

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

LOK SABHA

UNSTARRED QUESTION NO. 90

ANSWERED ON MONDAY, THE 29TH NOVEMBER, 2021

[AGRAHAYANA 8, 1943 (SAKA)]

ANTI-COMPETITIVE PRACTICES IN DIGITAL MARKETS

QUESTION

**90. SHRI CHANDRA SEKHAR BELLANA:
SHRI N. REDDEPPA:
SHRI P.V. MIDHUN REDDY:
SHRI POCHA BRAHMANANDA REDDY:
SHRI KURUVA GORANTLA MADHAV:**

Will the Minister of CORPORATE AFFAIRS be pleased to state:

- (a) whether the Competition Commission of India has taken steps to identify anti-competitive practices in the digital markets, which are characterised by high concentration of market power; and**
- (b) if so, the details thereof?**

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): The Competition Commission of India ('Commission') monitors the market structures by conducting market studies in different sectors. These market studies help in identifying anti-competitive activities of the enterprises or structural conditions in markets that may be conducive to anti-competitive conduct, thereby helping the Commission in ascertaining its enforcement and advocacy priorities in different sectors.

The Commission has recently undertaken a survey based market study to understand market trends, distribution methods and strategies in the ecommerce space. The aim of the study was to understand business practices and contractual provisions in ecommerce and their underlying rationale and implications for competition. The study surveyed three verticals in the e-commerce space namely online retail shopping, online hotel booking and online food delivery. Some of the competition concerns identified in the study includes Platform neutrality; Platform-Business Contract Terms; Existence of platform parity clauses and exclusive agreements between platform and certain business users; Deep discounting etc.

On the basis of the study findings, the Commission has issued certain self-regulatory measures to the platforms with regards to transparency in search ranking parameters, clear and transparent policy on the actual and potential use of data collected by platforms; adequate transparency over user review and rating mechanisms; notification to business users regarding proposed revision in contract terms; and clear and transparent policies on discounts including discount rate and participation in discount schemes.
