COMPETITION COMMISSION OF INDIA
Case No. 18 of 2026

***In Re*:**

Mr. Rushab Aggarwal — **Informant**
C-472, Defence Colony, New Delhi -110024 also at
S-363, Greater Kailash, New Delhi -110048

And

Mercedes-Benz Financial Services India Pvt. Ltd. — **Opposite Party No. 1/OP-1**
5th Floor, Plot 8, Baashyam Willow Square 9&10,
First Street, Thiru Vika Industrial Estate,
Guindy, Chennai, Tamil Nadu - 600032

Mercedes-Benz India Pvt. Ltd. — **Opposite Party No. 2/OP-2**
B-l Extn., Mohan Coop Ind. Estate,
Mathura Road, New Delhi - 110044,

Global Star Auto LLP — **Opposite Party No. 3/OP-3**
A-I, A- 1/1 Okhla Industrial Area, Phase- 1,
New Delhi - 110020

CORAM

Ms. Ravneet Kaur
Chairperson

Ms. Sweta Kakkad
Member

Mr. Deepak Anurag
Member

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

1. The present Information has been filed by Mr. Rushab Aggarwal (‘**Informant**’) under Section 19(1)(a) of the Competition Act, 2002 (‘**Act**’), alleging contravention of the provisions of Sections 3 and 4 of the Act by Mercedes-Benz Financial Services India Pvt. Ltd. (‘**OP-1**’), Mercedes-Benz India Pvt. Ltd. (‘**OP-2**’) and Global Star Auto LLP (‘**OP-3**’). OP-1, OP-2 and OP-3 are hereinafter referred to as the Opposite Parties (‘**OPs**’).

2. The Informant is a resident of New Delhi. As per information available in the public domain, OP-1 is a wholly owned subsidiary of Mercedes-Benz Mobility AG, which provides car financing, leasing, insurance and dealership financial solutions. OP-2 is a wholly owned subsidiary of Mercedes-Benz Group AG, offering a range of luxury car models in India and OP-3 is Mercedes-Benz franchisee partner and dealer in Delhi NCR.

3. The Informant has stated that he booked a Mercedes-Benz vehicle worth ₹1,40,00,000/- from OP-3 on the date of its launch in India *i.e.* 03.03.2026, after paying booking amount of ₹5,00,000/- and he was assured that the vehicle would be delivered to him by the last week of March 2026, if the booking was made on the launch date.

4. It has been alleged by the Informant that as the delivery date approached, he was subjected to coercion at the behest of OP-1 and OP-2, executed by OP-3, which purportedly conveyed that owing to the limited availability of the vehicle, its delivery would be indefinitely delayed unless both financing and insurance were procured through the OPs.

5. The Informant has alleged that having already paid substantial consideration and with no viable option to exit the transaction, he was compelled to avail financing from OP-1 and insurance services upon the recommendation of OP-3. It is also alleged that despite having received more competitive financing offers and lower insurance premium quotations from the open market, the Informant had to accept such services on unfavorable terms.

6. Further, it has been alleged that the present case involves a three-layer vertical arrangement between the manufacturer (OP-2), captive financer/broker (OP-1) and authorised dealer (OP-3). The structure operates as a closed-loop distribution system, where (i) The dealer acts as a gatekeeper, controlling access to delivery; (ii) Financing and insurance are bundled or tied to the primary transaction; and (iii) Competing service providers are systematically excluded. Such conduct is stated to be in violation of Section 3(4)(a) and Section 3(4)(d) of the Act.

7. The Informant has alleged that the OPs, acting collectively, have imposed unfair and discriminatory conditions in the sale of vehicles, in contravention of Section 4(2)(a)(i) of the Act. Further, the OPs have leveraged their position in the vehicle market to enter and

dominate the financing market and insurance distribution market, in contravention of Section 4(2)(e) of the Act.

