

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
UNSTARRED QUESTION NO. 81
ANSWERED ON MONDAY, DECEMBER 4, 2023/AGRAHAYANA 13, 1945 (Saka)
DIGITAL COMPETITION LAW
QUESTION**

81. SHRI S. JAGATHRAKSHAKAN:

**Will the Minister of CORPORATE AFFAIRS
be pleased to state:**

- (a) whether the Government subscribes to the view that self-regulation must be encouraged in tandem with infusing agility in the Digital Competition Law to adopt global best practices that enable companies to navigate through the evolving trends in digital markets effectively;**
- (b) if so, the details of the steps that are proposed to be taken by the Government in this regard; and**
- (c) if not, the reasons therefor?**

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)to(c): The Competition Commission of India (CCI), under its advocacy mandate, issues self-regulation advisories to stakeholders, where it is deemed necessary, based on its market study findings. In the digital space, self-regulation advisories have been issued in two sectors, namely, e-commerce sector and cab-aggregator industry.

A market study on e-commerce in India was commissioned by the CCI with a view to better understand the functioning of e-commerce in India and its implications for markets and competition. The objective was also to identify impediments to competition, if any, emerging from e-commerce and to ascertain the Commission's enforcement and advocacy priorities in light of the same. The report enumerated certain areas for self-regulation by the e-commerce marketplace platforms. The Commission under its advocacy mandate urged the e-commerce platforms to put in place transparency measures such as search

ranking, collection, use and sharing of data, user review and rating mechanism, revision in contract terms, transparent discount policy etc. The detailed study can be accessed at [market-study-on-e-commerce-in-india-key-findings-and-observations1653547672.pdf \(cci.gov.in\)](https://www.cci.gov.in/economics-research/market-studies/details/40/1)

CCI has also conducted a market study, through the study partner to analyse competition and regulatory issues pertaining to online Cab Aggregators, with special reference to their policy of 'surge pricing'. Based on the recommendations of the Study, CCI, as part of its advocacy mandate, issued advisory to cab aggregators to adopt self-regulatory measures, to address information asymmetry and transparency concerns. The detailed study can be accessed at – <https://www.cci.gov.in/economics-research/market-studies/details/40/1>.

Further, on the recommendations of the Parliamentary Standing Committee on Finance on Anti-Competitive Practices by Big Tech Companies, the Government of India has constituted a Committee on Digital Competition Law (CDCL) on 06.02.2023 to examine the need for a separate law on competition in digital markets. The Terms of Reference (ToR) of the CDCL, inter-alia, include, (a) to review whether existing provisions in the Competition Act, 2002, and the Rules and Regulations framed thereunder are sufficient to deal with the challenges that have emerged from the digital economy; (b) to examine the need for an ex-ante regulatory mechanism for digital markets through a separate legislation; (c) to study the international best practices on regulation in the field of digital markets; (d) to study other regulatory regimes/ institutional mechanisms/ government policies regarding competition in digital markets; (e) to study the practices of leading players/ Systemically Important Digital Intermediaries (SIDIs) which limit or have the potential to cause harm in digital markets; and (f) any other matters related to competition in digital markets as may be considered relevant by the Committee.
