

EconWorld2016@Barcelona

Fair Competition: An Engine of Economic Development

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ABSTRACT

The main objective of the competition policy and law is to preserve and promote competition, by ensuring efficient allocation of resources in an economy, resulting in the best possible choice of quality, the fair prices and adequate supplies to consumers. The aim of the Competition policy is to enhance the economic efficiency by way of safeguarding and promoting the competition between the firms, persons, etc. Existence of a policy on competition-efficiency of producers is witnessed ushering in maximum welfare to the society keeping profit at a reasonable level for the better involvement of public in the public policy. The object behind the enactment of the Competition Act in 2002 in India has been the prevention of practices bearing negative effect on competition in the market, to ensure the protection of the consumers' interests and to promote free trade to be carried on by the participants other than the domestic players in the Indian markets, keeping in view the economic welfare of the public for the sake greater good. Hence, the Competition law in India seems to be very focused over the maintenance of free market economy and controlling the abuse of dominant position by the market player through the anti-competitive practices. The articles in the Indian Constitution highlight the socialist influence on the Indian economy, yet they can be taken as responsible for imposing the duty over the government to ensure the welfare of the society. The competition policy in general, is based on the free market principle of the Economics and it enhances the benefit of the sellers and the consumers.

KEYWORDS consumers; economic development; fair competition; competition law

JEL D40, K2, O1