



**COMPETITION COMMISSION OF INDIA**

**Case No. 93 of 2016**

**In re:**

**M/s Shree Hari Inn Pvt. Ltd.  
Post Office- Mirjapur, Tal Bhuj  
Kutch  
Gujarat- 370001**

**Informant**

**And**

**M/s Mercedes Benz India Pvt. Ltd.  
Sadguru Complex  
Chakan - Shikrapur Road  
Pune  
Maharashtra- 410501**

**Opposite Party**

**CORAM**

**Mr. Devender Kumar Sikri  
Chairperson**

**Mr. S. L. Bunker  
Member**

**Mr. Sudhir Mital  
Member**

**Mr. Augustine Peter  
Member**

**Justice G. P. Mittal  
Member**



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

1. The present information has been filed by M/s Shree Hari Inn Pvt. Ltd. ('the Informant') under Section 19(1)(a) of the Competition Act, 2002 ('the Act') against M/s Mercedes Benz India Pvt. Ltd. ('the Opposite Party'/ 'OP') alleging contravention of the provisions of Section 4 of the Act.
2. It is stated that the Informant had purchased two Mercedes Benz buses from OP for commercial use in Kutch, Gujarat in the year 2012. It is averred that OP represented to the effect that its buses were well reputed all over the world and the Informant, believing the same, was the first person to purchase and use Mercedes Benz buses in the entire Kutch region. However, upon using the buses, it was found that the same were having manufacturing defects in the fuel tank. It is also stated by the Informant that OP was aware about the fact that there were hardly any efficient authorised service stations of Mercedes Benz in Gujarat (India). Even if there were any, they existed only on paper and did not provide any facility or parts of the buses. They also did not have the facility to repair the body damages, electrical services, Air Conditioner *etc.* Besides this, the OP had not provided any facility for service/ repair of the LCDs that were installed in the buses and the parts thereof were not available in India as well.
3. The Informant has stated that it has suffered huge losses as the buses often remained at the service station for over 10 months due to which the Informant could not make profits or pay loan instalments on time. Further, when the Dual Cylinder Air Compressor of the buses did not work properly and they were taken to the authorised service centre of the OP *i.e.* Kataria Motors Pvt. Ltd., the Informant was charged different prices for replacing the same cylinders in two different buses. Even after the repairs,



the issue of Dual Cylinder Air Compressor was not resolved. It is alleged that the bills raised by the service centre were also not reflected on the website of Daimler India Commercial Vehicle (DICV) which suggests that the original genuine parts were not fitted in the buses even when the Informant was charged for the original products. The prices for the spare parts charged were also higher than those provided on the boxes and the old parts were not even returned. The Informant is also aggrieved of not being informed about the warranty period of these spare parts despite sending several requests.

4. It is further alleged by the Informant that the spare parts of the buses were not easily available in the market and the authorised service centre of OP used to charge higher prices for the spare parts than their MRP. The huge difference in the price of the Dual Cylinder Air Compressor charged by the authorised service centre of OP also clearly reflects that the authorised service centre of OP indulged in malpractices. The non-availability of any other service centre in entire Gujrat except the only one authorised by OP itself shows that the Informant was left with no other option and the dominant position of OP has been used to cheat the Informant. The Informant has also alleged that OP never put any check on the malpractices of its authorised service centre and did not take any action against its authorised service centre despite several complaints in this regard.
5. Based on the above averments and allegations, the present information has been filed by the Informant against OP seeking the following relief:
  - (i) To restrain OP from operating in Indian market till the products/ spare parts of the buses are easily available and the company has a proper network of service centres to tackle the needs of the customers; and



(ii) To impose heavy penalties of at least INR one thousand crore on OP for abusing its dominant position in the Indian market.

6. The Commission has perused the information and the material available on record.
7. From the facts and circumstances of the case, it appears that the Informant had purchased two Mercedes Benz buses from OP for commercial use in the Kutch region of the State of Gujarat. The Informant appears to be aggrieved by the alleged malpractices indulged into by the authorised service centre of OP viz. Kataria Motors Pvt. Ltd. It is alleged that when the compressors of the two buses were not working properly, the buses were taken to the authorised service centre of OP which charged different prices for two pieces of the same cylinder to be replaced in two different buses. It is also alleged that original genuine parts were not fitted in the buses even though the Informant was charged for the original products. Moreover, the prices charged for spare parts were higher than the MRP printed on the boxes. After replacement the old damaged products were also not returned. The Informant has also alleged that owing to defect in the diesel tank, there was leakage and as a result thereof, the Informant suffered losses.
8. On a careful consideration of the matter, the Commission notes that the Informant is essentially aggrieved of the alleged malpractices (sale of non-genuine parts, charging of higher prices than MRP etc.) resorted to by the authorised service centre of OP. Further, the Informant is aggrieved due to lack of proper after sales service network, delay in availability of spare parts and high prices charged by authorised service centres for spare parts with respect to Mercedes Benz buses that were purchased by the Informant. The Commission is of the opinion that such allegations do not reveal any competition issue.



सत्यमेव जयते



9. In view of the above, the Commission is of the view that no case is made out against OP for contravention of the provisions of Section 4 of the Act and the information is ordered to be closed forthwith in terms of the provisions contained in Section 26(2) of the Act.
10. The Secretary is directed to communicate to the Informant accordingly.

**Sd/-**  
**(Devender Kumar Sikri)**  
**Chairperson**

**Sd/-**  
**(S. L. Bunker)**  
**Member**

**Sd/-**  
**(Sudhir Mital)**  
**Member**

**Sd/-**  
**(Augustine Peter)**  
**Member**

**Sd/-**  
**(Justice G. P. Mittal)**  
**Member**

**New Delhi**  
**Date: 13/12/2016**