

India anti-trust watchdog probes Google's payment app

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A Google billboard in Bangalore in 2018, where the company has denied it is abusing its market dominance

India's anti-trust watchdog has ordered a probe into Google's payments app over allegations the tech giant is abusing its market dominance.



The Competition Commission of India said it was investigating allegations the California-based company "rigged" featured app lists to include Google Pay, "demonstrating clear bias".

The ombudsman is also looking into a Google plan—to start from March 2022—that requires some developers to pay a 30 percent commission on in-app purchases.

The move has sparked an outcry in India.

The case was filed by an anonymous complainant, the commission said, adding that its investigations unit would submit a report within 60 days.

Google has denied the allegations, and in a statement said its payments app was successful because it offers consumers a "simple and secure" experience.

Google Pay uses India's Unified Payments Interface (UPI), which manages payment apps with over 140 Indian banks that are part of the network.

UPI is also used by Walmart's PhonePe and the Alibaba-backed Paytm. The three dominate India's digital payments market.

UPI processed nearly 11 billion transactions in 2019, with a monthly rate of \$31 billion in February leading to an annualised <u>payment</u> value of \$373 billion this year, according to S&P Global.

Google's Android <u>mobile operating system</u> is by far the dominant player in India, supporting 99 percent of all smartphones, according to the research agency Counterpoint.

Analysts have said having such a widely used operating system could



make it easier for Google to control the market, a claim the Silicon Valley firm denies.

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