

STATE CONSUMER DISPUTES REDRESSAL COMMISSION
CHANDIGARH
CONSUMER COMPLAINT NO. SC/4/CC/87/2024

M/S AMBIKA REALCON DEVELOPERS PRIVATE LIMITED
PRESENT ADDRESS - REGISTERED OFFICE AT SCO NO. 18-19, 1ST FLOOR, SECTOR-9,
CHANDIGARH,CHANDIGARH.

.....Complainant(s)

Versus

BMW INDIA PRIVATE LIMITED
PRESENT ADDRESS - BMW INDIA PRIVATE LIMITED, 2ND FLOOR, OBEROI CENTRE,
BUILDING NO. 11, DLF CYBER CITY, PHASE-II, GURUGRAM, HARYANA,CHANDIGARH.
VIKRAM PAWAH, MANAGING DIRECTOR,
PRESENT ADDRESS - BMW INDIA PRIVATE LIMITED, 2ND FLOOR, OBEROI CENTRE,
BUILDING NO. 11, DLF CYBER CITY, PHASE-II, GURUGRAM HARYANA,CHANDIGARH.
THOMAS WALTER DOSE, WHOLE- TIME DIRECTOR
PRESENT ADDRESS - BMW INDIA PRIVATE LIMITED, 2ND FLOOR, OBEROI CENTRE,
BUILDING NO. 11, DLF CYBER CITY, PHASE-II, GURUGRAM HARYANA,CHANDIGARH.
MARIANNE LOUISE CAMPBELL HOLT, WHOLE-TIME DIRECTOR
PRESENT ADDRESS - BMW INDIA PRIVATE LIMITED, 2ND FLOOR, OBEROI CENTRE,
BUILDING NO. 11, DLF CYBER CITY, PHASE-II, GURUGRAM HARYANA,CHANDIGARH.
BMW KRISHNA AUTOMOBILES
PRESENT ADDRESS - PLOT NO. 125, INDUSTRIAL AREA, PHASE-I,
CHANDIGARH,CHANDIGARH.
AXIS BANK THROUGH ITS BRANCH MANAGER/MANAGER
PRESENT ADDRESS - AXIS BANK, CHANDIGARH BRANCH, SECTOR -9 , CHANDIGARH
,CHANDIGARH.

.....Opposite Party(s)

BEFORE:

HON'BLE MR. JUSTICE RAJ SHEKHAR ATTRI , PRESIDENT
HON'BLE MR. RAJESH KUMAR ARYA , MEMBER

FOR THE COMPLAINANT:

M/S AMBIKA REALCON DEVELOPERS PRIVATE LIMITED

DATED: 28/10/2025

ORDER

STATE CONSUMER DISPUTES REDRESSAL COMMISSION,

U.T., CHANDIGARH

Complaint case No.	:	87 of 2024
Date of Institution	:	11.09.2024
Date of Decision	:	28.10.2025

M/s Ambika Realcon Developers Private Limited, Registered Office at SCO No. 18-19, 1st Floor, Sector 9-D, Chandigarh through its Authorized Signatory namely Ashish Kumar aged about 41 years son of Sh. Govind Gopal, Resident of House No. 5, First Floor, Best Homes, Swaraj Nagar, Near City Hear, Kharar, SAS Nagar

.....Complainant

V e r s u s

1. BMW India Private Limited, 2nd Floor, Oberoi Centre, Building No. 11, DLF Cyber City, Phase-II, Gurugram Haryana, 122002 through its Authorized Signatory/Representative
2. Vikram Pawah, Managing Director, BMW India Private Limited, 2nd Floor, Oberoi Centre, Building No. 11, DLF Cyber City, Phase-II, Gurugram Haryana, 122002
3. Thomas Walter Dose, Whole-time Director, BMW India Private Limited, 2nd Floor, Oberoi Centre, Building No. 11, DLF Cyber City, Phase-II, Gurugram Haryana, 122002
4. Marianne Louise Campbell Holt, Whole-time Director, BMW India Private Limited, 2nd Floor, Oberoi Centre, Building No. 11, DLF Cyber City, Phase-II, Gurugram Haryana, 122002
5. BMW Krishna Automobiles, Plot No. 125, Industrial Area, Phase-I, Chandigarh through its Authorized Signatory/Representative.
6. AXIS Bank, Chandigarh Branch, Sector-9, Chandigarh through its Branch Manager/Manager.
7. Deutsche Cars Pvt. Ltd. through its Authorized Signatory/ Representative, Office address:-Plot No.1, Sector 27-B, Urban Estate, Faridabad-121003. Email:-info@bmw-deutschenororen.in

