GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS LOK SABHA UNSTARRED QUESTION NO. 1062 ANSWERED ON MONDAY, FEBRUARY 10, 2025/ MAGHA 21, 1946 (SAKA)

Progress and Framework of the Digital Competition Law

QUESTION

1062. Shri Gaurav Gogoi

Shri Saptagiri Sankar Ulaka.

Will the Minister of CORPORATE AFFAIRS

be pleased to state:

(a) the key elements of the proposed framework for the Digital Competition Law particularly about the regulation of large digital platforms and ensuring fair competition in the digital economy;

(b) the current status and progress on the development and implementation of the Law in the country and the expected timeline for its introduction along with the measures being taken to ensure that the proposed law effectively balances the promotion of innovation with regulating the dominant positions of large digital players;

(c) the steps taken/being taken to address concerns about anti-competitive practices, data privacy, and market monopolization in the rapidly evolving digital sector;

(d) whether the Government plans to collaborate with international regulatory bodies to ensure that the law is aligned with global best practices for digital market competition and if so, the safeguards being considered to address the concerns of major technology firms while ensuring a level playing field for all participants in the digital ecosystem; and (e) whether the Government has assessed the potential impact of the proposed ex-ante framework on smaller players, including start-ups, and the steps being taken to mitigate any unintended consequences and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS.

(SHRI HARSH MALHOTRA)

(a)&(b) Based on the recommendations of Parliamentary Standing Committee on Finance in its Fifty-Third report on the subject "Anti-Competitive Practices by Big-Tech Companies", the Ministry of Corporate Affairs constituted a Committee on Digital Competition Law (CDCL). The CDCL submitted its report in February 2024 along with a draft Digital Competition Bill (DCB). The key elements of the proposed framework for the Digital Competition Law includes ex-ante framework, regulation of Systemically Significant Digital Enterprises (SSDEs) in the identified Core Digital Services (CDS) based on the quantitative and qualitative criteria. Stakeholder consultations on the draft DCB were held from March – May, 2024 wherein the report of the CDCL along with the draft DCB was placed on MCA website under the e-Consultation mode. Additionally, the Ministry of Electronics and Information Technology (MeiTY) organized stakeholder discussions between 18.06.2024 to 20.06.2024.

(c) The Competition Commission of India (CCI) has taken cognizance of alleged anticompetitive practices indulged in by big tech firms and ordered investigation(s). In cases where an inquiry has been completed by the CCI, final orders have been issued imposing monetary penalties apart from issuing cease and desist order and remedies.

(d)&(e) The CDCL held consultations with key stakeholders and examined both the domestic legal framework and the international regulatory practices for regulation of digital services. During the formulation of the draft DCB, consultations were held in March, 2023 where several representatives from trade and industry associations of small businesses, think tanks, and large digital conglomerates presented their views. Suggestions/inputs/comments received from all stakeholders are being examined.