

COMPETITION COMMISSION OF INDIA

[Case No. 42/2011]

Dated: September 13, 2011

**Mrs. Rajni Kanta Minz
D-2, Sector-1, Noida
Gautam Budh Nagar,
Uttar Pradesh**

Informant

**1. Mr. Munna Munda
Village-Dungri, P.O: Hatia
Distt. Ranchi, Jharkhand.**

**2. Mr. Vijay Kachchhap
Village-Dungri, P.O: Hatia
Distt. Ranchi, Jharkhand.**

Opposite Parties

**3. Mr. Thale Kachchhap
Village-Dungri, P.O: Hatia
Distt. Ranchi, Jharkhand.**

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

1. The present information has been filed by Mrs. Rajni Kanta Minz (hereinafter referred to as the 'Informant') under section 19 (1)(a) of the Competition Act, 2002 (hereinafter referred to as 'the Act') against Mr. Munna Munda (hereinafter referred to as 'Opposite Party No. 1'), Mr. Vijay Kachchhap (hereinafter referred to as 'Opposite Party No. 2') and Mr. Thale Kachchhap

(hereinafter referred to as 'Opposite Party No. 3') for their alleged anti-competitive practice in sale of land in Ranchi, Jharkhand.

2. The facts of the case as stated in the information, in brief, are as under:

2.1 As per the information, the informant is an Indian citizen having her residence at D-2, Sector-1, Noida. The Opposite Party No.2 and Opposite Party No. 3 are the owners of 2.32 Acres land located at Village-Dungri, P.O: Hatia, Ranchi, Jharkhand. The Opposite Party No. 1 is the Power of Attorney holder of the said land. The Power of Attorney was given to the Opposite Party No. 1, by the father of Opposite Party No.2 and Opposite Party No. 3, for the execution of 'agreement to sale' with the prospective buyers on behalf of him.

2.2 An 'agreement to sale' was executed between the informant and Opposite Party No. 1 on 27.05.2006, whereby the Opposite Party No.1, on behalf of Opposite Party No.2 and Opposite Party No. 3, had agreed to sell 50 decimal of land out of the aforesaid 2.32 Acres of land at the mutual agreed price of Rs. 20,000 (Rupees twenty thousand) per decimal.

2.3 Besides, the informant and the Opposite Party No. 1 had also agreed on the following terms and conditions as stated in the 'agreement to sale':

(i) The Opposite Party No.1 was to provide 20 ft. wide approaching road from south of the saleable plot.

(ii) The informant had to pay Rs. 1, 00,000/- (Rupees one lakh) as advance and the remaining amount to be paid at the time of execution of sale deed.

(iii) The Opposite Party No.1 was to obtain necessary permission from the competent authority to sell the land, under Section 46 of the Chhotanagpur Tenancy Act 1908, as the land owners belongs to a tribe.

(iv) The Opposite Party No.1 was to settle the title over the land.

2.4 It has been submitted by the informant that a sum of Rs. 2, 50,000/- (Rupees two lakhs fifty thousand) has already been paid by her to the Opposite Party

No.1 including Rs. 1,00,000/- (Rupees one lakh) given at the time of execution of 'agreement to sale', as part payment towards the total sale value of land.

2.5 The informant has alleged that the draft sale deed prepared by the Opposite Parties has no mention of 20 ft. wide common approaching road from south of the plot and the saleable land area has also been reduced to 47 decimal from 50 decimal which is contrary to the terms and conditions of the 'agreement to sale' entered into by the Opposite Party No. 1 and the informant. When the informant approached the Opposite Parties for connecting road to the plot as promised in the 'agreement to sale', the Opposite Parties refused to sell the land and forfeited the amount of Rs. 2,50,000/- (Rupees two lakhs fifty thousand) given to them as part payment for the cost of land. It is alleged that the intention of the Opposite Parties for not honouring the terms and conditions of the 'agreement to sale' is to sell the said land to other person at a higher rate because the market price of the said land has increased substantially since then .

2.6 The informant has stated that the Opposite Parties are in absolute dominant position in the market of sale/purchase of land in Ranchi because: (a) they are the owners of the land, (b) they are in complete occupation of the land and (c) they are in possession of Rs. 2,50,000/- (Rupees two lakhs fifty thousand) given by the informant as part payment towards the cost of land.

2.7 The informant has submitted that even although the 'agreement to sale' has the provision for a connecting road from south of the plot, the draft sale deed prepared by the Opposite Parties does not make mention of the approach road. Further, in the draft sale deed, the Opposite Parties have reduced the saleable area from agreed 50 decimal to 47 decimal. The informant has alleged that being in a dominant position, the Opposite Parties are not honouring the terms and condition of the 'agreement to sale'. The said act of the Opposite Parties is unfair or discriminatory which amounts to abuse of dominant position in sell of land.

- 2.8 The informant has further alleged that, by blocking and then forfeiting her part payment amount of Rs. 2,50,000/- (Rupees two lakhs fifty thousand), the Opposite Parties are denying the market access to her and because of the said act of the Opposite Parties, the informant is restrained to purchase a plot or flat in any other places or from any other builders.
- 2.9 The informant has also alleged that the Opposite Parties have caused gross loss to the informant as now she is not in a position to purchase a flat or plot in any place because of increase in the cost of the land and flats throughout the country. Further, in Ranchi all the prime land has already been sold out and it is difficult to get a plot for residential purpose.
3. The Commission considered the matter in its meeting dated 18.08.2011 and decided to call the informant to present her arguments. On 13.09.2011 informant through her attorney appeared before the Commission and presented her views in support of allegations made in the information.
4. The issues for consideration before the Commission are whether the allegations made by the informant in this matter involve any competition issue and whether any violation of the provisions of Section 3 and/or Section 4 of the Act has been by the Opposite Parties.
5. The Commission has carefully gone through the facts and averments advanced in the information. On consideration of the entire material submitted by the informant, the Commission is of the opinion that neither the provisions of Section 3 nor the provisions of Section 4 have been violated by the Opposite Parties in the case.
6. The Commission notes that it is a case involving transactions of a piece of land, wherein the informant is aggrieved since the Opposite Parties have not incorporated conditions in the draft sale deed allegedly agreed upon with the informant at the time of execution of 'agreement to sale'.

7. The Commission observes that the case does not involve any anti-competitive agreement which may be prima-facie considered to be violative of the provisions of Section 3 of the Act.
8. The Commission also observes that the information does not bring out how the Opposite Parties are holding a position of dominance in the market of sale and purchase of land in Ranchi and in what manner they have abused their dominant position within the ambit of the provisions of the Act. Therefore, prima-facie there is no case of violation of any of the provision of Section 4 of the Act also in the case.
9. The Commission further observes that the matter involves an individual dispute over sale of a plot of land and there is no competition concern in the matter, having bearing on competition in markets in India.
10. The informant has also not been able to bring out any cogent evidence on record to show that the Opposite Parties have indulged in any anti-competitive activity, which has caused Appreciable Adverse Effect on Competition in markets in India. The Commission, therefore, is of the considered opinion that, *prima facie*, no violation of any provisions of Section 3 and/or Section 4 of the Act is made out in this matter.
11. The Commission, accordingly, holds that there is no *prima facie* case for making a reference to the Director General for conducting investigation into this matter under Section 26 (1) of the Act.
12. In view of the above discussion, the matter relating to this information is hereby closed under Section 26(2) of the Act.

13. The Secretary is directed to communicate the decision to the informant accordingly.