.....Opposite parties

BEFORE: JUSTICE RAJ SHEKHAR ATTRI, PRESIDENT.

MR.RAJESH K. ARYA, MEMBER.

Present:- Sh. Munish Gupta, Advocate & Sh. Manpreet Singh Longia, Advocate, Counsel for the complainant. Sh.Shashank Shekhar Sharma, Advocate for opposite parties No. 1 to 4.

Sh.Jagvir Sharma, Advocate, for opposite party No.5.

Ms. Bharti, Advocate, for opposite party No. 6-on VC.

Sh. Vijay Guleria, Advocate, for opposite party No. 7.

JUSTICE RAJ SHEKHAR ATTRI, PRESIDENT

The facts in brief are that on the strength of advertisements, representations, and promotional claims made by the opposite parties no.1 to 5, through various platforms, the complainant through its representatives approached opposite party no.5 to purchase a luxury SUV, BMW X7 xDrive40d M Sport, costing approximately Rs.1.5 Crores, exclusively for the personal use of its Director, Mr. Ritesh Sehgal, as a perquisite. To finance the purchase, a loan of Rs.1,31,00,000/- was availed from opposite party no.6 and disbursed directly to opposite party no.5 on 26.04.2024, with EMIs of Rs. 2,71,299/- payable over 60 months starting from 05.05.2024 (Annexure C-2), along with payment of processing fees, stamp duty, and document charges. After payment of the balance Rs. 1,90,000/- by the complainant, the car was delivered on 26.04.2024, and an invoice (Annexure C-3) for Rs. 1,32,90,000/- was issued, along with Rs. 1,32,900/- paid towards TCS. The complainant further spent Rs. 1,22,983/- + Rs. 20,419/- for accessories (Annexure C-4) and Rs. 3,02,906/- towards comprehensive insurance with Bajaj Allianz (Annexure C-5). An extended warranty for 4 years (from 26.04.2025 to 25.04.2028) was also purchased. However, despite such substantial investment, the Director of the complainant encountered serious issues when, on 01.07.2024, a stone accidentally damaged the sunroof, and the car (barely driven for 2000 km) was handed over to dealership at Faridabad for repairs the following day. Though the vehicle was initially expected back in 5 days, additional defects were observed during the test run. While the complainant paid for the PPF coating (Annexure C-6), he was shocked to learn of an underlying electrical issue, initially attributed to a faulty battery, but later diagnosed via email on 13.07.2024 as a malfunctioning DME (Digital Motor Electronics), a core component

