COMPETITION COMMISSION OF INDIA
Case No. 28 of 2026

***In Re*:**

Informant

Mrs. Bharti Sharma
C-112, Shakti Nagar Extn. C Block,
Ashok Vihar Phase 3,
North-West, Delhi – 110052

And

Mahindra & Mahindra Ltd. **Opposite Party No. 1/OP-1**
Gateway Building, St.
Steven Street, Apollo Bunder,
Mumbai – 400001

Sri Durga Automobiles **Opposite Party No. 2/OP-2**
55-A, Rama Road,
Opp. Kirti Nagar Metro Station,
New Delhi - 110056

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 Mrs. Bharti Sharma ('**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 Mahindra & Mahindra Ltd. ('**OP-1**') and Sri Durga Automobiles ('**OP-2**'), collectively 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 an Indian automobile manufacturing company, headquartered in Mumbai and OP-2 is an authorised Mahindra & SsangYong car dealer in New Delhi.

3. The Informant is stated to be the owner of a Mahindra XUV700 AX7 L PET AT 7-Seater vehicle, which was purchased from OP-2 on 30.06.2024. At the time of purchase, the Informant also opted for an extended warranty, thereby extending the warranty coverage till 13.07.2029. The Informant has submitted that the vehicle has been duly maintained and serviced through OP-1's authorised service network.

4. The Informant has stated that, during the scheduled services conducted on 14.01.2025 and 21.01.2026, the Informant supplied Pakelo Krypton XT LA-V SAE 5W-30 engine oil for use in the vehicle and the specifications of the said engine oil were shared with OP-2 prior to the service. As stated by the Informant, the engine oil was accepted and used by the authorised service centre on both occasions without any objection, warning, or disclaimer regarding its compatibility with the vehicle or its potential impact on warranty coverage. The Informant has further stated that OP-2 did not communicate that the engine oil did not conform to the manufacturer's prescribed grade, viscosity, or performance specifications, or that its use could have any bearing on the warranty coverage.

5. It has been stated by the Informant that shortly after the service conducted on 21.01.2026, the vehicle displayed a "*check engine system*" warning accompanied by reduced acceleration and performance, following which it was taken to the authorised service centre on 03.02.2026. Upon inspection, OP-2 allegedly diagnosed a defective turbocharger assembly and estimated approximately ₹50,000 towards its replacement and labour charges. However, when the Informant sought replacement of the turbocharger under the subsisting manufacturer's warranty and extended warranty, OP-2 allegedly refused the claim on the ground that the warranty had been affected due to the use of engine oil sourced externally.

6. Aggrieved by the denial of warranty coverage, the Informant is stated to have approached senior officials of OP-1 *vide* email dated 19.03.2026. In response, OP-1, *vide* an email dated 24.03.2026, stated that the use of externally sourced engine oil could invalidate the warranty coverage and accordingly declined the Informant's claim for replacement of the turbocharger.

7. It is stated that the Informant *vide* email dated 27.03.2026, pointed out that the Pakelo engine oil met the prescribed specifications and through various communications sought from the OPs the technical basis for treating the engine oil as incompatible with the vehicle and attributing the turbocharger failure to its use. It is further stated that despite follow-ups, the OPs allegedly failed to provide any such technical justification.

8. The Informant has further stated that OP-1, *vide* emails dated 01.04.2026 and 09.04.2026, reiterated that warranty coverage was subject to the use of Mahindra-approved consumables and declined the warranty claim on the ground that the engine oil had been supplied by the Informant. It has been alleged by the Informant that the OPs relied solely on the fact that the engine oil had been sourced externally, without establishing any technical incompatibility or causal nexus between the engine oil and the turbocharger failure.

9. The Informant has alleged that the OPs effectively made warranty coverage contingent upon procuring lubricants through Mahindra's authorised network, thereby discouraging consumers from purchasing technically compatible lubricants from competing suppliers. Such conduct, according to the Informant, restricts consumer choice, creates barriers for competing lubricant suppliers, and forecloses competition in the aftermarket for lubricants and maintenance services relating to Mahindra vehicles.

