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Reliance Jio and the Transformation of the Indian Telecom Industry: An Analytical Approach to Predatory Pricing Charges

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ABSTRACT

Literature concerning the disruptive entry of Reliance Jio in India's telecommunications sector often does not measure the effect against the standard for predatory pricing, namely below-cost pricing along with an opportunity of recoupment within a legal-economic framework. This study measures whether Jio's behavior can be considered either disruptive competition or predatory pricing in an evolving industry structure by conducting a doctrinal and qualitative analysis of Competition Commission of India (CCI) orders, peer-reviewed papers and legal literature, and industry statistics from 2016-2025 through the use of the Areeda-Turner cost test and recoupment under competition law standards. The quantitative variables of subscriber base, market share, revenue of the sector, and exits of operators are tested together with the liberalization of interconnection charges, change in spectrum policy, and reductions in costs of handsets. While there is ample evidence of disruption and exit of competitors, there is not enough evidence of below-cost pricing and its success of recoupment, which is consistent with CCI's failure to establish both dominance and predatory pricing by Jio. The contribution of this research paper lies in the reframing of the Jio story from the perspective of the effectiveness of India's dominance-based strategy in predatory pricing as compared to its treatment as a classic example of predatory pricing. The negative impact of predatory pricing on competitors is evaluated in terms of consumer welfare and digital inclusion.

Keywords: competition policy; industrial organization; market structure; predatory pricing; telecommunications economics

1. INTRODUCTION

1.1. Background: the Indian Telecommunications Sector and Jio's Entry

Predatory pricing is defined as an act where the firm tries to reduce its prices, even below costs, to drive away competition or to prevent entry in order to increase its market share [2]. The Jio Infocomm Ltd. entered the Indian telecommunications industry in September 2016 offering free voice calls and very cheap data service supported by an investment worth over Rs. 45,000 crore by its parent company, Reliance Industries Ltd. [2]. Jio Infocomm Ltd managed to achieve 100 million subscriptions within 170 days of operation in an industry that was already dominated by companies like Bharti Airtel Limited, Vodafone India, Idea Cellular, Reliance Communications and Aircel [22]. Within the first two years of Jio Infocomm entering the market, some of these competitors had left the market, merged or reported heavy losses.

1.2. Research Problem and Novelty

An extensive literature base - academic [2; 16; 23], doctrinal [14; 21], and journalistic [29; 31] addresses the disruptive effects of Jio and, in some instances, challenges the CCI's non-identification of Jio as a dominant firm. What the literature fails to do systematically is put the "predatory pricing" claim to empirical test by determining whether the firm priced below cost relative to a relevant cost benchmark and had any prospects of recouping its losses through above-cost pricing down the line. Furthermore, there is a general lack of effort made to compare the contributions of the pricing policy of Jio in particular to those of other factors, including regulatory reforms, such as the reduction of interconnection usage charges, and technology developments in the global telecommunication market at large.

The contribution of this research are as follows:

1.2.1. Theoretical Contribution:

This research incorporates various kinds of quantitative information, such as subscriber gains, market share, revenue, and number of operators leaving in one story that will tell us about the magnitude of disruption. Also, the theory of predatory pricing is evaluated on the basis of what should be present in doctrine in order to formulate such a theory and then tested on the facts rather than presumed a priori due to the magnitude of disruption.

1.2.2. Policy Contribution:

The negative consequences for competitors are evaluated against the benefits to consumers and social inclusion.

2. RESEARCH OBJECTIVES

The goals of this study are:

- To explain the concept of predatory pricing and how legal and economic tests are used to prove predatory pricing.
- To explain the effect that Reliance Jio's entry into the market has had on the competition and Indian telecommunication industry.
- To examine whether the evidence available supports the legal test of predatory pricing through below cost pricing and recoupment, and to measure the relative roles of regulation and technology in the transformation of the industry.

3. LITERATURE REVIEW

3.1. Defining Predatory Pricing: Competing Conceptions

Predatory pricing is traditionally defined as the act of lowering the prices, and even pricing below the costs, for the purpose of eliminating competitors or deterring new entrants into the market [2]. On the other hand, [2], in the immediate aftermath of the launching of Jio, also observe that there is a fine and debatable line between predatory pricing and normal price competition, because companies regularly sell their products and services at low prices for gaining market share, and therefore, an allegation of predatory pricing can be defended by saying that the same acts amount to legitimate entry. Predatory pricing is also defined by [3] as the act of pricing below costs with the sole objective of eliminating rival companies, a definition which is less broad than the story of loss-making entry told by journalists in their articles. The definition here becomes important because any description like "low prices followed by competitors' withdrawal" cannot be used alone to differentiate between predatory pricing and vigorous yet lawful competition.