responsible for the entire engine and electronic system. The opposite parties no.1 to 5 admitted the defect, stated that the DME part was unavailable in India and would be imported from Germany, but failed to provide a concrete timeline. Throughout this period, the complainant received repeated apologies and vague assurances from BMW representatives through a series of emails (Annexure C-7). Due to the delay, an old and inferior model-BMW X1 was provided temporarily, despite repeated requests for a comparable vehicle. After prolonged follow-ups, and no resolution despite promises, the complainant served a legal notice dated 29.07.2024 (Annexure C-8 & C-9), demanding replacement of the defective car or refund of the entire amount with interest, reimbursement of EMI interest, costs of accessories and coating, and compensation for the mental harassment and loss of reputation suffered. Despite the notice, opposite parties no.1 to 5 and 7 neither responded nor took any substantive action, though on 03.08.2024, BMW representatives contacted the complainant for vehicle delivery, which led to further suspicion as the part supposedly awaited from Germany had “suddenly” arrived. The complainant expressed his protest in an email dated 06.08.2024 (Annexure C-10), and finally, the vehicle was returned after 43 days on 13.08.2024 but received under protest, with no repair documentation provided (email dated 13.08.2024). Shockingly, within a week, the vehicle again began exhibiting "power problems" from 20.08.2024, clearly indicating that the root issue had not been resolved. Despite confronting the opposite parties concerned, no satisfactory explanation was offered. The vehicle was again handed over for inspection on 02.09.2024 (Annexure C-11 & C-12). The car purchased on 26.04.2024, has spent significant time under the custody of the opposite parties concerned, and even after 43 days of service, the defects persist, showcasing either a fundamental manufacturing defect or incompetence in service delivery. During the period of defect, the Director concerned of the complainant-company suffered continuous mental agony, inconvenience, and humiliation,. The DME’s malfunction raises a grave concern for road safety, given its central role in engine performance any breakdown on highways poses a serious life risk.

2. By stating that the aforesaid act and conduct of opposite parties no.1 to 5 and 7 amount to deficiency in service and unfair trade practice, following relief have been sought by the complainant:-

- (A) Direct opposite party no.1 to 5 to refund the car price (i.e. Rs. Rs. 1,31,00,000/- paid by financial institution and Rs. 1,90,000/- + Rs. 1,32,900/- paid by complainant)
- (B) Direct opposite party no.1 to 5 to make payment of interest paid by the complainant upon EMI’s paid by complainant so far.
- (C) Direct opposite party no.1 to 5 to make payment of Rs. 1,22,983/- + Rs. 20,419/- incurred by the complainant towards accessories of the car.

- (D) Direct opposite party no.1 to 5 to make payment of Rs. 2,00,600/- paid by the complainant towards cost of coating.
- (E) Direct opposite party no.1 to 5 to make payment of Rs. 3,02,906/- paid by complainant towards insurance of the car.

The reliefs sought at Serial No. (A) to (E) may kindly be granted alongwith interest atleast @ 15% per annum from the date of payment till realization.

- (F) Direct the opposite party no.1 & 5 to make payment of appropriate compensation i.e. Rs. 50 lakhs towards the mental & physical harassment and reputational loss caused to the Director & family of complainant-company, alongwith interest from the date of purchase of the car till payment
- (G) Direct opposite party no.1 to 5 to make payment of Rs. 5 lakhs in favour of complainant towards litigation expenses.
- (H) Any other relief which this Hon'ble Commission may deem fit and proper may also kindly be granted in favour of complainant in the facts and circumstances of the present case.

3. Opposite party no.1 also on behalf of opposite parties no.2 to 4 in their written reply stated as under:-

- (i). that because the vehicle in question was purchased for commercial use i.e. for the use of Director of the company for commercial purpose, the complainant did not fall within the definition of consumer;
- (ii). that opposite parties no.2 to 4 have been wrongly impleaded in their personal capacity because this complaint could have been filed only against the company i.e. opposite party no.1.
- (iii). that the complaint being devoid of merit and having no cause of action against opposite party no.1 is liable to be dismissed;
- (iv). that opposite party no.1 operates on a principal to principal basis with dealers (in this case opposite party no.5) and has no control over third parties, with which such dealers are dealing;
- (v). that for any dispute between the complainant and opposite party no.5, to which the entire sale consideration stood paid, opposite parties no.1 to 4 cannot be held responsible;
- (vi). that as per the factual matrix of the case, when the vehicle in question was landed for repairs

issue of power supply and replacement of DME, which part was to be procured from warehouse in Germany, the complainant was provided loaner car to mitigate any inconvenience, during the period of undergoing repairs;

