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COMPETITION COMMISSION OF INDIA

Case No. 09 of 2026

In Re:

Shri Rajeev Bakshi
161, Sukhdev Vihar,
South Delhi, Delhi-110025

Informant

And

M/s Nissan Motor India Pvt. Ltd,
Regd Office:
Plot No 1A, Sipcot Industrial Area,
Orgadam, Mattur Post, Sriperumbudur,
Tamil Nadu-602105

Opposite Party (OP)

Corporate Office:
Worldmark, Unit No 301,
3rd Floor, Tower 1, Maidawas Road,
Sector 65, Gurugram, Haryana 122001

CORAM

Ravneet Kaur
Chairperson

Anil Agrawal
Member

Sweta Kakkad
Member

Deepak Anurag
Member

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

1. The Information has been filed by Shri Rajeev Bakshi ('**Informant**') under Section 19(1)(a) of the Competition Act, 2002 ('**the Act**') against Nissan Motor India Pvt Ltd ('**Opposite Party**'/ '**OP**') alleging contravention of Sections 3 and 4 of the Act.



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2. The Informant is stated to be one of the partners of a partnership firm “*M/s You We and Cars*” which was established in the year 2016. The Informant has stated that the firm has been functioning as an authorized dealer of the OP for the sale and servicing of Nissan vehicles in the territory of South Delhi and Faridabad.
3. The OP is a private limited company incorporated under the Companies Act, 1956 and is engaged in the manufacturing, marketing and selling of vehicles under the “Nissan” and “Datsun” brand of cars. The OP’s parent, Nissan, is a Japanese multinational automobile manufacturer headquartered in Yokohama, Kanagawa, Japan. In 2017, Nissan was the sixth largest automaker in the world, after Toyota, Volkswagen Group, Hyundai Motor Group, General Motors, and Ford. With a revenue of \$78 billion in 2022, Nissan was the ninth largest automobile maker in the world.
4. The Informant has stated that its relationship with the OP is governed under a Dealership Agreement dated 01.10.2024, executed on a standard-form basis without any scope for negotiation, and there was imbalance of bargaining power in favour of the OP. The Informant stated that acting in furtherance of its obligations under the said agreement and based on repeated assurances of continuity and support, the Informant has made substantial investments exceeding INR 10 Crore, including investments in infrastructure, plant and machinery, inventory, manpower and business development. The Informant stated that as on September 2025, it continued to have significant operational exposure in the form of inventory, demo vehicles and parts, all of which are intrinsically linked to the OP's ecosystem and incapable of alternative commercial use.
5. The Informant has alleged that despite such investments, the OP has, in a wholly arbitrary and unilateral manner, issued a termination notice dated 05.09.2025 invoking Clause 16 of the Dealership Agreement, without issuing any show cause notice, assigning any reasons and affording any opportunity of hearing, thereby seeking to terminate the dealership mid-term, even though the agreement was valid up to 31.03.2026.



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6. The Informant has submitted that the termination of the agreement is not an isolated contractual act but forms part of a broader pattern of conduct adopted by the OP, including coercive pricing policies, forced investments, delayed reimbursements, bypassing of dealer networks and systematic erosion of dealer viability, which collectively constitute anti-competitive practices and abuse of dominance within the meaning of the Act.
7. The Informant has submitted that the Information squarely falls within the jurisdiction of the Commission under Sections 18 and 19 of the Act, as the conduct complained of, pertains to anti-competitive agreements and abuse of dominant position. It has been stated that the relationship between the Informant and the OP constitutes a vertical arrangement within the meaning of Section 3(4) of the Act and the conduct of the OP, including imposition of resale price maintenance, exclusive distribution and refusal to deal, has resulted in appreciable adverse effect on competition in India. Further, the OP, by virtue of its control over supply, inventory allocation, branding, spare parts, warranties and dealership continuation, enjoys a position of dominance *vis-à-vis* its authorized dealers, including the Informant and has abused such dominance in violation of Section 4 of the Act.
8. The Informant has stated that the issues raised are distinct from contractual disputes and pertain to competition law violations and therefore the pendency of parallel proceedings before courts or arbitral forums does not oust the jurisdiction of the Commission.
9. The Informant has submitted that the relevant market in the present case is the market for "*distribution and sale of Nissan branded passenger vehicles and related after-sales services in India*" and more particularly the vertically integrated dealer-specific market controlled by the OP. Within the aforesaid relevant market, it is alleged that the OP is dominant *vis-à-vis* its authorized dealers due to complete economic dependence, absence of alternative supply sources and high switching costs.



