PRESS RELEASE

<u>Parliament of India</u> Lok Sabha Secretariat



11th August, 2025

Parliamentary Standing Committee on Finance (2024-25)

Shri Bhartruhari Mahtab, Chairperson, Standing Committee on Finance presented Twenty-Fifth Report of the Committee on the subject 'Evolving Role of Competition Commission of India in the Economy, Particularly the Digital Landscape' to the Parliament today i.e. 11.08.2025.

Summary of some of the important Observations/Recommendations made by the Committee is as given below:

| Para Nos. | Title | Observations/Recommendations |
|--------------|---|---|
| 1. | Digital Competition Regulation | The Committee recommended that a nuanced approach is adopted in the Digital Competition Bill (DCB), avoiding blanket prohibitions and allowing for context-specific assessments. Furthermore, the Committee emphasized that ongoing market studies on Artificial Intelligence (AI) and other sectors should serve as foundational evidence for refining the DCB. |
| 2. | Evolution of the Regulatory Framework: Ex-Post and Ex-Ante | The Committee recommended that the Ministry refine the Digital Competition Law (DCB's) thresholds and designation mechanisms to prevent inadvertent capturing of fast-growing domestic firms and also recommended the introduction of a rebuttal mechanism in exceptional cases, for Systemically Significant Digital Enterprises (SSDE) designation, similar to the EU's Digital Markets Act (DMA), to ensure fairness and provide regulatory certainty. |
| 3. | Institutional Capacity and Resource Gaps | The Committee recommended to address human resource gaps to attract and retain top talent, including data scientists, technologists, and market analysts, by exploring flexible engagement models (e.g., short-term contracts for experts); ensure adequate budgetary allocations to effectively regulate the complex and rapidly evolving digital economy, invest in advanced analytical tools, and conduct comprehensive market studies and strengthen technical expertise of CCI staff on emerging technologies like AI, machine learning, and algorithmic modeling. |
| 4. | Enforcement Effectiveness and Litigation Challenges | The Committee recommended that the CCI, in coordination with the Ministry of Corporate Affairs (MCA), should explore measures to reduce litigation delays and ensure the effective enforcement of its |

| | | orders, particularly in complex digital market cases as addressing legal challenges is critical in ensuring that the CCI's enforcement actions translate into tangible deterrence and accountability. |
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| 5. | Protection of MSMEs and Small Businesses | The Committee recommended the CCI should continue its proactive investigations into predatory pricing and deep discounting by dominant online platforms to prevent malpractices from harming small retailers and specific guidelines be developed to clarify when such practices become anti-competitive. |
| 6. | Cross- Jurisdictional and Inter- Regulatory Coordination | The Committee recommended that the CCI and the MCA should prioritize enhancing inter-regulatory harmony and the CCI should continue to deepen its engagement with global competition authorities through bilateral MoUs and multilateral forums to strengthen its international cooperation. Further, the Committee cautioned CCI to be vigilant and mindful of foreign jurisdictions attempting to undercut regulatory oversight and remits by unilaterally trying to coerce regulations in other countries not to discharge their statutory responsibility. |
| 7. | Proactive Market Monitoring and Consumer Welfare | The Committee impressed upon the CCI to expand its sector-specific market studies into emerging areas where new business models are disrupting traditional competition dynamics and recommended that the CCI should holistically integrate consumer welfare into its enforcement, focusing on non-price parameters like data privacy and quality of service and collaborate with the Data Protection Authority to address the interconnected implications of data usage on both competition and consumer protection. |
| 8. | Conclusion | The Committee expressed that while the inclusion of new provisions in the Digital Competition Bill (DCB) is vital for fostering fair competition and aligning with global standards, its implementation must be carefully managed. |