- (vii). that the complainant has failed to establish any manufacturing defects in the vehicle in question and the defective DME was replaced with a new one and that too after consent of the complainant;
- (viii). that the defects in the vehicle in question were completely rectifiable in nature and the complainant has failed to prove that the said defects were beyond repairs;
- (ix). that opposite party no.5 had agreed to even extend the warranty period but the complainant sought refund of the amount paid and issue legal notice in that regard;
- (x). that other defects reported by the complainant in the vehicle was rectified by opposite party no.5 and road tests were also conducted but the complainant refused to take back his car and sought refund of the amount paid;
- (xi). that the complainant has willfully chosen to abandon the vehicle at the workshop under the garb of manufacturing defects;
- (xii). that defect rectifications in such type of vehicles needs certain time, especially, when the part was to be procured from Germany;

4. On merits, purchase of the vehicle in question from opposite party no.5, which has been manufactured by opposite party no.1, by the complainant, has not been disputed. Rest of the averments have been denied being wrong.

5. Opposite party no.5 in its written reply stated as under:-

- (i). that this complaint is maintainable only against opposite party no.1 and 7 and not against opposite party no.5 which is mere seller and service provider;
- (ii). that because the vehicle in question was purchased for commercial use, the complainant did not fall within the definition of consumer;
- (iii). that delay of 43 days took place in handing over vehicle in question, because DME was required to be procured from Germany;
- (iv). that opposite party no.5 has no privity of contract with the workshop of opposite party no.1

and if the complainant has refused to take delivery of the vehicle, it has no relation whatsoever therewith;

- (v). that the Director of the complainant is enjoying the vehicle ride and had there been any defect, he could not have plied it;
- (vi). that any inconvenience suffered by the complainant was due to the accident which took place at the complainants' end;
- (vii). that since no manufacturing defect is proved in the vehicle in question, the question of refund of amount paid did not arise.

6. On merits, purchase of the vehicle in question by the complainant, has not been disputed. Rest of the averments have been denied being wrong.

7. Opposite party no.6 in its written reply stated that its role was only to disburse the loan amount of Rs.1.30 crore to opposite party no.5, on behalf of the complainant, which fact is not in dispute. Prayer has been made to dismiss the complaint against opposite party no.6.

8. Opposite party no.7 in its written reply stated as under:-

- (i). that this complaint is not maintainable against opposite party no.7 it being workshop only;
- (ii). that the cars made by the BMW company are of high quality and are not suffering from any manufacturing defects;
- (iii). that during accidental repairs, when some other defects were found in the vehicle in question, the complainant was informed that its DME needs to be replaced;
- (iv). that when the vehicle in question was landed for repairs for issue of power supply and replacement of DME, the complainant was provided loaner car to mitigate any inconvenience, during the period of undergoing repairs;
- (v). that various parts like radiator fan, reply and wiring harness were replaced free of cost, under the warranty terms and conditions;
- (vi). that on the instructions of the manufacturer, opposite party no.7 sent its expert in the matter and after extensive test drives, vehicle was made fully operational but the complainant refused to take delivery for the reasons best known to it and as such, the vehicle is still lying in the workshop of opposite party no.7 blocking the space and as such parking charges are

also liable to be paid by the complainant

- (vii). that the complainant has failed to prove that the vehicle is suffering from any manufacturing defects and malfunction of DME cannot be termed as manufacturing defect in the engine;
- (viii). that DME is such a part which can be replaced by manufacturer only as BMW has its own DME.

On merits, purchase of the vehicle in question by the complainant, as stated in the consumer complaint, has not been disputed. Rest of the averments have been denied being wrong.

9. In the rejoinders filed, the complainant reiterated the averment made in the complaint and controverted those of the opposite parties, concerned.

10. The contesting parties led evidence in support of their case. Written arguments were also filed by the concerned parties, which were taken on record.

11. We have heard the contesting parties at length and have gone through the evidence and record of the case, including the written arguments and miscellaneous applications, very carefully.

