

Unknown vs And on 22 May, 2026

COMPETITION COMMISSION OF INDIA
Case No. 47 of 2025

In Re:

Mr. Deep Chandra Pande
B-54, Hyderabad House, J.K. Puram B Block,
Mukhani, Haldwani-263139

Informant

And

Roppen Transportation Services Private Limited
('Rapido')
3rd Floor, Sai Prithvi Arcade, Megha Hills,
Sri Rama Colony, Madhapur,
Hyderabad- 500081

Opposite Party

CORAM

Ms. Ravneet Kaur
Chairperson

Mr. Anil Agrawal
Member

Ms. Sweta Kakkad
Member

Mr. Deepak Anurag
Member

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Order under Section 26(2) of the Competition Act, 2002

1. The present Information has been filed by Mr. Deep Chandra Pande ('Informant') under Section 19(1)(a) of the Competition Act, 2002 ('Act'), alleging contravention of the provisions of Section 4 of the Act by Roppen Transportation Services Private Limited (operating as 'Rapido'/'OP').

2. The Informant is the Director of HitoHit Solutions (OPC) Private Limited, a licensed aggregator under the Uttarakhand On-Demand (Information Technology Based) Transportation by Contract Carriage Rules, 2020.

3. The OP, as per information available in the public domain, is a ride hailing platform that connects users with drivers for bike- taxi, auto and cab services. The OP provides technology- based services and acts as an intermediary for facilitating: (i) on-demand transportation services by means of two-wheelers and (ii) pick up and drop off services of packages from one location to the other through service providers/drivers.

4. It is averred by the Informant that the OP has deployed private (white-plate) two-wheelers for commercial hire, allegedly, in contravention of Section 66 and Section 93 of the Motor Vehicles Act, 1988, which mandates that a vehicle cannot be used for hire unless it has a valid permit and is registered as a commercial vehicle. The Informant has also alleged that launching the bike-taxi segment using an illegal fleet of private vehicles is a calculated market entry and expansion strategy, which allows the OP to carry out the following:

i. offer ultra-low, predatory prices by avoiding the higher costs associated with commercial vehicle permits, insurance, and taxes;

ii. gain rapid market traction and network effects by being the cheapest available option; iii. collect invaluable geo-location, traffic, and consumer demand data at a massive scale, which it then leverages to launch and dominate subsequent segments like auto- rickshaws.

It is alleged that this strategy creates a barrier to entry for any new or existing player which seeks to enter the market with a permitted, commercial vehicle fleet, thereby foreclosing competition and violating Section 4(2)(c) of the Act.

5. It is also alleged by the Informant that the OP operates a zero-commission model by claiming that drivers retain 100% of the fare in auto segment. The Informant has alleged that by not collecting Goods and Services Tax ('GST') and State Transport Authority ('STA') taxes from auto riders, and not charging the driver any commission or subscription fee, the mechanism through which the OP remits GST and STA taxes to the Government is opaque. As per the Informant, it is a gross abuse of the tax regime, allowing the OP to suppress its effective costs and offer artificially low fares. It is further stated by the Informant that a probe is required into the bike-taxi segment to ascertain if the GST collected from riders is being remitted or the OP is merely charging a subscription fee to drivers and paying GST only on that amount.

6. The Informant has stated that the OP has violated the provisions of Uttarakhand On-Demand (Information Technology Based) Transportation by Contract Carriage (Amendment) Rules, 2024 ('Transportation Rules'), by charging a fare as low as Rs.14/km for the first 15 kilometres whereas the minimum auto fares are currently at Rs.60 for 0-2 km and Rs.18/km as per the Transportation Rules. Thus, the OP is allegedly indulging in predatory pricing under Explanation (b) to Section 4 of the Act.

7. The Informant has also stated that Rule 8(a)(3) of the Transportation Rules, permits an aggregator to pay the auto driver for a distance travelled upto 5km to pick up a passenger. It is

alleged that the OP offers a lower fare to the consumer by externalizing a significant operational cost (pickup) onto the driver, a cost that compliant competitors would have to internalize, which distorts the cost structure and creates an unfair competitive advantage, contravening Section 4 of the Act.

8. Further, the Informant has alleged that the OP's platform is configured to dispatch an e- rickshaw (a lower cost vehicle) when a customer books an auto, while charging the fare of an auto. This indicates that OP's vehicle registration and verification processes are severely lacking, posing a direct security risk to riders. Thus, the OP uses market power to impose unfair and discriminatory conditions on consumers, in violation of Section 4(2)(a) of the Act.

9. The Informant has sought the following reliefs from the Commission:

a) initiate an inquiry into the anti-competitive practices of the OP under Section 26(1) of the Act;

b) investigate the OP's business model, pricing structure, tax remittance practices and driver payment systems to ascertain the full extent of the appreciable adverse effect on competition;

c) pass a final order under Section 27 of the Act, directing the OP to cease and desist from anti-competitive and unlawful practices such as:

i. operating private vehicles for commercial purposes; ii. charging fares below the state-regulated minimum standards; iii. failing to pay drivers for the pickup distance as per Rule 8(a)(3) of the Transportation Rules;

iv. engaging in opaque discounting and mischarging consumers.

d) impose such penalty or corrective measures as may be deemed fit by the Commission under Section 27 of the Act;

e) pass any other order(s) as the Commission may deem fit and proper in the facts and circumstances of the case.

