

UNIVERSITY OF COLOMBO, SRI LANKA

FACULTY OF LAW

DEGREE OF MASTER OF LAWS (BY COURSEWORK) - 2024/25

2nd SEMESTER END EXAMINATION – 2025 (AUGUST)

(TLLM 1237- Competition Law)

(Three Hours)

Total number of questions: 04

Answer any Three questions only.

(Candidates will be penalised for illegible handwriting.)

Question 01

‘Despite legislative efforts of successive governments, competition law in Sri Lanka has failed to catalyse market development. What we witness today is a fragmented competition law landscape lacking a unified framework. The absence of a competition policy compound challenges, leaving regulators and decision-makers without clear direction. Therefore, it is imperative to establish a stand-alone and robust competition framework in Sri Lanka.’

Critically comment on the above statement with reference to the relevant competition law provisions of at least two statutes in the Sri Lankan legal landscape. You are further required to appraise the current status of the competition law and propose necessary law reforms to promote and sustain competition in the Sri Lankan market.

(20 Marks)

Question 02

Five leading manufacturers of electric vehicle (EV) batteries, based in Sri Lanka and several countries in the South Asian region, have formed an informal alliance known as the Battery Innovation Group (BIG). Although the group claims that its objective is to promote collaboration on sustainability, recycling standards, and safety benchmarks, a leaked internal report suggests otherwise. According to the report, BIG members have been meeting privately to exchange commercially sensitive pricing forecasts and sales volumes, agree on minimum resale prices across the Sri Lankan markets, allocate contracts and customers by territory, and coordinate the delayed launch of next-generation high-efficiency battery technology until 2028. These revelations have triggered investigation by the Consumer Affairs Authority (CAA) of Sri Lanka under the Consumer Affairs Authority Act,

No.09 of 2003. The companies argue that their coordination is justified on grounds of promoting sustainability and long-term consumer benefit through dynamic efficiency and innovation.

Assuming the role of a legal advisor to the CAA of Sri Lanka, critically discuss whether the conduct of the Battery Innovation Group constitutes a violation of the competition law in Sri Lanka. You are further required to briefly compare your answer with either the European Union Competition Law or the Antitrust Law of the United States. In your answer, refer to relevant statutory provisions and case law, and evaluate whether the alleged sustainability justifications could serve as a valid defense under that particular legal framework.

(20 Marks)

Question 03

The concept of dominance refers to a position of economic strength enjoyed by an undertaking which enables it to prevent effective competition being maintained on the relevant market by giving it the power to behave to an appreciable extent independently of its competitors, customers and ultimately of its consumers. However, a deep dive into different conditions is required to establish an abuse of dominance.

Do you agree with the above statement? Critically analyse with reference to the European Competition Law and US Antitrust Law regime. Buttress your answer with the relevant legal provisions, case law jurisprudence and practical insights. You are further required to critique the current status of Sri Lankan law on the abuse of dominant position.

(20 Marks)

Question 04

Write Notes on any **TWO (02)** of the Following:

- (a) Application of Competition Law in Digital Markets
- (b) Implications of State Aid on Competition Law
- (c) Interface between Intellectual Property Rights and Competition Law
- (d) Regulatory Scrutiny of Harmful Mergers and Acquisitions

(20 Marks)
