headed by bureaucrats and a judge headed MRPT Commission. The Amendment Act of 2007 revived the whole concept of Competition Commission of India and it has finally replaced the MRPT commission.

In addition, after the amendment of the new Act, there was a critical view taken for the new law by many observers of the industry that the law mainly ponders when it comes to collaboration with the foreign company upon finding of the domestic nexus of the particular business in India. This is under

the scope of regulation by the commission under the garb of doctrine of acquisitions. Thus, if the acquirer is a foreign company and there is no domestic nexus when it comes to acquisition then the competition Act trigger would not apply due to these provisions.[40] Furthermore, there was a condition kept by the new law that acquisition formally would not take place until 210 days and that would render a very long period for the formal gestation of the companies. This long period of gestation would be a big hectic matter for the companies undergoing coupling and will raise certain uncertainty and ambiguity in transaction. There were certain implications and repercussions of this uncertainty as stated by the Dalal in his Article:[41]

- Perception among the customers
- Uncertainty as regards the 'identity' of the enterprise could create reluctance among the customers who could choose to shift to a more 'stable' competitor.
- Inability to make strategic and operational decisions as strategic business issues could remain in limbo.
- Human resources: in any acquisition or merger, the human resource element is crucial. This has dimensions relating to alignment of titles, roles and responsibilities. A long period of uncertainty could seriously dent moral and enhance attrition.
- Enterprise value (s): As a result of the uncertainty, the market could be dented due to ling period gestation, causing highly negative factors for the market.

Therefore, the new law was made and formed with the view to bring a boost to the pedantic industrial policy. However, the law provided certain peculiarities, which even Adam Smith would not be supportive of. There have been ample of changes regarding the correct formation of the law. Nevertheless, very few fruitful results have been conceived.

Conclusion and Analysis

As John Locke had said, "democracy in its purest form is most successful when accompanied with libertarianism". It is a well established notion that liberty gives man a power to flourish without Ketan Dalal, Competition Act Amendment may be a Deterrent for M&A's, September 17, 2007.

Any restrictions and it transcends every horizon. Likewise, at the same time law is an integral aspect of human life. It governs him throughout life and gives a framework as to how to follow the general pattern of the society. If we go for Law v. Liberty, it would be highly contestable to opt for one

because both go hand in hand. The paper has formulated an approach and showed a transition as to how strict regulations were harmful for the growth of the country and not feasible for an economy to grow and how a new law has taken place in the same shoes thereon. The researchers in this paper have humbly attempted through different research methodologies to understand and keep a clear picture of the Economic changes, which started, from Pre-1991 Era, through the License Permit Raj System until the extinction of the "Command and Control" laws and inception of the new competition law.

The new law has its foundation in the policy of the 1991 and the suggestions given by Raghavan Committee. The basic idea has been to bring old law under the transit and to undergo some essential changes for the suitability of new legal and economic fabric of the country. The basic hypotheses of the paper unfolds that libertarianism is a holistic approach to achieve basic and cardinal goals of the democratic governance has been established.

Liberty always vouches for a higher responsibility and the researchers would forward the views as to what could be done to make this competition era more efficacious:

- The limits set by the new law for gestation period of the coupling of the companies should be revised and lowered down.
- The Supreme Court should take into the view that it is necessary to keep check over the CCI in order to ensure the smooth functioning and justice deliverance.
- Moreover, it is suggestive that the domestic nexus rule should be relaxed to certain extent for the better foreign investment.

Liberty has its own course to bring the flare of independence for any developing country and free markets are necessary for giving rise to individual voice and entrepreneurship.