12. The first question that falls for consideration is, as to whether, the vehicle in question so purchased by the complainant for its Director, Mr. Ritesh Sehgal, could be said to be purchased for commercial purposes. It may be stated here that the term 'consumer' as defined in Section 2 (7) of the Consumer Protection Act, 2019 under which this complaint has been filed, excludes from its ambit, the person who purchases goods for resale or for any commercial purpose. Therefore, only in case, the vehicle in question had been purchased for commercial purpose, the complainant will not be a consumer and, therefore a consumer complaint will not be maintainable. On the other hand, in our considered opinion, if a vehicle is purchased by a company for the personal residential use of its Director or his family members, the same cannot be linked to the regular profit generating business activities of the company. Our this view is supported by the observations made by the Hon'ble National Commission in Crompton Greaves Limited & Anr. Vs. Daimler Chrysler India Private Limited & Ors. Consumer Complaint No.51 of 2006, decided on 08.07.2016, and the following view was taken:-

“4. The term ‘commercial purpose’ has not been defined in the Consumer Protection Act and as held in Laxmi Engineering Works v. P.S.G. Industrial Institute [(1995) 3 SCC 583], in the absence of a statutory definition, we have to go by its ordinary meaning. ‘Commercial’ denotes ‘pertaining to commerce’ (Chamber’s Twentieth Century Dictionary); it means

“connected with, or engaged in commerce; mercantile, having profit as the main aim” (Collin’s English Dictionary) and the word ‘commerce’ means “financial transactions, especially buying and selling of merchandise on a large scale” (Concise Oxford Dictionary)”.

5. The acquisition of the goods or the hiring or availing of services, in order to bring the transaction within the purview of section 2 (1) (d) of the Consumer Protection Act, therefore, should be aimed at generating profits for the company or should otherwise be connected or interwoven with the business activities of the company. The purpose behind such acquisition should be to promote, advance or augment the business activities of the company, by the use of such goods or services”.

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For the reasons stated hereinabove, the issue referred to the larger Bench is answered as follows:-

(a) If a car or any other goods are obtained or any services are hired or availed by a company for the use/personal use of its directors or employees, such a transaction does not amount to purchase of goods or hiring or availing of services for a commercial purpose, irrespective of whether the goods or services are used solely for the personal purposes of the directors or employees of the company or they are used primarily for the use of the directors or employees of the company and incidentally for the purposes of the company.

(b) The purchase of a car or any other goods or hiring or availing of services by a company for the purposes of the company amount to purchase for a commercial purpose, even if such a car or other goods or such services are incidentally used by the directors or employees of the company for their personal purposes.”

13. In Daimler Chrysler India (P) Ltd. v. Controls & Switchgear Co. Ltd., 2024 SCC OnLine SC 1675, the Hon’ble Supreme Court of India has ruled that a company's purchase of a vehicle for the personal use of its directors or employees does not constitute a purchase for “commercial purpose” under consumer protection law unless there is evidence linking the purchase to profit-generating activities.

In the present case also, a specific plea has been taken by the complainant in the complaint that the vehicle in question was purchased for the use of its Director, Mr. Ritesh Sehgal. As such, it is a consumer within the meaning of Section 2 (7) of the Act, especially, when there is no contrary evidence to

prove that the said vehicle has any close and direct nexus with the regular profit generating activities of the company. In this view of the matter, plea taken by opposite parties no.1 to 5 and 7, in this regard, being devoid of merit, stands rejected.

14. Now the moot question which falls for consideration before this Commission is whether the vehicle in question suffers from any inherent manufacturing defects. After a careful perusal of the material on record, including documentary evidence and the written statements filed by parties concerned, it becomes abundantly clear that the vehicle, although brand new, exhibited major technical defects shortly after delivery, well within its early usage period (about 2,000 kilometers).

15. It is an undisputed fact and as admitted by Opposite Parties No.1 to 5 and 7, that within days of purchase, the complainant was compelled to take the vehicle to the authorized service center on multiple occasions due to serious mechanical and electrical malfunctions. Notably, as under:-

- On 13.07.2024, a power supply notification defect was detected.
- On 16.07.2024, Opposite Party No. 5 informed the complainant that the issue pertained to a defect in the Digital Motor Electronics (DME), requiring replacement of the DME component, which had to be procured from BMW's warehouse in Germany.
- Despite this replacement and temporary repair on 03.08.2024, the same power supply issue reoccurred on 02.09.2024, prompting further replacement of critical components including the radiator fan, relay, and wiring harness.