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10. The Informant has alleged that the OP has imposed vertical restraints in violation of Section 3(4) of the Act, including resale price maintenance by controlling dealer pricing while undercutting dealers through direct and distress sales, exclusive supply arrangements by controlling inventory allocation and refusal to deal by bypassing authorized dealers and engaging directly with third parties, thereby foreclosing competition.
11. The Informant has submitted that the OP has abused its dominant position in violation of Section 4 of the Act by imposing unfair and discriminatory conditions in purchase and sale of goods, including one-sided termination clauses, coercive pricing policies and forced investments, all of which exploit the Informant's economic dependence. It is further submitted that the abrupt termination of the dealership without notice, reasons or opportunity of hearing constitutes denial of market access under Section 4(2)(c) of the Act, as it effectively excludes the Informant from the OP's distribution network despite substantial investments and absence of any attributable breach. It is stated by Informant that the conduct of the OP further constitutes margin squeeze, as it controls upstream pricing while simultaneously undercutting downstream dealers, thereby rendering dealer operations commercially unviable and eliminating intra-brand competition. The Informant has also alleged that OP has leveraged its dominance in the upstream market to strengthen its position in downstream distribution by bypassing dealers and consolidating direct control over sales channels, thereby contravening Section 4(2)(e) of the Act.
12. The Informant has stated that the cumulative effect of the aforesaid conduct has caused appreciable adverse effect on competition in India, including foreclosure of dealer competition, distortion of pricing mechanisms, reduction of consumer choice and consolidation of market power.
13. The Informant has filed an Interim Application ('IA') No. 89 of 2026 under Section 33 of the Act seeking "*appropriate interim directions restraining the Opposite Party from giving effect to the termination notice and from taking any coercive steps against the Informant during the pendency of the present proceedings.*"



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14. The Informant has prayed for the following main reliefs:

- a) To direct the Director General to cause an investigation under Section 26(1) of the Act;
- b) To hold that the OP has contravened Sections 3(4) and 4 of the Act;
- c) To pass cease and desist orders restraining the OP from continuing such practices;
- d) To impose penalties under Section 27 of the Act; and
- e) To pass such other or further orders as may be deemed fit in the interest of justice

15. The Commission considered the present matter in its ordinary meeting held on 17.06.2026 and decided to pass an appropriate order in due course.

16. The Commission notes that the OP is a private limited company incorporated under the Companies Act, 1956 which is engaged in the manufacturing, marketing and servicing of vehicles under the Nissan and Datsun brands for commercial purposes and can be considered as an enterprise under Section 2(h) of the Act.

17. The existence of a *prima facie* case, under Section 3(4) of the Act, requires the existence of an agreement. The Commission notes that the relationship of the Informant and the OP is governed by the Dealership Agreement and the Informant has stated that certain clauses of the said agreement are in violation of Section 3(4) of the Act *i.e.* Clauses 3.2.1, 3.2.2, 3.2.3, 3.3.1, 3.3.2 and 3.3.3 amongst others. Clause 3.3.3 of Dealership Agreement is extracted here for reference:

3.3.3. The Authorized Dealer shall not without the written consent of NMIPL directly or indirectly, sell or participate in sales, distribution and/or service operations on any new and unused motor vehicles and/or spare parts other than NISSAN/DATSUN Products, nor accept any appointment by any person other than NMIPL to be its distributor, authorized dealer or agent for the sale, distribution and/or service operations on any motor vehicles and/or spare parts.”

18. In context of the allegations of the Informant, Section 3(1) and 3(4) of the Act are extracted here for reference:



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“Prohibition of agreements

3. Anti-competitive agreements- (1) No enterprise or association of enterprises or person or association of persons shall enter into any agreement in respect of production, supply, distribution, storage, acquisition or control of goods or provision of services, which causes or is likely to cause an appreciable adverse effect on competition within India....