3.2. The Cost-based Test and the Recoupment Requirement

The literature on comparative competition law offers more rigorous criteria than the descriptive characterizations discussed above. In their seminal paper on predatory pricing under Section 2 of the Sherman Act, [1] argued for considering pricing below short-run average variable cost as prima facie predatory. Later legal decisions, particularly the Brooke Group Ltd. v. Brown & Williamson Tobacco Corp. case in the US and the AKZO v. The Commission case in the European Union introduced another criterion, namely a credible expectation of recoupment through pricing above marginal cost at a later stage, which would allow recovering losses made through predatory pricing. Without a credible prospect of recoupment, pricing below marginal costs could be considered as a sign of aggressive entry rather than an attempt at exclusion because the firm with no possibility of recoupment is unlikely to incur losses.

This two-pronged criterion introduces a considerably higher standard than cost-and-intent terminology used in a lot of Indian and media coverage on Jio and it is this mismatch between popular perception of predatory pricing and the legal-economic test that the most of existing literature on Jio overlooks. According to [3], the cost test could be problematic when applied to platform and network industries because of the presence of indirect network externalities and cross-subsidization between services in the industry. It should be noted that CCI's own guidelines provide an opportunity to use other cost concepts like long-run average incremental cost.

The Chicago School's disbelief in claims of predatory pricing, embodied in none other than the aforementioned Areeda-Turner approach, stems from the fact that predation is not a rational course of action for firms as it involves foregone profits with no certainty of rivals leaving the market or not entering it. However, post-Chicago literature developed game-theoretic models whereby predatory pricing was possible and rational if there was some form of uncertainty or imperfect capital markets involved. [13] illustrated the concept that an incumbent could have the incentive to forego profits in order to establish a reputation as an aggressive company, thus deterring any competition from entering even though the short-run profits were negative. [15] provided models on how predatory pricing could signal to an entrant about its low costs, resulting in the rival's exit even though the entrant had a good chance at surviving. Similarly, [4] showed how a predatory firm that cuts off another firm's own resources through starvation can drive the rival out of the market as long as capital markets are imperfect. All of these ideas are linked back to older models of strategic entry deterrence by [9] and [28], who demonstrated that incumbents can commit themselves to prices, capacities or investments that make it unprofitable for their competitors to enter the market regardless of passing any cost-based legal tests.

3.3. The Deep-pocket Theory and its limits

According to the Raghavan Committee Report [11], a firm having business operations in many different industries, including a parent firm of conglomerate nature like Reliance Industries Limited, might exploit its capital resources from other industries in order to suffer losses in a certain industry and harm its competitors that do not have such resources. The deep pockets theory seems logical because of the diversified balance sheet of Reliance Industries, however, this theory is not complete as having huge capital resources is necessary but not sufficient to make predatory behavior. India's competition law does not assume that only being financially strong constitutes predatory pricing, which was recognized by CCI in the Bharti Airtel case as described in section 5.4.

3.4. Dominance and Abuse of Dominance under the Competition Act, 2002

It was observed that the Monopolies and Restrictive Trade Practices Act, 1969 was inadequate for handling the complexities of the globalised market. The high-level committee formed by the Department of Company Affairs in 1999 headed by S.V.S Raghavan studied competition policies and law, and pointed out the anti-competitive practices like abuse of dominance which informed the Competition Act, 2002.

The Competition Act, 2002 defines domination as the situation wherein a business entity holds a strong position in a particular market such that it can act independent of the pressures of competition and impact competitors and consumers or the market in any way it wishes [7]. There are various factors that are considered for assessing whether a business entity holds dominance or not, such as the market share of the business entity, the size and capacity of the enterprise, barriers to entry or exit in the market and economic development through the enterprise, etc. Section 4(2) of the Act lists out certain practices followed by a dominant enterprise which are abusive of dominance and include imposition of unfair and discriminatory prices including predatory pricing and using a dominant position in one market to enter or protect another. Most importantly, such a provision applies only after dominance has been proved; hence, any finding of predatory pricing under Section 4 will necessarily be dependent on a finding of dominance.