Such repeated and serious defects in a high-end vehicle within just around 2000 kilometres of operation are highly abnormal and raise a legitimate and justifiable presumption of a latent or inherent manufacturing defect.

16. It is also not out of place to mention here that the Digital Motor Electronics (DME) is not a trivial or cosmetic component. As clearly explained in the manufacturer's own literature (Annexure C-17), DME is described as a vital and integral system that governs the entire engine management architecture of a BMW vehicle. Its role is multifold, as under:-

1. Comprehensive Engine Management:- DME controls fuel injection, ignition timing, emissions control, and other critical engine operations.
2. Operational Safety:- It ensures that the engine functions within safe parameters and is able to adapt to different driving conditions.
3. Performance Optimization:- The DME boosts fuel efficiency and performance by optimizing various inputs and outputs of the engine.
4. Vehicle Reliability:- A well-functioning DME is essential for maintaining the reliability and long-term durability of the vehicle.

Importantly, as per the brochure, failure or malfunction of the DME can lead to engine shutdown or car stalling, rendering the vehicle unsafe and unfit for use. Therefore, any defect in the DME, especially in a new vehicle, is not merely a minor inconvenience it strikes at the core functionality, safety, and reliability of the vehicle itself.

17. In the present case, it is clearly evident from the record that even after the initial DME replacement, the same power supply issues recurred within a month in September 2024, leading to the replacement of other essential components like radiator fan, relay wiring etc. This demonstrates that the defect is so fundamental that it affects multiple systems interconnected through the DME. Further, the email dated 23.08.2024 (Annexure C-14) sent by opposite parties no.1 to 5 to the complainant instructs him to visit the nearest dealership for diagnosis of “outstanding concerns.” However, when the complainant requested a copy of the diagnostic report, he was denied access on the grounds that it was “internal.” This lack of transparency not only violates basic principles of fair dealing and good faith but also raises serious suspicions of the manufacturer’s intent to conceal material facts regarding the ongoing issues in the vehicle.

18. Given the nature, timing, and recurrence of these serious defects, particularly involving the DME and further eruption of defects even after replacement of defective DME with a new one, the conclusion is certain that the vehicle in question suffers from an inherent manufacturing defect and our this view is supported by the admissions of the Opposite Parties no.1 to 5 and 7 regarding repeated failures; the importance and critical function of the DME as acknowledged by the manufacturer; the inability of the manufacturer to provide a lasting solution despite multiple interventions and the denial of diagnostic transparency, which casts further doubt on the efficacy of repairs.

19. It is therefore held that upon careful examination of the pleadings, evidence on record, this Commission is of the considered view that the complainant has successfully established that the vehicle in question suffered from persistent and recurring issues from the very outset. When the record clearly reflects and itself speaks that shortly after the purchase of the brand-new vehicle, the complainant was compelled to take it to the workshop on multiple occasions due to various inherent mechanical defects, aforesaid, there is no need of any expert report in the matter. It is well established in consumer jurisprudence that repeated visits to the workshop within a short span of time and limited vehicle usage just over about 2000 kilometers amount to strong evidence of manufacturing defects. The doctrine of *res ipsa loquitur* aptly applies in the present case, the defects speak for themselves and the evidence on record shows a pattern of recurring failures and inadequate rectification efforts. The complainant has placed on record several service invoices and emails/ whatsapp messages that clearly reflect the ongoing nature of the vehicle’s problems. The argument by the Opposite Parties no.1 to 5 and 7 that these defects do not amount to manufacturing defects is not tenable.

20. The defense raised by opposite parties no.1 to 4 that it cannot be held liable due to its principal-to-principal relationship with the dealer is also rejected. In consumer law, manufacturers and their authorized dealers or service centers are considered jointly and severally liable for any defect in goods followed by deficiency in services provided to a consumer. The manufacturer cannot absolve itself of responsibility merely by citing an internal dealership agreement.

