

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 525
ANSWERED ON TUESDAY, THE 25th JULY, 2023**

MISUSE OF INDIAN INNOVATIONS

QUESTION

525 SHRI RAJMANI PATEL:

SHRI NARANBHAI J. RATHWA:

Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government including Competition Commission of India (CCI) is aware that Indian innovations like Unified Payments Interface (UPI) or PayTM's business model is being blatantly misused and copied by foreign fintech companies; and

(b) if so, what action CCI has taken to stop the duopoly in mobile payments in order to safeguard the interest of Indian companies?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS.

(RAO INDERJIT SINGH)

(a) & (b): As per information provided by Department of Financial Services, National Payments Corporation of India (NPCI) has informed that the Unified Payments Interface (UPI) framework provides completely open and level playing architecture where a customer can link his operative account to any UPI App. The UPI landscape has recently witnessed the emergence of several new players joining as Third Party Application Providers (TPAPs). Further, NPCI is working towards increasing the market share of BHIM App in UPI transactions. NPCI has also informed that the customers have a wide range of options with over 70 providers competing in the open market to attract customers. Competition Commission of India (CCI) had examined, inter alia, the allegations of Google favoring its own UPI App i.e. Google Pay over its rival UPI apps in respect of payment being processed on Google's Play Store in Case Nos. 07 of 2020, 14 of 2021 and 35 of 2021 and concluded that different methodologies used by Google to integrate its own UPI app vis-a-vis other rival UPI apps, with the Play Store resulted in violation of Section 4 of the Competition Act, 2002, which prohibits abuse of dominant position. The CCI has imposed a penalty of Rs. 936.44 core, apart from issuing cease & desist order and other remedies.
