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COMPETITION LAW IN INDIA'S DIGITAL ECONOMY: REGULATING BIG TECH PLATFORMS

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When people hear the word "monopoly ", they usually think of a company that dominates an industry. Hardly anyone thinks of a firm that gives away its main product for free. But that is exactly the problem India's competition regulator is facing. Google Search charges nothing. WhatsApp too. If no one pays, how do you spot a competition problem? And if there is one, how do you measure it?

That question pulled me into India's digital competition debate. As an economics student, I noticed something odd. The Competition Act 2002 was written for a different world[1]. Cartels. Manufacturing firms. Old-style markets. Today's big digital platforms work another way. They compete with data and network effects that grab user attention, not with price. Over the last few years, the Competition Commission of India, the CCI, has had to stretch an older law to fit these new realities. The debates that followed were hard. Also fascinating.

WHY DIGITAL MARKETS DON'T PLAY BY THE OLD RULES

For a long time, competition law used a simple idea. If a firm can raise prices without losing many customers, it probably has market power. Economists test that with the SSNIP test[2]. It helps define the market a company is in.

But what if the service is free?

Google Search costs nothing. WhatsApp too. When the price is zero, it stops telling us much about power. So, economists and regulators had to look at other things.

They focus broadly on three ideas.

[1] Competition Act, 2002, No. 12 of 2003, India Code (2003).

[2] Organisation for Economic Co-operation and Development (OECD), Market Definition (2012).

First, multi-sided markets. Fancy name. The thought is simple. We use Search for free, but Google makes billions. We are not really the customers. Advertisers are. Google keeps us on the platform and then sells access to our attention. Amazon is similar. Still, it sells its own goods on the same marketplace, connecting buyers and sellers. Like owning a shopping mall and operating the biggest store in it. Looking only at what users pay misses how these firms earn money.

Second, network effects. We all live this without noticing. WhatsApp is useful because almost everyone we know uses it. What if a better app comes out tomorrow? Would your friends and family move with you? Probably not. More people on a platform make it more attractive. Over time, one player can end up dominating.

Third is data. At first, I did not get why data was called a barrier to entry. Data is everywhere. But the advantage comes from the cycle it creates. More users produce more data. More data improves algorithms. Better algorithms make the platform more useful. That pulls in more users. It feeds itself. A newcomer cannot buy that overnight. That is why the CCI[3] Now treats data-sharing not just as a privacy question but as something that can change competition.

THE LEGAL TOOLS AND WHY THEY'RE TOO SLOW.

When the CCI believes a firm may have violated competition law, it mainly uses two sections of the Competition Act. Section 3 deals with anti-competitive agreements, including cartels or agreements that unduly restrict competition. Section 4 covers abuse of dominance. In plain terms, a powerful firm cannot use that power to block rivals or make it hard for new firms to enter. The issue is timing.

These rules tend to work after harm has happened. Lawyers call it an “ex post” approach. Regulators investigate, gather evidence, and then decide if the law was broken or not.

That takes time. And time matters a lot in digital markets.

Look at Google's Android case[4]. Complaints started in 2019. The order was passed by the CCI in 2022. The case was taken to the NCLAT in 2023. And as of 2026, it is still before the Supreme Court. Almost seven years. In many industries, that is annoying. In digital markets, it can change everything. A platform can grow dominant, reshape the market, and leave competitors behind long before any final judgment.

[3] Competition Commission of India, Market Study on the Telecom Sector in India (2021).
[4] In re Android Mobile Device Matter, Competition Commission of India, Case Nos. 39 of 2018 & 21 of 2019 (Oct. 20, 2022).

One line stuck with me while reading these cases. Winning a competition case seven years later is like winning a lawsuit against a building that's already been demolished. You win on paper. But the market has moved on. The CCI has noticed this problem.