3.5. Gaps in the Existing Literature

According to [14], in the United States, "monopoly power" refers to the power of a firm to set prices and restrict competition and they claim that it is clear from the example of Jio that it is capable of influencing prices and driving competitors out. According to [21], the inconsistency in the interpretation of the concept of dominance and loss-making pricing being seen as a criterion of dominance in addition to its consequence leads to lack of legal clarity and he even mentions e-commerce platforms as examples where it is hard to prove dominance even in the case of predatory behavior towards smaller retailers. In the same way, [26] observe the enforcement problems in Indian competition law in the sphere of data and platform markets.

Overall, this literature provides solid reasons to state that the dominance-contingent approach might be inherently inappropriate for growing entrants and digital markets. Nevertheless, this literature is mostly focused on the theory and comparison and does not examine the Jio case in terms of the criteria stated in Section 3.2. This paper aims to fill this gap.

4. RESEARCH METHODOLOGY

4.1. Data Selection Process

For this research paper, four kinds of secondary sources have been used. First, primary legal sources: orders by the [5] and [25]. Second, literature from peer reviewed journals and legal journals analyzing these orders and the entire episode, published from 2016 to 2025. Third, official data and regulatory and corporate information: performance indicators by TRAI and Reliance Industries Limited's annual report, used for figures related to subscribers, revenues, and market share. Fourth, news reporting about the business only when official/corporate/peer-reviewed figures are not available, particularly for firm level figures and number of jobs lost, and timeline of merger.

Only those sources were considered which gave some form of indicator or argued a particular legal or doctrinal position. Opinion pieces without any identifiable factual/legal backing were excluded. In case of availability of an equivalent official/corporate/peer-reviewed figure, preference was given to that over news pieces. The date range selected (September 2016 till 2025) is relevant because it includes the time period since the disruption occurred till its analysis by the legal and academic community.

4.2. Analytical Framework

Two streams of analysis have been brought together. The first one is that of doctrinal legal analysis, whereby the reasoning of the CCI from both of the above orders is compared to the cost and recoupment tests under Section 3.2. The second stream involves a descriptive synthesis of several quantitative measures, the growth in number of subscribers, market share, revenues of the industry, and the number of operators as a way of validating and providing context to the qualitative and legal evidence.

4.3. Qualitative Analysis Method

Qualitative literature was subjected to thematic analysis, and three themes were coded: (a) market impact and reaction from competitors; (b) legal perspective on dominance and predatory pricing; and (c) effect on consumers and overall economy. The findings have been cross-verified from academic literature, legal sources, official reports, and news reports. No source has been considered conclusive.

4.4. Methodological Limitations

In this study, the use of secondary and primary data was done, but cost data of Jio or its rivals were not available to us for an independent review. Conclusion drawn in section 5.6 on sub-cost pricing, thus, should be based on publicly available information only.

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5. RESULTS AND DISCUSSION

Predatory pricing is, by definition, an action taken whereby the supply of a good or service is carried out below the cost of production, which has the result or intention of removing competitors from the marketplace. The subheadings below set out the extent of the market disruption, the context of such disruption, precedents in case law, testing the evidence in light of predatory pricing criteria, and weighing the costs and benefits.

5.1. Scale of Market Disruption: Quantitative Indicators

Table 1 highlights the major quantitative factors that have been chosen as part of this research paper with an emphasis on regulatory and company data over news data where possible.

Table 1. Selected quantitative indicators of market disruption following Reliance Jio's entry.