10. The Informant has further alleged that the conduct of the OPs raises concerns regarding anti-competitive vertical restraints and abuse of dominance, particularly in relation to

the requirement to use Mahindra-branded or approved consumables, thereby attracting the provisions of Sections 3(4) and 4 of the Act.

Relief sought

11. The Informant has sought the following reliefs from the Commission:

a) Order an investigation by the Director General under Section 26(1) of the Act into the conduct of the OPs;
b) Hold that the OPs have contravened the provisions of Sections 3(4) and/or 4 of the Act;
c) Direct the OPs to *cease and desist* from imposing warranty conditions that effectively compel consumers to purchase Mahindra-branded or Mahindra-approved consumables;
d) Direct the OPs to recognize and honour warranty claims where consumers use technically compatible lubricants and consumables that meet the prescribed specifications;
e) Direct the OPs to disclose objective, transparent and non-discriminatory technical criteria for consumables and lubricants used in Mahindra vehicles;
f) Direct the OPs to refrain from denying warranty claims, unless a demonstrable causal connection is established between the allegedly non-approved product and the defect complained of;
g) Direct modification of warranty policies, service manuals, dealer practices and customer communications, that restrict consumer choice in the aftermarket;
h) Impose appropriate penalties upon the OPs under Section 27 of the Act;
i) Award costs of the proceedings; and
j) Pass such other or further orders as the Commission may deem fit and proper in the facts and circumstances of the present matter.

12. In the ordinary meeting held on 02.09.2026, the Commission considered the Information and decided to pass an appropriate order in due course.

13. The Commission has perused the Information along with the material available on record and notes that the Informant's grievance primarily pertains to the terms and conditions governing the warranty coverage of its vehicle, particularly in relation to the use of engine oil procured from sources other than OP-1 or its authorised dealers. As per the Informant, the alleged refusal to honour the warranty claim raises concerns of vertical restraints and abuse of dominance, in contravention of Sections 3(4) and 4 of the Act.

14. The Commission notes that the alleged requirement to procure engine oil from OP-1 or its authorised dealers constituting a contravention of Section 3(4) of the Act is essentially emanating from an agreement entered into between the OP and an end consumer. In this regard, the Commission notes that the proviso to Section 3(4) of the Act expressly provides "*nothing contained in this sub-section shall apply to an agreement entered into between an enterprise and an end consumer.*" Accordingly, the alleged conduct, being in the nature of an agreement between the enterprise and an end consumer in relation to warranty terms, falls outside the purview of Section 3(4) of the Act.

15. As regards the allegation under Section 4 of the Act, the Commission notes that the Informant has not placed on record any material regarding delineation of relevant market, market share, dominance *etc.* to establish that OPs have abused their position. However, as the facts and circumstances set out in the Information, the Commission notes that grievance primarily relates to the warranty conditions applicable to the Informant's individual vehicle and the resultant individual dispute concerning the use of externally sourced engine oil, rather than any competition concern arising from an alleged abuse of market power.

16. The Commission observes that a vehicle manufacturer may, having regard to considerations of safety, performance, reliability and optimal utilisation of the vehicle, prescribe certain technical specifications, maintenance requirements and conditions governing the use of the vehicle and the availability of warranty benefits. Such conditions may reasonably require the owner to adhere to specified standards and use

recommended consumables, so as to ensure that the vehicle operates in accordance with the prescribed safety, performance and functional requirements. Compliance with such conditions may also be relevant for determining the manufacturer's warranty obligations, provided that the conditions are appropriately communicated and are reasonably connected with the safety, performance or functioning of the vehicle.

17. The Commission further notes that there is no material on record to suggest that the terms and conditions governing the warranty, including the conditions relating to the use of specified consumables, were not disclosed to or known by the Informant. On the contrary, the Informant voluntarily opted for and purchased the extended warranty beyond the standard warranty, which was subject to the stipulated terms and conditions governing warranty coverage.

18. In view of the foregoing, the Commission is of the view that no *prima facie* case of contravention of Sections 3 and 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.

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: 09.09.2026