10. Apart from the reliefs sought above, the Informant has filed an Interlocutory Application ('I.A.') No.546 of 2025 on 23.12.2025, praying for the following interim reliefs under Section 33 of the Act:

a) direct the OP to immediately comply with statutory tax requirements by charging, displaying, and remitting GST (5%) and STA levy (2%) on all auto segment rides;

b) direct the OP to correct invoicing across all segments, including the bike segment, ensuring that all mandatory statutory levies (including STA) are reflected and collected;

c) restrict the OP from continuing pricing practices that fall below statutory minimums, including any pricing advantage derived from non-payment or non-declaration of GST/STA taxes;

d) geo-fence and suspend operations of any two-wheeler lacking a valid commercial permit within Uttarakhand, to prevent further regulatory evasion;

e) pass any further interim order necessary to preserve fair competition, safeguard tax revenues and protect consumer interest.

11. In the ordinary meeting held on 01.04.2026, the Commission considered the Information and decided to pass an appropriate order in due course.

12. At the outset, the Commission notes that the Informant has alleged that the OP, without valid permit, allows the usage of non-commercial/private two-wheelers while offering the service of passenger aggregation, thereby contravening the provisions of Section 66 and Section 93 of the Motor Vehicles Act, 1988. It is also alleged that launching the bike-taxi segment using an illegal fleet of private vehicles is a calculated market entry and expansion strategy, which allows the OP to offer low, predatory prices by avoiding the high costs associated with commercial vehicle permits, insurance, and taxes, in violation of the provisions of Section 4 of the Act.

13. With regard to the allegation of plying of vehicles without necessary permits, the Commission is of the view that the same falls outside the domain of competition law and a separate legislation, i.e., the Motor Vehicles Act, 1988, is in place to deal with the allegations in this regard.

14. Further, as regards the allegation raised by the Informant that the OP operates a zero-commission model by claiming that drivers retain 100% of the fare in auto segment and the mechanism through which the OP remits GST and STA taxes to the Government is opaque, the Commission observes that the allegations fall beyond the purview of competition law and therefore need not be examined.

15. The Commission notes that the Informant has alleged that the OP flouts Rule 8(a)(3) of the Transportation Rules, by compelling the drivers to bear the entire cost of unpaid pickups. It is also alleged that as the OP does not have to bear this cost, therefore, it is able to offer lower fares as compared to its competitors, which in turn creates an unfair competitive advantage, in contravention of Section 4 of the Act. Moreover, the Informant has alleged that an e-rickshaw is provided for transportation, when an auto is booked by a customer and the customer is charged the fare of an auto. With regard to these allegations, the Commission is of the view that they fall outside the purview of the competition law and need not be further examined.

16. The Informant has also alleged that the OP has violated the provisions of Section 4 of the Act, inter-alia, by providing services at a predatory price, as compared to its competitors, in violation of Section 4(2)(a)(ii) of the Act. It is stated by the Informant that the OP is able to reduce the fare to the consumers as it violates the Transportation Rules. On the allegation of predatory pricing, the

Commission notes that vide notification dated 15.07.2022, the Office of the Transport Commissioner, Uttarakhand ('Transport Authority') has set the maximum passenger fare and freight rates for contract carriages, goods carriers, e-rickshaws and two- wheelers operating under the motorcycle rental scheme, ambulances and vehicles acquired for election duties and disaster management. With regard to the nature of these allegations, the Commission is of the view that delineation of the relevant market and subsequent assessment of dominance and abuse may be dispensed with. Moreover, on perusal of the rate card of the OP and the maximum passenger fare fixed by the Transport Authority, as tabulated below, it appears that the OP does not charge predatory prices. Thus, the Commission is of the view that the allegations, remain unsubstantiated and do not warrant further examination under the provisions of Section 4 of the Act.

Prevailing Rate Card of OP in Uttarakhand		Maximum Passenger Fare fixed by the Tra		
Category	Details	Items	Prescribed Rates	
Kilometers travelled	Distance Fare per Km			
0	Rs.30	Fare	Rs.60 for the first 02 km	
0-15	Rs.14	Rates	thereof, thereafter Rs.18	
15-100	Rs.18		subsequent km or part ther	

17. Thus, having read the Information and the annexures, the Commission is of the view that no prima facie case of contravention under Section 4 of the Act has been made out by the Informant and that the present Information be closed forthwith under Section 26(2) of the Act. Consequently, no case for grant of relief(s) as sought under Section 33 of the Act arises, and the same is also rejected. Accordingly, I.A. No. 546 of 2025 is disposed of as dismissed.

18. The Commission while holding the above has expressed nothing on the merits of the legal rights and remedies available to the Informant.

19. The Secretary is directed to communicate the order to the Informant, accordingly.

Sd/-

(Ravneet Kaur) Chairperson Sd/-

(Anil Agrawal) Member Sd/-

(Sweta Kakkad) Member Sd/-

Place: New Delhi
Date: 22.05.2026

(Deepak A
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