Indicator	Data point	Period	Source
Reliance Jio subscribers (trial phase)	~1.5 million	July 2016	[19]
Reliance Jio subscribers	100 million (170 days post-launch)	February 2017	[22]
Jio's share of LTE subscribers	>58%	End of September 2016	[2]
Jio's market share (CCI finding)	6.40%	~4 months post-launch	[25]
Telecom sector adjusted gross revenue	Fell from Rs. 44,754 crore to Rs. 37,284 crore	Q1-Q3, FY 2016-17 (Apr-Dec 2016)	[19]
Telecom industry cumulative debt	Rs. 3.6 lakh crore	2018	[29]
Average operators per telecom circle	Fell from ~10 to ~6	September 2016 - April 2018	[17]
Bharti Airtel quarterly result	First reported loss in 15 years	March quarter, 2018	[31]
Idea Cellular quarterly result	Consolidated net loss tripled	Same quarter, 2018	[31]
Reliance Jio equity investment	More than Rs. 45,000 crore	At launch	[2]

Figure 1 shows the speed of the subscriber acquisition through the trial phase and post-launch figures highlighted in Table 1. Growth by Jio from around 1.5 million trial subscribers in July 2016 to 100 million in February 2017 marked the fastest subscriber acquisition in the history [22].

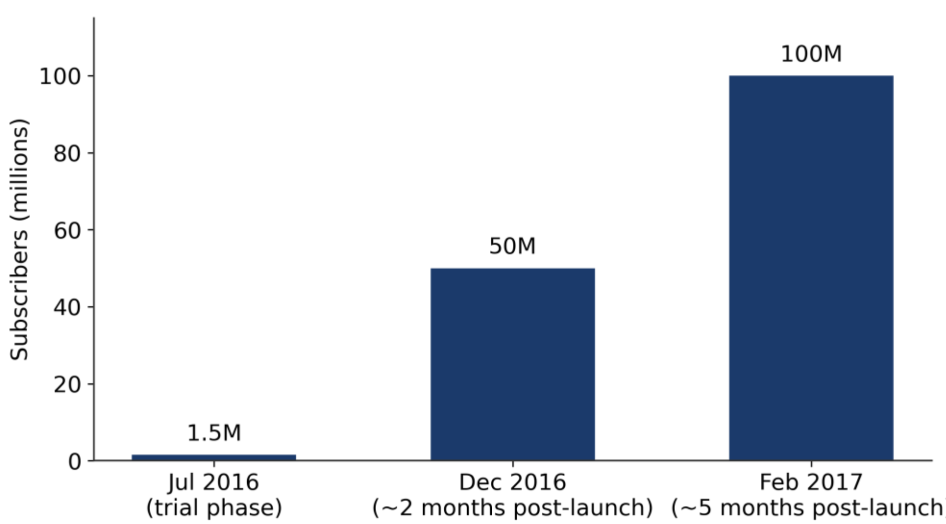

Figure 1. Reliance Jio subscriber growth, 2016-2017

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Source: Reliance Industries Limited (2017)

Disruption is also evident in the revenues of the sector. The TRAI data released concurrently indicated that revenues in the sector fell from Rs. 44,754 crore in Q1 of FY17 to Rs. 37,284 crore in Q3 of FY17, a fall of 10.5% quarter-on-quarter in Q3 and the first time that the sector saw a decrease in revenue in many quarters. Figure 2 highlights this trend.

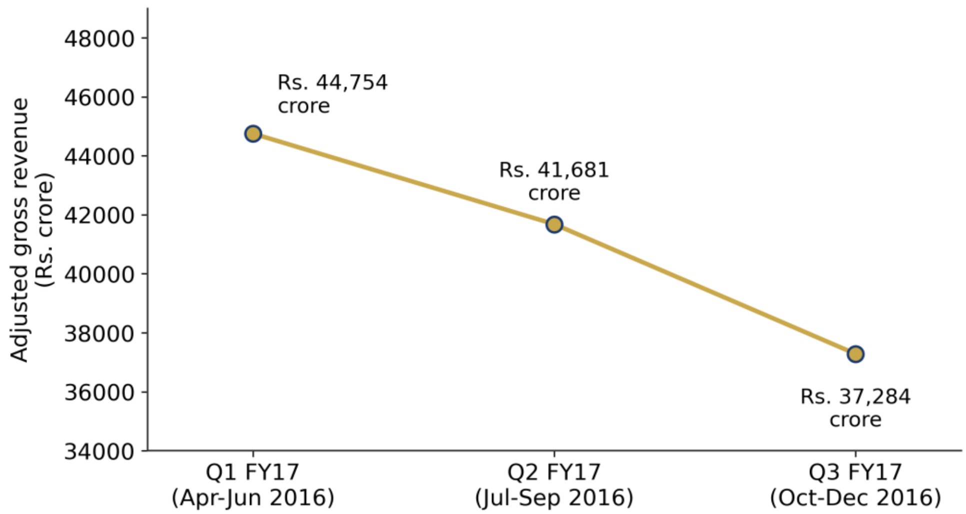

Figure 2. Telecom sector quarterly adjusted gross revenue around Jio's launch (TRAI data)

