



KAUTILYA SCHOOL OF PUBLIC POLICY

GITAM (Deemed to be University)
Rudraram, Patancheru Mandal
Hyderabad, Telangana 502329

Course Code: PPOL6561	Course Title: Competition Policy and Economic Regulation	
Trimester: 6 & 3	Course Type: Elective	Credits: 3
Home Program(s): MPP	Batch/Academic Year: 2022-2024 & 2023-2025	
Course Lead: Dr. Usha Ramachandra	Assigned T/RA: Mr. Shubham Arya	

Course Description

Competition amongst corporate commercial entities is considered the engine of the growth of modern economies. There is also a shift towards unbundling and introducing competition even in erstwhile natural monopolies or public utilities such as electricity, telecommunication, transportation, ports & airports, natural gas supply, water supply, etc. However, it is well understood that there are distortionary elements in the nature of competition, and natural monopoly elements of public utilities need to be addressed. The Competition Commission of India (CCI) is the Fair Trade Regulator entrusted with the responsibility of ensuring the prevention of abuse of market power across industries. Sectoral regulation, on the other hand, covers specific components of the economy that provide infrastructure services, typically through public utilities which are often natural monopolies. These services may be provided by government-owned entities, private or through public-private partnerships. Hence sectoral regulators are economic regulators whose goal is to ensure a competitive outcome even in the absence of competition. It, therefore, becomes necessary to have a clear delineation of jurisdiction between sector regulators and the Competition Commission which have very different responsibilities and processes. This course is designed to provide an understanding of the *raison d'être* for competition policy and economic regulation, the institutions responsible for implementation, and processes followed in India and select countries.

Learning Objectives

1. To understand the nature of competition in the Indian corporate sector, current legislation, and policies that enhance fair trade behaviour and protect stakeholder interests.
2. To comprehend the working of the Competition Commission as well as other organizations entrusted to support competition in India as well as similar bodies in other select countries.
3. To understand the nature of economic regulation of public utilities, as well as the tools and methodologies of economic regulation

4. To analyse the working of economic regulation in India particularly of public utilities & natural monopolies such as electricity, Oil & Gas, Telecommunications, Airports, etc.
5. To comprehend the dynamics between the centre and state in the implementation of policies governing competition and utility regulation.

Course Outcomes

On successful completion of this course, students will:

1. Understand the contours of competition policy, the efficacy of competition legislation in the country in the context of cases that have been determined by the Competition Commission
2. Comprehend the need for economic regulation of public utilities in the infrastructure space and the alternate tools and methodologies of economic regulation as well as their efficacy in the Indian context
3. Understand the dynamics and roles played by the Centre and State as well as those of various and divergent stakeholders in the implementation of competition and regulatory policies
4. Compare and analyse the intricacies and divergences of fair trade practices and economic regulation in other select countries.

Textbooks and Course Materials

The following are the suggested readings, but these must be supplemented by the readings against specific units provided as unit-specific readings:

- Regulatory Body of Knowledge: <https://regulationbodyofknowledge.org/>
- Competition Commission of India (2019) Competition Law Modules for Administrative and Judicial Academies, <https://www.cci.gov.in/public/index.php/advocacy/publications/training-module-for-administrative-and-judicial-academies>
- Prayas (2019) Know your Power <https://energy.prayaspune.org/our-work/research-report/know-your-power-a-citizens-primer-on-the-electricity-sector>

Reference Books

1. Alfred E Kahn (1988). The Economics of Regulation: Principles and Institutions.
2. Kapur, D & Khosla, M (Ed.) (****). Regulation in India: Design, Capacity, Performance
3. Dhall, V. (2007). Competition Law Today – Concepts, Issues and the Law in Practice, Oxford University Press
4. Motta, M. (2004). Competition Policy: Theory and Practice, Cambridge University Press
5. Sherman, R. (1989). The Regulation of Monopoly, Cambridge University Press

6. Geeta Gouri (2023). Commissioners’ Primer to Economics of Competition Law in India, Palgrave Macmillan

Assessment Rubric

1. Term Paper (20 Marks) - Students are expected to submit one term paper during the course. The term paper is expected to help you apply the concepts and materials discussed in the classroom to a specific sector.

2. Case Study Presentation (20 Marks)- A brief submission on the Case is expected from each student. The discussion on the case and presentation will be a group activity. Details will be provided when cases are selected.

3. End Term Exam (30 Marks)- This entails a classroom test on the topics covered in the course.

*The final grade for the course will be based 15% on overall class participation and 15% on class attendance in addition to the elements discussed above. The way to assess class participation will be at the discretion of the Professor and will be conveyed timely.

Classroom Etiquette

Regular class attendance is expected of all students. Attendance will be recorded 5 minutes prior to the scheduled start of the class, and all latecomers will be marked absent. Students are responsible for all course information, content, and assignments that may be missed due to absence.

Course Schedule

Unit I	Sessions: 8	Competition Legislation and Policy
		<ul style="list-style-type: none"> - Market Structure and Competition - Nature of Competition in Indian Industry – pre and post-Liberalisation - Legislation and Policies that support Competition and curb anti-competitive behaviour - Role and Functions of Competition Commission and Other Institutions Responsible for Fostering Competition - Contours of Competition Policy and Legislation in Select Countries (EU, UK, USA)
Unit II	Sessions:8	Economic Regulation of Public Utilities
		<ul style="list-style-type: none"> - Rationale, Tools and Methodologies of Economic Regulation - The Genesis of Economic Regulation of Public Utilities in India - Role and Functions of Regulatory Bodies and Related Appellate Tribunals - Power Sector Regulation at the Centre and State Level - Role of stakeholders in Regulatory Decision Making - Public Utility Regulation in Select Countries (USA, UK, Countries in South Asia)

Unit III	Sessions: 2	Regulation Dynamics & Stakeholder Interface
<ul style="list-style-type: none"> - Political Economy of Economic Regulation; Interface between Policy Makers and Independent Regulators - Interface of Sectoral Regulators and the Competition Commission - Arbitration and Dispute Settlement Mechanisms 		
Unit IV	Sessions: 3	Cases heard by CCI
<ul style="list-style-type: none"> - CCI vs DLF - CCI vs TRAI - CCI vs Coal India Ltd. (CIL) - CCI & Amazon - Any Other <p>Readings would be provided depending on the Case taken up by the students. The no of students per group would also be determined after the commencement of the term.</p>		
Unit V	Sessions: 3	Cases in Public Utility Regulation
<ul style="list-style-type: none"> - Regulating Electricity Markets – Case of Retail Competition in Mumbai - Compensatory Tariffs on Account of Indonesian Coal Regulation - Regulating PPPs in Airports - Regulation and Governance – Enron Case - Renewable Energy – Issues Related to Cancellation of PPAs - Any other 		