Relief sought

8. The Informant has sought the following reliefs from the Commission:
    a) Form an opinion that a *prima facie* case of contravention of Sections 3(4) and 4 of the Act is made out;
    b) Direct the Director General to cause an investigation under Section 26(1) read with Section 41 of the Act;
    c) Upon completion of investigation, hold the OPs liable and pass appropriate orders under Section 27 of the Act, including imposition of penalty;
    d) Issue cease and desist directions against the OPs from continuing such tying arrangements;
    e) Direct appropriate behavioural and structural remedies, including ensuring: unbundled sale of vehicles, financing, and insurance; full consumer choice without coercion; and
    f) Pass such other and further orders as the Commission may deem fit and proper in the facts and circumstances of the case, including any interim relief under Section 33 of the Act, if warranted.

9. OP-1 and OP-2 filed Interlocutory Application ('**IA**') Nos. 136 of 2026 and 146 of 2026 dated 20.05.2026 and 27.05.2026 respectively, and requested an opportunity to be heard by the Commission prior to any decision being taken.

10. In the ordinary meeting held on 29.07.2026, the Commission considered the Information and decided to pass an appropriate order in due course.

11. Subsequent to the consideration of the matter, OP-1 and OP-2 have filed IA Nos. 214 of 2026 and 215 of 2026, both dated 13.08.2026, conveying to the Commission that the matter has been resolved.

12. The Commission has perused the Information and notes that the Informant appears to be aggrieved by the conduct of the OPs which *inter alia,* includes delay in delivery of the

vehicle and requiring the Informant to avail financing and insurance services from the OPs.

13. The Commission notes that the commitment allegedly made by the seller, followed by a delay in delivery, by itself, does not raise a competition concern and is essentially an operational matter governed by the terms and mutual understanding between the seller and the buyer.

14. With regard to the allegation that the OPs have indulged in imposing of unfair and discriminatory conditions in the sale of vehicles and leveraged their position in the vehicle market to enter and dominate the financing market and insurance distribution market, in contravention of Sections 4(2)(a)(i) and 4(2)(e) of the Act, the Commission notes the fact that once a particular customer has paid a booking amount to a dealer and is consequently interested in completing the purchase, it cannot be equated with market dominance. Market dominance is not established merely by the existence of a particular contractual or transactional advantage over an individual consumer. Therefore, considering the facts and allegations set out in the Information, the Commission is of the view that in the absence of any evidence furnished by the Informant in support of the allegations raised under Section 4 of the Act, further analysis in the present matter is warranted only with respect to the alleged contravention of Section 3(4) of the Act.

15. As regards the allegation relating to the financing and insurance of the vehicle, the Commission notes that an automobile dealer may offer insurance and financing facilities to a customer as part of its sales process. The mere fact that insurance and financing are offered, facilitated, or recommended by the dealer does not automatically constitute a tie-in arrangement under Section 3(4)(a) of the Act.

16. The Commission notes that the Informant has not placed on record any cogent evidence to establish the existence of a tie-in arrangement of financing and insurance services with the sale of vehicle. Further, the material placed on record does not indicate that the OPs, either individually or pursuant to any agreement or arrangement, have imposed any obligation upon the Informant to procure financing or insurance exclusively from the OPs.

17. Having considered the facts and allegations of the matter, the Commission notes that the Information appears, in substance, to concern an individual commercial transaction rather than a vertical arrangement or an abuse of market power. The Information is primarily unsupported by any credible evidence to establish the existence of an agreement causing or likely to cause appreciable adverse effect on competition.

18. In view of the foregoing, the Commission is of the view that no *prima facie* case of contravention of Section 3 and Section 4 of the Act is made out against the OPs and directs that the present Information be closed forthwith under Section 26(2) of the Act. Accordingly, all pending IAs stand disposed of.

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

Sd/-
(Ravneet Kaur)
Chairperson

Sd/-
(Sweta Kakkad)
Member

Sd/-
(Deepak Anurag)
Member

Place: New Delhi
Date: 28.08.2026