21. This Commission finds that the complainant was sold a defective vehicle which suffered from inherent manufacturing defects that significantly impaired its utility and safety. The complainant has clearly established that Opposite Parties no.1 to 5 being manufacturer and dealer respectively, were grossly deficient in their services and indulged in unfair trade practices, both during the sale and after-sales phase.

22. It is a well-settled principle of law that the burden of proving a fact lies on the party who asserts it. However, there is a recognized distinction between the “burden of proof” and the “onus of proof.” In A. Raghavamma & Anr. vs. A. Chenchamma & Anr., AIR 1964 SC 136, the Hon’ble Supreme Court held that the burden of proof is fixed and rests upon the party who asserts the affirmative of an issue, whereas the onus of proof may shift during the course of trial, depending upon the evidence adduced. In the present case, once the complainant discharged its initial burden by placing on record a credible evidence including the own admission of opposite parties no.1 to 5 and 7, substantiating the claim of manufacturing defects, the onus shifted to them to rebut the same with cogent and convincing evidence, which they miserably failed to do so.

23. It is a settled legal proposition that the Consumer Protection Act is a beneficial social legislation intended to provide speedy and effective relief to consumers against unfair trade practices and deficiencies in service. The Preamble of the Act itself highlights the objective of protecting consumer rights and ensuring fair treatment in commercial transactions. When a brand-new vehicle is sold to a consumer, there exists an implied warranty that the vehicle is free from defects and meets the requisite standards of quality, fitness, and performance. A consumer who invests hard-earned money in a new vehicle has every legitimate expectation that it will function smoothly and reliably, at least during the initial period of usage. If the vehicle, instead of providing comfort and convenience, causes constant trouble and requires repeated visits to the workshop for one defect or the other, it defeats the very purpose of such a purchase and results in significant mental agony, loss of time, and monetary hardship.

24. In the present case, the complainant purchased a premium vehicle with the expectation of quality and reliability, worth more than Rs.1 crore. However, the recurring issues and persistent defects despite multiple repair attempts turned the experience into a distressing ordeal. The plight of the Director of the complainant, who had to return repeatedly to the service center, is not only unfortunate but also

indicative of serious deficiency in service. The Hon'ble Supreme Court, in C.N. Anantharam v. M/s. Fiat India Ltd. & Ors., 2010 STPL (CL) 1802 SC, held that where a vehicle suffers from inherent manufacturing defects, the consumer is entitled either to a replacement or refund. Similarly, in Bhopal Motors Pvt. Ltd. v. Saudan Singh & Anr., II (2008) CPJ 174 (NC), the Hon'ble National Commission reiterated that a dealer is liable to either replace the vehicle or refund the cost if manufacturing defects are established. In "Shankar Automobile versus Deepak Kumar Singh" [I (2009) CPJ 80 (NC)], it has been held that when the vehicle was found defective, immediately after purchase, the dealer cannot escape liability towards manufacturing defect. In R. Raja Rao v. Mysore Auto Agencies & Anr. [2006 CTJ 558 (CP) (NCDRC)] it has been held that if a consumer of a new motor vehicle is forced to hand it over to the dealer/manufacturer on the ground that it is to be repaired every now and then within a few months of its purchase, it cannot be said that he is to be deprived of refund of the amount paid as purchase consideration.

25. Considering the totality of facts and circumstances of this case, and given that the complainant no longer wishes to retain the said vehicle, we are of the considered view that the interest of justice would be best served by directing the manufacturer of the vehicle in question i.e. OPs No.1 to 4 to refund the amount paid by the complainant towards the purchase of the vehicle, alongwith interest. We have come to this conclusion for the reason that on perusal of the job cards available on record, it is noted that the Dealer/opposite party no.5 had duly provided all the post-sale services to the complainant, in respect to the vehicle in question, yet, with some delay, which has also caused mental agony and harassment to the Director of the complainant. The dealer is only responsible for its services to the buyers and therefore, the dealer cannot be held liable for the manufacturing defects on the part of manufacturer and as such refund has to be made by the manufacturer only.