Source: Telecom Regulatory Authority of India (TRAI)

5.2. Impact on Competitors and the Sector

Free voice call services and low-cost data services of Jio compelled the industry to reduce tariffs and increased competition; the health of incumbent telecoms deteriorated, and some of them had to withdraw from the industry [29]. As Jio was growing in terms of subscribers and market share, its competitors such as Bharti Airtel, Vodafone India, and Idea Cellular had been experiencing ARPU fall. The total debt in the industry was worth Rs. 3.6 lakh crore by 2018 [29]. Bharti Airtel reported its first ever loss after fifteen years during the March 2018 quarter and the consolidated net loss for Idea Cellular increased thrice during the same quarter [31]. According to [16], among the nine private sector players operating along with Jio, only three, namely Bharti Airtel, Reliance Jio, and Vodafone Idea were able to survive.

With the reduction in tariffs by competing companies to survive, many companies either shut down or merged: Aircel filed for bankruptcy [24], followed by Reliance Communications declaring bankruptcy [20], the telecom businesses of the Tata Group were merged with Bharti Airtel [10], Bharti Airtel also acquired the business of Telenor India [30], and finally, the merger of Vodafone India and Idea Cellular formed Vodafone-Idea [12]. The number of operators in each telecom circle came down from ten to six in number during the period of September 2016 and April 2018 [17], and this led to the loss of jobs. Bharti Airtel also filed a case against Jio on the issue of its promotional free offers with the Telecom Regulatory Authority of India and the CCI [18].

5.3. Regulatory and Technological Context: Alternative and Contributing Factors

A focus on Jio's pricing alone as the cause of the sector's transformation might overstate the importance of Jio in comparison to a number of other factors that were taking place at the same time in the sector. For instance, TRAI's reduction in interconnection usage charges the payment made by one company to terminate voice calls on another's network reduced this fee significantly in 2017, and led to it being phased out entirely in 2020. At the same time, there was also a significant reduction in the cost of 4G-capable handsets and infrastructure across the world, which would have lowered the cost of using data-driven networks for service provision. The Indian Government's Digital India campaign, which started in 2015, as well as the demonetization of high value currency notes in November 2016, would have independently increased demand for digital payments and data services at the time of Jio's launch. Spectrum allocation and licensing reforms were ongoing as a result of the 2G licensing scandal that occurred during the previous decade.

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None of this means that Jio's pricing was unimportant in causing the change in the sector, the rate at which new customers were acquired is evident from Figure 1 above, but the explanation of causal forces should take into account Jio's arrival alongside several other contemporaneous shocks to the sector.

5.4. Bharti Airtel Ltd. v. Reliance Industries Ltd. and Reliance Jio Infocomm Ltd.

Here, Bharti Airtel claimed that predatory pricing was being committed by Jio at the inception of its operations on 5th September 2016, in contravention of Section 4(2)(a)(ii) of the Competition Act. Further, Bharti Airtel claimed that Reliance Industries Ltd. was violating Section 4(2)(e) of the Competition Act in that the company used its financial resources in different markets for entering telecommunications through Reliance Jio and had an arrangement to enable Jio to engage in predatory pricing by utilizing financial resources of its parent.

In relation to predatory pricing by the dominant enterprise, the CCI has held that financial resources alone cannot be regarded as a dominant position. After taking into account the investments and the financial position of the competitors as well, the CCI has held that the capacity of Jio to undertake large scale investments does not amount to a dominant position, and as such there is no case for investigation under Section 3 and Section 4 of the Competition Act.

5.5. C Shanmugam and Manish Gandhi v. Reliance Jio Infocomm Ltd., and Scholarly Reception

Concurrently, the CCI ruled that Jio lacked dominance due to its relatively low market share of 6.4 per cent, although this was attained in just about four months of launch. This is a reflection of another feature of the dominance-contingent approach outlined in Section 3.4: entry into a market can be rapid and disruptive, and yet not meet market share requirements traditionally considered to be a sign of dominance.

