

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
LOK SABHA
STARRED QUESTION NO. 520
ANSWERED ON MONDAY, MARCH 30, 2026/ CHAITRA 09, 1948 (SAKA)
COMPREHENSIVE MARKET STUDY ON AI BY CCI
QUESTION**

***520 Shri Ravindra Shukla Alias Ravi Kishan:
Shri Haribhai Patel:**

Will the Minister of CORPORATE AFFAIRS

be pleased to state:

- (a) whether the Competition Commission of India (CCI) has successfully completed its comprehensive market study on Artificial Intelligence (AI) and Competition in February 2026;**
- (b) if so, the details thereof, including the key findings and recommendations;**
- (c) the manner in which the new settlement and commitment framework has reduced pending litigation for antitrust cases during the year 2025-26;**
- (d) the specific measures being taken by the Government to prevent algorithmic collusion through AI-driven pricing systems in the digital market;**
- (e) whether the timeline for merger approvals has been successfully reduced from 210 days to 150 days; and**
- (f) if so, the details of the changes observed in the timeline of merger applications and approvals and the steps taken to streamline the merger approval timelines and reduce litigation backlog in competition cases?**

ANSWER

**THE MINISTER OF FINANCE
AND CORPORATE AFFAIRS**

(SHRIMATI NIRMALA SITHARAMAN)

(a) to (f) A statement is laid on the Table of the House.

STATEMENT REFERRED TO PARTS (a) to (f) OF LOK SABHA STARRED QUESTION NO. 520 FOR 30.03.2026 REGARDING COMPREHENSIVE MARKET STUDY ON AI BY CCI.

(a) & (b): The Competition Commission of India, ('CCI'/ 'Commission') commissioned a Market Study on 'Artificial Intelligence and Competition' which was completed in September, 2025 and report of the study has been released in October 2025. The study inter-alia aimed to understand Artificial

Intelligence (AI) markets and ecosystems, identify emerging and potential competition issues, and review existing and evolving regulatory frameworks governing AI systems.

The Study revealed that the adoption of AI technologies in India is rapidly accelerating across various user sectors. AI is widely used in Banking Financial Services and Insurance (BFSI), healthcare, retail, e-commerce, logistics and marketing, with applications including dynamic pricing, personalized recommendations, demand forecasting and automated decision-making.

The Study finds that AI's impact on competition is multifaceted, as it may have both pro-competitive and anti-competitive implications. AI brings significant benefits in terms of innovation and consumer experience. It also increases operational efficiency of enterprises by enhancing accuracy, streamlining operations, allowing faster informed decision-making; enables businesses to offer personalised products and services tailored to specific needs through improved consumer insights; acts as a driver of innovation, empowers MSMEs and startups by levelling the playing field.

The deployment of AI may however, raise competition issues both within the AI industry and user sectors such as, concentration in the AI value chain due to high upfront costs, access to data, giving incumbents a competitive edge and creating barriers to entry; Ecosystem lock-in and switching cost, where a few major ecosystems with locked-in user bases make it difficult for users to switch, leading to dependency; Algorithmic collusion, where AI-driven pricing algorithms align prices over time, potentially resulting in price-fixing-like outcomes and enabling anti-competitive conduct through opaque "black-box" systems; Self-preferencing, where firms reinforce dominance by controlling multiple stages of the AI value chain and restricting market access; and Price discrimination, where firms use consumer data to set personalised prices in real time; Collaborations and partnerships that may have adverse implication for competition.

The Report has recommended several measures, for promoting development of competitive, dynamic and innovative AI ecosystem, such as Implementation of self-audit of AI systems for competition compliance by enterprises to ensure responsible autonomy while protecting the market from distortion; Communication by enterprises to improve transparency and reduce information asymmetry; Focused advocacy and capacity building by CCI, Continuation of Government Policy Initiatives to remove entry barriers by providing access to infrastructure, promotion of open-source AI frameworks, access to data by development of data repositories, development of skilled workforce, enhancement of technological

capabilities; Inter-Regulatory Co-ordination to address interconnected issues comprehensively; International Cooperation for knowledge sharing.

(c): The settlement and commitment framework was introduced through The Competition Amendment Act, 2023 and operationalised through the notification of the Competition Commission of India (Settlement) Regulations, 2024 and the Competition Commission of India (Commitment) Regulations, 2024 on 6th March 2024. As the above framework is in the initial phase of implementation, hence, its impact on reducing pending litigation is presently limited and evolving. Nevertheless, it has begun to offer an alternative pathway for timely resolution of cases, with potential to reduce litigation and pendency over time.

(d): In order to promote development of a competitive AI ecosystem in India, to prevent AI-driven anti-competitive practices and to protect consumer welfare, the market study on 'Artificial Intelligence and Competition' proposes certain proactive measures such as self-audit for competition compliance by businesses to identify and address potential competition concerns; enterprises actively communicate with relevant stakeholders to improve transparency and reduce information asymmetry; focused Advocacy and capacity building by CCI.

The introduction of a self-audit framework for enterprises, particularly those with market power or wide consumer reach, will help assess and align their algorithms with competition norms, facilitate early identification and mitigation of risks, including those relating to algorithmic collusion through AI driven pricing systems in the digital market, while maintaining operational efficiency and innovation.

(e)&(f): Yes, the same has been implemented with effect from 10th September, 2024. The Commission has been successfully assessing/reviewing the merger applications within the prescribed timelines. The Commission has assessed/reviewed 194 cases during the period *i.e.* 10.09.2024 (date of implementation of new timelines for M&A cases) to 24.03.2026. In all these 194 M&A cases, the Commission took the *prima facie* opinion within the prescribed timeline of 30 days. In two (02) cases where the show-cause notice U/s 29 (1) of the Competition Act, 2002 was issued, the Commission approved the same with modifications within the overall timeline of 150 days.