(4) Any agreement amongst enterprises or persons at different stages or levels of the production chain in different markets, in respect of production, supply, distribution, storage, sale or price of, or trade in goods or provision of services, including—

(a) tie-in arrangement;

(b) exclusive supply agreement;

(c) exclusive distribution agreement;

(d) refusal to deal;

(e) resale price maintenance, shall be an agreement in contravention of sub-section (1) if such agreement causes or is likely to cause an appreciable adverse effect on competition in India.

Explanation.—For the purposes of this sub-section,—

(a) “tie-in arrangement” includes any agreement requiring a purchaser of goods, as a condition of such purchase, to purchase some other goods;

(b) “exclusive supply agreement” includes any agreement restricting in any manner the purchaser in the course of his trade from acquiring or otherwise dealing in any goods other than those of the seller or any other person;

(c) “exclusive distribution agreement” includes any agreement to limit, restrict or withhold the output or supply of any goods or allocate any area or market for the disposal or sale of the goods;

(d) “refusal to deal” includes any agreement which restricts, or is likely to restrict, by any method the persons or classes of persons to whom goods are sold or from whom goods are bought;

(e) “resale price maintenance” includes any agreement to sell goods on condition that the prices to be charged on the resale by the purchaser shall be the prices stipulated by the seller unless it is clearly stated that prices lower than those prices may be charged.”

19. The Commission notes that the OP is conducting its business by way of Dealership Agreement which appears to be a standardised document. The Commission has had the opportunity to deal with similar allegations in earlier cases before it. In *Case No. 36 and 82 of 2014; Fx Enterprise Solutions India Pvt. Ltd. Vs Hyundai Motor India Ltd*, the Commission had observed, in respect of a similar clause in dealership agreement as follows:-

“75. In sum, the Commission is of considered opinion that Clause 5(iii) of the Dealership Agreement has not restricted, in form or in practice, any dealer in any



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manner from operating other OEM dealerships. The avowed objective of the clause appears to ensure that HMIL dealers do not free ride on facilities and services provided by HMIL. Further, such stipulation ensures that HMIL is kept posted with the financial and investment activities of its dealers to ensure that funds meant for functioning of the dealership business are not diverted elsewhere. No evidence has been adduced by the parties to demonstrate that HMIL restricted its dealers from acquiring dealerships of competing manufacturers. The Commission is further of the opinion that the impugned clause keeps OEMs empowered to ensure that their dealers remain financially viable. From the record, it appears that over 100 dealers of HMIL are engaged in dealership business of competing manufacturers. Even otherwise, OP has not enforced the said clause despite knowledge of parallel dealerships acquired by its dealers of competing OEMs without even informing, much less seeking permission, HMIL.

76. In light of the above, the Commission is of the opinion that Clause 5(iii) does not impose an exclusive supply obligation in contravention of Section 3(4)(b) or a refusal to deal in contravention of Section 3(4)(d) read with Section 3(1) of the Act.”

20. The Commission finds that in the present matter, the Informant has not furnished any evidence to demonstrate that the OP restricted its dealers from acquiring dealerships of competing manufacturers. Also, it is observed from the information available in public domain that the Informant has acquired another car dealership with Vinfast, a Vietnamese Car manufacturer while its dealership with OP subsisted. The following extract is taken from its website:

*“Established in 2017, **YouWe VinFast is a VinFast dealership partner** operating in Okhla Industrial Estate and Bhikaji Cama Place, New Delhi, as well as Faridabad, Haryana. We operate multiple sales and service locations, including our head office in Okhla and a dedicated workshop facility in Faridabad, to assist customers with enquiries and after-sales support. We are committed to delivering exceptional value, convenience, and satisfaction to every customer. Our dedication to excellence is reflected in our consistent focus on customer satisfaction and service quality, helping us build a strong reputation in the automotive industry.”*

21. In view of the above, the Commission does not find any substance in the Informant’s allegation of restricting it to have exclusive dealership under Section 3(4) of the Act.

