



CCI Penalty on Google

Why in News?

Recently, the **Competition Commission of India (CCI)** has imposed a penalty of **Rs. 936.44 crores** on Alphabet-owned Google for “abusing its dominant position” in markets related to the Android mobile device ecosystem.

What is the Issue?

- The CCI ordered an investigation into Google Unfair Business Practices in 2019 after consumers complained about Android-based smartphones.
- The allegations against Google were based on two agreements between Original Equipment Manufacturers (OEMs) of Android OS and Google — **the Mobile Application Distribution Agreement (MADA) and the Anti-Fragmentation Agreement (AFA)**.
- The CCI stated that Google contravened competition law due to mandatory pre-installation of the entire **Google Mobile Suite (GMS)** under MADA and there was no option to uninstall the same.
 - GMS is a **collection of Google applications and Application Programming Interface (APIs)** that help support functionality across devices. GMS includes Google’s key offerings such as Google Search, Google Chrome, YouTube, Play Store, and Google Maps.
- This action of Google amounted to imposition of unfair conditions on the device manufacturers and thereby violated Section 4 of the competition Act.
 - Section 4 of the Competition Act is related to abuse of dominant position.

What is the Competition Commission of India (CCI)?

- **About:**
 - Competition Commission of India (CCI) is a **statutory body of the Government of India** responsible for enforcing the [Competition Act, 2002](#), it was duly constituted in March 2009.
 - The [Monopolies and Restrictive Trade Practices Act, 1969 \(MRTP Act\)](#) was repealed and replaced by the Competition Act, 2002, on the recommendations of the Raghavan committee.
- **Composition:**
 - The Commission **consists of one Chairperson and six Members** who shall be appointed by the Central Government.
 - The commission is a **quasi-judicial body** which gives opinions to statutory authorities and also deals with other cases. The Chairperson and other Members shall be whole-time Members.
- **Eligibility Criteria of Members of CCI:**
 - The Chairperson and every other Member shall be a person of ability, integrity and standing and who, has been, or is qualified to be a judge of a High Court, or, has special knowledge of, and professional experience of not less than fifteen years in international trade, economics, business, commerce, law, finance, accountancy, management, industry, public affairs, administration or in any other matter which, in the opinion of the Central Government, may be useful to the Commission.

What is the Competition Act, 2002?

- The **Competition Act was passed in 2002** and has been 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 (acquisition, acquiring of control and M&A), 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 have been established.
- Government replaced Competition Appellate Tribunal (COMPAT) with the National Company Law Appellate Tribunal (NCLAT) in 2017.

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