



Antitrust Case Against Google

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Why in News

Recently, the **Competition Commission of India** (CCI) has started looking into allegations against the **Alphabet Inc's Google**.

According to the allegations, Google is **abusing its market position to unfairly promote its mobile payments app** (Google Pay) in the country.

Key Points

- The complaint alleges the USA tech giant **more prominently showcases its Google Pay** app inside its Android app store in India, giving it an **unfair advantage** over apps of competitors.
 - Google Pay allows users to do **digital transactions**, inter-bank fund transfers and bill payments.
 - It **competes with** Softbank-backed Paytm and Walmart's PhonePe, both of which are prominently used in India.
 - Facebook's WhatsApp is also planning a similar service in the near future.
- Google has not responded to the allegations yet and is expected to respond in due course.
- The CCI can direct its investigations unit to conduct a wider probe into the allegations or dismiss the case if it finds no merit in it. Google will appear before the CCI, which will then decide on the way forward.

- This is Google's **third major antitrust challenge in India.**
 - In **2018**, the CCI fined Google \$21 million for 'search bias'.
It was alleged that Google was indulging in abuse of a dominant position in the market for online search through practices leading to search bias and search manipulation, among others.
 - In **2019**, the **CCI started probing Google** for allegedly misusing its dominant position to reduce the ability of smartphone manufacturers to opt for alternate versions of its Android mobile operating system.

Antitrust Law

- Antitrust law, also referred to as **Competition law**, aims to protect trade and commerce from unfair restraints, monopolies and price-fixing.
- It **ensures that fair competition** exists in an open-market economy.
- The **Competition Act, 2002 is India's antitrust law.** It repealed and replaced the **Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act)** on the recommendations of the **Raghavan committee.**

The Competition Act, 2002

- It was passed in **2002** and was amended by the **Competition (Amendment) Act, 2007.** It follows the philosophy of modern competition laws.
- The Act **prohibits** anti-competitive agreements, abuse of dominant position by enterprises and regulates combinations, which causes or likely to cause an appreciable adverse effect on competition within India.
- In accordance with the provisions of the Amendment Act, the **Competition Commission of India** and the **Competition Appellate Tribunal (COMPAT)** were established.
- The government **replaced COMPAT** with the **National Company Law Appellate Tribunal (NCLAT) in 2017.**

Competition Commission of India

- It is a **statutory body** responsible for enforcing the objectives of the **Competition Act, 2002.**
- **Composition:** A Chairperson and 6 Members appointed by the Central Government.
- **Objectives:**
 - To eliminate practices having adverse effects on competition.
 - Promote and sustain competition.
 - Protect the interests of consumers.
 - Ensure freedom of trade in the markets of India.

- The Commission is also **required to give an opinion on competition issues** on a reference received from a statutory authority established under any law and to undertake competition advocacy, create public awareness and impart training on competition issues.

Source: TH