26. As far as objection taken to the effect that the company has been wrongly impleaded through the Directors (opposite parties no.2 to 4), it may be stated here that the company being a juristic person has to be impleaded through its Directors/Senior Officers. In our considered opinion, the Officers like Managing Director/Directors are holding such important positions in the Company (a juristic person), where they are directly involved with the decision-making process and will be jointly and severally liable alongwith the Company, for all its acts done. Thus, the Managing Director/Directors can very well be held responsible for the liabilities of the company, in the absence of any specific provision because these Managing Director/Directors represent the top management of the company and are in a position to influence the decisions taken on its behalf and as such, their names cannot be deleted from the array of the parties. Similar view was taken by the Hon'ble National Commission, in a case titled as M/s. India Bulls Real Estate & Wholesale Services Ltd. & Ors. Vs. Vemparala Srikant & Anr., First Appeal No. 797 of 2017, decided on 16 Aug 2017 and also Vasant Janardan Aher Versus Shivajirao Ambajirao Kawale and another, RP No.188 of

2017, decided on 17.10.2017, wherein it was held that “...we do not agree with the contention taken by the petitioner in the grounds of revision petition that the Directors of a company are not responsible for payment of the amounts in question. The Directors represent the top management of a company and are in a position to influence the decision taken by the said company..”. Similar view was also taken by the Hon’ble Punjab and Haryana High Court, at Chandigarh, in Tavish Garg and another Versus M/s Vansh Knitwears and another, 2024:PHHC:102618. As such, objection taken in this regard also stands rejected. Resultantly, miscellaneous applications bearing no.223, 224 and 225 of 2025 stand dismissed with no order as to cost.

27. For the reasons recorded above, this complaint is partly accepted with costs, in the following manner:-

- (i). Opposite parties no.1 to 4 shall refund to the complainant, the amount of Rs.1,32,90,000/- (cost of the vehicle) alongwith interest @12% p.a. from 26.04.2024 onwards within a period of 30 days, from the date of receipt of a certified copy of this order, failing which they shall be liable to pay penal interest @13% p.a. on the said amount from the date of passing of this order till realization. This rate of interest will take care of all other financial losses suffered by the complainant towards insurance, expenditure incurred towards visits to workshop etc.
- (ii). Opposite parties no.1 to 5 jointly and severally shall pay compensation to the tune of Rs.75,000/- to the Director of the complainant for causing him mental agony and harassment and also deficiency in providing service and also to pay cost of litigation to the tune of Rs.35,000/- within a period of 30 days from the date of receipt of a certified copy of this order, failing which the said amounts shall carry penal interest @9% p.a. from the date of passing of this order till realization.

28. The complaint against opposite party no. 6 (being the financier) and opposite party no. 7 (being the service centre) stands dismissed, with no order as to costs. Furthermore, it is admittedly established that the vehicle in question is presently in the custody of Opposite Party No. 7, which shall be deemed as the surrender of the vehicle by the complainant. However, upon receipt of the awarded amounts, the complainant shall extend full cooperation and assistance to opposite parties No.1 to 6 in effecting the proper registration and/or transfer of the vehicle, in the name of the opposite party(s) concerned, as the case may be.

29. It is also made clear that first charge of the awarded amount will rest with the financial institution/bank/opposite party no.6 from which the complainant has availed loan for making part payment

in respect of the vehicle in question, to the extent of due amount.

30. All pending applications, if any, stand disposed of, accordingly.
31. Certified Copies of this order be sent to the parties, free of charge, forthwith.
32. The file be consigned to Record Room, after completion.

Pronounced

28.10.2025

Sd/-

[JUSTICE RAJ SHEKHAR ATTRI]

PRESIDENT

Sd/-

(RAJESH K. ARYA)

MEMBER

Rg.

.....
JUSTICE RAJ SHEKHAR ATTRI
PRESIDENT

.....J
RAJESH KUMAR ARYA
MEMBER