

Q4- Briefly Explain MRTP ACT 1969

Ans- This act is not in force in India currently as it was repealed and was replaced by Competition Act 2002 with effect from September 1, 2009. The commission was replaced by Competition Commission of India.

Aims & Objectives of MRTP Act

On the basis of recommendation of DUT Committee, Act was enacted in 1969 to ensure that concentration of economic power in hands of few rich. The act was there to prohibit monopolistic and restrictive trade practices. The aims and objectives of this act were:

- # To ensure that the operation of the economic system does not result in the
- > concentration of economic power in hands of few rich.
- > To provide for the control of monopolies, and
- > To prohibit monopolistic and restrictive trade practices.
- >

Non-applicability of MRTP Act

- # Government Company and undertaking owned by Government.
- > Company established by a Central or State Act.
- > Trade Unions
- > Companies which have been taken over by the central Government.
- > Companies owned by registered Cooperative Societies.
- > Any financial institution.
- >

Monopolies and Restrictive Trade Practices Commission

Monopolies and Restrictive Trade Practices Commission (MRTPC) was set up under section 5 of the Monopolies and Restrictive Trade Practices Act, 1969. The MRTPC is an organ of Department of Company Affairs, Ministry of Company Affairs, Government of India.

MRTPC was a quasi-judicial body.

Major function of the MRTP Commission is to enquire into and take appropriate action in respect of unfair trade practices and restrictive trade practices.

In regard to monopolistic trade practices the Commission is empowered to inquire into such practices

Upon a reference made to it by the Central Government

Upon its own knowledge or information and submit its findings to Central Government for further action.