Securing efficient economic performance from the various product and service markets of the economy is the fundamental aim of any country’s economic policy. In democratic countries, it is believed that this can be secured by promoting and maintaining competition among private business enterprises. As free competition can be achieved by curbing various practices and arrangements resorted to by private business enterprises many countries have passed legislations to prohibit or curb such trade practices and arrangements operating in their economies.

In India, Monopolies and Restrictive Trade Practices Act was passed in 1969 with the objective of regulating concentration of economic power and curbing monopolistic and restrictive trade practices operating in the economy. The Government of India, established MRTP Commission in 1970 under the Act with powers to enquire into cases of monopolistic and restrictive trade practices and pass necessary orders.

After the Act has been in force for about 14 years, it has been realised that the Act did not contain provisions for the protection of the consumers against unfair trade practices. In 1977, an Expert Committee was appointed by the Government of India to suggest improvements in the Act.
in order to make it more effective. The Committee suggested that consumers in India should be protected not only from the effects of the restrictive and monopolistic trade practices but also from unfair trade practices. Responding to the recommendations of the Committee, the Government of India amended the Act by adding the provisions to curb unfair trade practices, and this amendment Act came into force on August 1, 1984. Thus, at present in India the antimonopoly legislation aims at both regulation of concentration of economic power, and control of monopolistic, restrictive and unfair trade practices, unlike in advanced countries where there are separate legislations for controlling concentration of economic power, monopolistic, restrictive and unfair trade practices.

The provisions of the Act which aim at controlling restrictive and monopolistic trade practices have been in operation for over 16 years now. Even though, some studies have been conducted to evaluate the effectiveness of the Act in curbing concentration of economic power, there have been no comprehensive studies on the effectiveness of the Act in curbing restrictive and monopolistic trade practices prevalent in Indian trade and industry. The provisions relating to controlling of unfair trade practices are only three years old. Till now, there are no studies on the
working of these provisions. There is also paucity of literature in these areas unlike in advanced countries where there is plethora of literature on the working of the antitrust laws. It is in this context that the present study has been taken up to evaluate the effectiveness of the Act in controlling restrictive, unfair and monopolistic trade practices in India. The study also attempts to identify the basic problems and limitations in implementing the provisions of the Act and suggests suitable policy measures to make the Act more effective in achieving its objective of curbing restrictive, unfair and monopolistic trade practices.