



Dated: 28.02.2018

Press Release

CCI imposes penalty on Ghaziabad Development Authority (GDA) for Abuse of its Dominant Position

The Competition Commission of India (CCI) has found GDA to be in contravention of the provisions of Section 4(1) read with Section 4(2)(a)(i) of the Competition Act, 2002 for abuse of its dominant position by imposing unfair condition on the allottees from economically weaker sections in its Pratap Vihar Residential Housing Scheme.

CCI held that conduct of GDA in raising the price of EWS flats from the initial price of Rs. 2,00,000/- in 2008 to Rs. 7,00,000/- in 2015 under the said scheme without any enabling provision either in the Brochure of the Scheme or allotment letter is arbitrary and unilateral. Further, the condition for levying penal interest @ 10.5% per annum in case of delay in the payment of the quarterly instalments by the allottees without a corresponding provision for GDA in case delay of in giving possession of the flats is abusive, being one sided and unfair. Therefore, CCI held that such conduct of GDA is in violation of Section 4(2)(a)(i) of the Act. Resultantly, CCI has imposed a penalty of Rs. 1,00,60,794/- (Rupees one crore sixty thousand seven hundred ninety four only) on GDA for the said anti-competitive conduct. Besides, a cease and desist order was also issued against GDA.

The order was passed on 28.02.2018 in Case No. 86 of 2016 and a copy thereof has been uploaded on the website of CCI at www.cci.gov.in.