According to [23], the rulings of the CCI had a negative impact on the competitors because they established their market position with free services for the first six months, using their parent company's resources and money without much restrictions. Such criticism serves as a reminder that the rulings of the CCI should not be considered the ultimate truth regarding competitive harms. As stated in Section 5.6, however, this type of criticism fails to prove the below-cost pricing and recoupment requirement for a predatory pricing case. Table 2 provides a summary of the two cases.

Table 2. Comparison of the two principal CCI matters concerning Reliance Jio.

Element	Bharti Airtel v. RIL & RJIL (2017)	C Shanmugam & Manish Gandhi v. RJIL (2017)
Complainant	Bharti Airtel Limited	Individual complainants (C. Shanmugam and Manish Gandhi)
Core allegation	Free services from launch amounted to predatory pricing; parent company's financial strength enabled below-cost pricing	Jio's pricing and market conduct amounted to abuse of a dominant position
Statutory provisions invoked	Section 4(2)(a)(ii) and Section 4(2)(e), Competition Act, 2002	Section 4, Competition Act, 2002
CCI's finding on dominance	Not dominant; financial strength alone insufficient to establish dominance	Not dominant; market share of 6.4% at the time of the complaint
Outcome	No investigation ordered under Sections 3 and 4	Complaint dismissed

5.6. Testing the Evidence against the Legal Criteria for Predatory Pricing

Using the criteria for cost-based analysis and recoupment laid out in 3.2 on the evidence presented above provides a more cautious conclusion than what would be drawn solely from the disruptive story. These criteria have been set out in Table 3 below along with the evidence supporting this paper.

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Table 3. Applying the legal elements of predatory pricing to the evidence reviewed in this paper.

Legal element	Requirement	Evidence reviewed in this paper	Established?
Dominance	Enterprise must hold a position of strength in the relevant market (Section 4, Competition Act, 2002)	CCI found a market share of 6.4% approximately four months after launch	Not established
Below-cost pricing	Prices set below an appropriate cost benchmark, e.g., average variable cost [1]	No independently verified cost data; headline "free" tariffs reported in news sources, not a cost-price comparison	Not verified on the record reviewed
Intent to eliminate competition	Pricing strategy intended to drive out rivals	Competitor complaints and scholarly critique [16; 23] allege intent; not independently adjudicated	Contested
Recoupment	Credible prospect of recovering losses through subsequent supra-competitive pricing [1]	Gradual tariff increases reported after 2019, but not quantified against a competitive benchmark	Not established

Notably, none of the articles reviewed offers information about Jio's actual costs, or provides any kind of cost-benchmark comparison of its tariffs. The "free services" and "below cost" descriptions offered in the popular press and certain academic articles relate solely to tariffs and not a proven cost-price comparison. With respect to recoupment, the observed gradual tariff increases starting from 2019 can be seen as consistent with but cannot be viewed as proof of recoupment in the strict juridical interpretation of this concept. More importantly, the CCI's determination of Jio's market share of only 6.4 per cent precludes the notion of predatory pricing in the context of Section 4, as in India's law on abuse of dominance, only a dominant enterprise can be deemed to have abused its dominant position, regardless of the extent of disruption brought by a non-dominant enterprise through its pricing policy.

Given the evidence presented, the strategy pursued by Jio should be described as an aggressive penetration or limit pricing strategy that resulted in market disruption, but not predatory pricing in the juridical-economic interpretation of this notion. In this context, "predatory pricing" should be considered as the contested characteristic under discussion, and not as a proven fact, as in line with, and partially explaining the CCI's dismissal of the complaints against Jio.

5.7. A Balanced Perspective: Costs to Competitors and Benefits to Consumers

The negative impact on competition outlined in Section 5.2, falling ARPU, rising debt levels within the industry, exit and consolidation of operators and staff layoffs are all real and documented. It would be unbalanced, however, to conclude the discussion there. As pointed out by [27], consumers currently get voice and data services at lower prices compared to those prevailing prior to Jio's entry into the market. In a survey-based paper by [8], a majority of the twenty-to-forty-year-old respondents considered the company positively in relation to its role in driving digitalization as well as a massive increase in the volume of data consumed, which was associated with the wider trend of the Digital India campaign initiated by the Government of India. Importantly, even the harshest criticisms of the decisions made by the CCI [23; 16] do not deny the benefits accruing to consumers, they disagree with the dominance analysis only.