The 2023 amendment to the Competition Act added a settlement and commitment framework. Companies under investigation can offer remedies instead of dragging cases through years of litigation. The idea was to fix problems faster. The first real test was Google's Android TV case in 2025. Google agreed to stop bundling the Play Store with restrictive licensing conditions and paid a settlement of ₹20.24 crore[5]. But speed did not solve everything. One CCI member disagreed with the settlement. He argued that letting Google keep offering its old agreement alongside the new one did not fix the core competition concern. So, the question remains. Is a quick, partly effective fix better than waiting years for a stronger one?

Regulators are still balancing that.

TWO CASES WORTH KNOWING PROPERLY

I will focus on two cases. They show why regulating digital platforms is so hard.

First, Google's Android case. Probably the most important competition case in India's digital economy. Google required phone makers to pre-install apps like Search, Chrome, and YouTube to get the Play Store. This also prevented them from using modified versions of Android.

The CCI said Google had used its dominance in the Android operating system to boost its position in search and video. It’s like you own the biggest mall in the city, and you tell every new store, “You can only rent space here if you also advertise my products.” That worried the CCI. The penalty of ₹1,337 crore[6] was later reduced, but the tribunal agreed Google's practices were anti-competitive. The case is now before the Supreme Court and will likely shape India's digital competition rules for years.

Second, WhatsApp and Meta. This was something that really got me interested. For continued use of WhatsApp, the platform, in 2021, introduced changes to its privacy policy, wherein sharing of data with other Meta companies became mandatory. As per the Competition Commission of India, WhatsApp was using its market dominance in the domain of messaging

[5] In re Android TV Agreement Matter, Competition Commission of India, Settlement Order (2025).
[6] Android Mobile Device Matter, supra note 4.

apps to gain a stronghold in the domain of online advertisements and had been penalised with ₹213 crore[7].

If users are forced to surrender more control over their data, the product changes. So, privacy can be a competition issue, not just a data protection issue. The tribunal agreed there was anti-competitive conduct but removed the CCI's five-year ban on WhatsApp sharing data with Meta for advertising. Both the Google and WhatsApp cases point to the same lesson. Spotting the problem is getting easier. Finding the right remedy is still hard.

SO, WHAT'S INDIA ACTUALLY PLANNING TO DO ABOUT IT?

That brings us to the Digital Competition Bill[8], India's attempt to update competition law for the digital age. Instead of waiting for harm to happen, the bill takes an “ex-ante” approach. It would place rules on the biggest digital platforms before they misuse their market power. It involves some important gatekeepers, such as large-scale search engines, app stores, and operating systems. In theory, this sounds very good.

However, by mid-2026, the legislation will not have been presented in Parliament and will still be in its discussion stage. This does not necessarily have to be a negative situation. Ex-ante rules only work if regulators can correctly pick which firms are truly powerful. Get that wrong, and you miss real gatekeepers or end up weighing down firms that are big but not anti-competitive.

There is another issue. When does competition law end and data protection law begin? Both deal with data more and more. They overlap. That is why India seems right to be careful instead of copying the EU model[9] wholesale. Big firms are not automatically bad. Many grew by building products people actually like.

The real question is not "Is this company big?" It is "Is it using size to stop others from competing fairly?" That feels more useful for digital markets. Relying only on long investigations will not work either. Digital markets move faster than court cases. My view is that India will need a mix. Faster enforcement when problems appear, and targeted ex-ante rules for platforms that can shape whole markets.

[7] In re Updated Terms of Service and Privacy Policy for WhatsApp Users, Competition Commission of India, Case No. 30 of 2021 (Nov. 18, 2024).
[8] Committee on Digital Competition Law, Report of the Committee on Digital Competition Law (Ministry of Corporate Affairs, Mar. 2024).
[9] Regulation (EU) 2022/1925 of the European Parliament and of the Council of 14 September 2022 on Contestable and Fair Markets in the Digital Sector (Digital Markets Act).

Regardless of what eventually emerges from the Digital Competition Bill, one thing is certain. Competition law is not just about price fixing anymore. It's about knowing something about data, platform dynamics, and power in an era where many services that we use daily are free.