Mercedes to cut made-in-India model prices by up to ₹7 lakh

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GERMAN LUXURY CAR maker Mercedes Benz is slashing prices of its vehicles produced in India by up to ₹7 lakh to pass on benefits of new tax rate under GST due in July.

The new prices will be effective tomorrow through the whole of June, but in case GST is deferred, the company said it would revert to the old prices till its rollout.

Mercedes Benz India locally produces nine models — CLA sedan, SUVs GLA, GLC, GLE and GLS, luxury sedans C-Class, E-Class, S -Class and Maybach S 500 — which are priced between ₹32 lakh and ₹1.87 crore (ex-showroom Delhi).

The price reduction will range from ₹1.4 lakh on the CLA sedan to ₹7 lakh on Maybach S 500.

Commenting on the decision, Mercedes-Benz India managing director and CEO Roland Folger told *PTI*: "It looks really reasonable now that the government will stick to its decision to implement GST from July 1."

He further said: "We now know more in details what taxations are going to be in various states. We have a clear picture of the road ahead. So we have decided to compensate the difference between the current and post GST prices for our entire Made in India range."

On an average, there will be a reduction of 4% in the transaction prices for customers of all models produced in India, Folger added.

Price reduction varies by state between 2% to 9% and is dependent on current tax structure and local body taxes of states, the company said.

The impact on the prices on CBU vehicles is yet to be evaluated. We think the implementation of the GST structure is a landmark achievement for the Indian economy, which will support the ease of doing business in India

Folger, however, hastened to add that if for "any reason GST is not implemented by July 1, then we will revert to the old pricing till the time it is implemented".

"Our decision to go ahead and reduce the price is also a reflection of our confidence of this government," Folger added.

For the other models which are fully imported, Mercedes-Benz India is currently discussing about its pricing strategy under the GST regime.

"The impact on the prices on CBU vehicles is yet to be evaluated. We think the implementation of the GST structure is a landmark achievement for the Indian economy, which will support the ease of doing business in India," Folger said.

Under the GST rates announced last week, large luxury cars and SUVs with engine capacity of over 1,500 cc have been slated to attract a 15% cess over and above peak rate of 28% thereby bringing down the overall tax incidence compared to the present of around 50%.

5 accused in coal case against Jindal get bail

PRESS TRUST OF INDIA
New Delhi, May 25

A SPECIAL COURT here on Thursday granted bail to five accused named by the CBI in its supplementary charge sheet in a coal scam case against Congress leader and industrialist Naveen Jindal and others.

Special CBI Judge Bharat Parashar granted the relief to accused — Jindal Steel's adviser Anand Goel, Gurgaon-based Green Infra's vice-president Siddharth Madra, Nihar Stocks Ltd director BSN Suryanarayan, Mumbai-based KE International's chief financial officer Rajeev Aggarwal and Mumbai's Essar Power Ltd executive vice-chairman Sushil Kumar Maroo.

The case pertains to allocation of Amarkonda Murgadangal coal block in Jharkhand. The names of these five persons were given by Suresh Singhal, a chartered accountant, who was chargesheeted by the CBI as accused in the case but had later turned an approver.

The court had on April 4 granted interim bail to these five accused persons after senior public prosecutor V K Sharma opposed the regular bail plea of two of the five accused persons — Goel and Maroo — alleging that they tried to hamper the probe and threatened witness Suresh Singhal in the case.

The court on Thursday noted that the CBI preferred not to arrest the two accused during investigation and had not taken any action on those allegations.