5.8. Definitional Ambiguity and Systemic Gaps in Indian Competition Law

Ambiguity in the terms "predatory pricing" and "dominant position" have been noted by [14; 21], the latter of whom extends the issue to platform markets more generally, noting that proving dominance is even harder there when predatory practices are evident against smaller competitors. But while the problem is not exclusive to telecoms, there is a similar issue in [6], also known

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as the Ola case (discussed in detail in Section 6.1), wherein the Director General concluded that the respondent was not dominant either. Coupled with the issues with enforcement in data-driven and platform markets noted in [26], this leads to the conclusion that the Jio case must be seen as a particular case of a larger problem.

6. CONCLUSIONS/IMPLICATIONS OF THE STUDY

The entry of Reliance Jio in the Indian telecommunication sector in September 2016 was quickly followed by the fast expansion of subscribers, the fall of revenue of the sector as well as of competitors' ARPU, high sectoral indebtedness, and the closure, takeover or merger of a number of incumbent providers. The above-mentioned facts, which have been summarized in sections 5.1 and 5.2, are well reflected in the literature used for this paper.

Nevertheless, the above-mentioned paper does not state that Reliance Jio practiced predatory pricing in its strict legal-economic sense. According to Table 3, in order to prove this practice, it is necessary to show that the below-cost prices were applied and the recoupment strategy exists, which cannot be proved based on the data that was used for this research. Besides, the findings of non-dominance of Reliance Jio in the sector made by the CCI exclude the above-mentioned possibility according to Section 4 of the Competition Act, 2002.

6.1. Limitations

This study centers around one case only and does not generalize to similar cases arising in other industries. Take, for instance, the cases filed in 2015 by [6], for predatory pricing due to heavy discounts to passengers and drivers. The CCI combined the two cases and ruled that Ola was not dominant in the market under consideration, an approach very much akin to the cases of Jio.

The cost data of Jio and its competitors used in this paper are secondary or official in nature. The claim of below cost pricing can therefore be subject to the records only and not to an independent audit of costs. Finally, the evidence presented in section 5.7 comes from a few studies only and calls for a more rigorous study of consumers.

7. RECOMMENDATIONS

The example of Reliance Jio is evidence of a tension in the Indian regime against predatory pricing: any abuse of dominance must be preceded by a finding of dominance under Section 4 of the Competition Act, 2002, despite the capacity of an aggressively growing new entrant to inflict significant damage on the competition notwithstanding its lack of dominance as defined by market share - which is what the 6.4% market share determination by the CCI shows (Section 5.5). This is not just a failure to capture a particular factual pattern but a doctrinal one: comparably situated jurisdictions deal with comparable situations using an exclusionary pricing doctrine, rather than a sole consideration of dominance (Section 3.2).

Legal/theoretical justification: the CCI (or the legislature by amendment), in light of the facts of the present case and its precedents in network and platform markets (see the Ola case and references in Section 6.1), should adopt an effects-based test for aggressive pricing of well-resourced new entrants in network industries, which would not be predicated upon a prior finding of dominance but will incorporate the recoupment-sensitive criteria found in comparative law (Section 3.2).

- Operational recommendation: The authorities should consider interim or ex-ante review mechanisms to evaluate aggressive pricing of well-resourced entrants in network industries, so that damage to competitors can be evaluated and acted upon prior to exit of competitors from the market.
- Safeguard for consumer welfare: Such a test should incorporate safe harbour for genuinely pro-competitive low prices, in light of the warning given by [3] about an overly broad cost-based test's risk of hindering legitimate entry and price competition, especially in the presence of cross-subsidization among different services.
- Consistency across sectors: Considering the frequency of dominance findings in network and platform markets [6; 21; 26], the reform should be broadly applied rather than tailored specifically to telecommunications.

Adoption of these recommendations together would enable the competition law regime in India to examine predatory pricing in network industries in a manner that would protect consumers without impeding competition.

Ethics statement

This article does not include primary data collection from or work on humans or animals. Ethical approval was therefore not required.

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Author contributions

Author 1: literature search, data collection and analysis, writing and editing.

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Conflict of interest declaration

The authors declare no conflict of interest.

Data availability

All data analysed are publicly available and mentioned in the References section.

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