22. The Commission has considered the allegation of resale price maintenance by the Informant. Upon perusal of the Dealership Agreement, the Commission observes that the dealers are required not to sell above the Maximum Recommended Retail Price (‘**MRRP**’), but there is no condition in relation to the minimum price and discount that



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can be given by the Informant. Accordingly, the allegation relating to resale price maintenance does not hold good. Clause 6-2 of the Dealership Agreement is extracted for reference:

“6-2 Sales of Vehicles

*The Authorized Dealer shall sell the Products to the Customer as per the terms of the agreement between the Authorized Dealer and the Customer and at a price not exceeding the MRRP. The MRRP will be communicated by NMIPL to the Authorized Dealer through its policy bulletins, circulars and other communications send from time to time as per NMIPL policies. **The Authorized Dealer shall be free to sell the Products at a price lower than the MRRP. However, the Authorized Dealer shall not sell the Products at a price exceeding the MRRP.** The said agreement to sell shall contain the Product specifications, namely, model, colour, price and the terms of delivery by the Authorized Dealer to the Customer. In making the sales agreement with the Customer, the Authorized Dealer shall comply at all times with the provisions of the (Indian) Motor Vehicles Act, 1988 and the rules thereunder. It is hereby expressly agreed by and between the Parties that NMIPL shall not be privy to the sale transaction of the Authorized Dealer with the Customer nor shall be responsible for the booking amount and any other amount which the Authorized Dealer collects from the Customer. The transaction between NMIPL and the Authorized Dealer is when NMIPL receives money from the Authorized Dealer against a Vehicle Identification Number (VIN). However, NMIPL is entitled to get all communications and sale transaction details of the Authorized Dealer with every Customer.”*

23. The Commission finds that the allegation of the Informant under Section 3(4)(d) of the Act *i.e.*, refusal to deal, is also not tenable as termination of dealership has been done as per Clause 16 of the Dealership Agreement. Clause 16 allows both the parties to the Dealership Agreement to terminate the agreement after giving a notice of 90 days at any time during the subsistence of the said agreement. Notably, there is no requirement to provide any reasons for termination by both the parties. The cancellation of dealership is a standard commercial dispute. The Commission is of the view that in common parlance the freedom of contract and the selection of trading partners is a normal business practice rather than an anticompetitive practice.

24. The Commission further notes that the Informant has also made an allegation against OP of violating Sections 4(2)(a)(i), 4(2)(c) and 4(2)(e) of the Act. The Informant has submitted the relevant market to be the market for “*distribution and sale of Nissan branded passenger vehicles and related after sales services in India*” and more particularly the vertically integrated market comprising supply of vehicles, spare parts,



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branding, warranty support and dealership rights, all of which are exclusively controlled by the OP.

25. The Commission disagrees with the relevant market proposed by the Informant as the primary market for sale of vehicles cannot be confined only to Nissan brand of vehicles. Moreover, the Information does not contain any substantive allegations related to spare parts or aftermarket services. Therefore, the Commission is of the view that the relevant market be delineated as **“distribution and sale of passenger cars in India.”**

26. Section 4 of the Act pertains to abuse of dominant position. The relevant extract of Section 4 is produced here for reference:

Abuse of dominant position

4. [(1) No enterprise or group shall abuse its dominant position.]

(2) There shall be an abuse of dominant position [under sub-section (1), if an enterprise or a group].— (a) directly or indirectly, imposes unfair or discriminatory—
(i) condition in purchase or sale of goods or service; or
(ii) price in purchase or sale (including predatory price) of goods or service.

Explanation.— For the purposes of this clause, the unfair or discriminatory condition in purchase or sale of goods or service referred to in sub-clause (i) and unfair or discriminatory price in purchase or sale of goods (including predatory price) or service referred to in sub-clause (ii) shall not include such discriminatory condition or price which may be adopted to meet the competition; or

(b) limits or restricts—

(i) production of goods or provision of services or market therefor; or

(ii) technical or scientific development relating to goods or services to the prejudice of consumers; or

(c) indulges in practice or practices resulting in denial of market access 5 [in any manner]; or

(d) makes conclusion of contracts subject to acceptance by other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts; or

(e) uses its dominant position in one relevant market to enter into, or protect, other relevant market.

Explanation.—For the purposes of this section, the expression—

(a) “dominant position” means a position of strength, enjoyed by an enterprise, in the relevant market, in India, which enables it to—

(i) operate independently of competitive forces prevailing in the relevant market; or

(ii) affect its competitors or consumers or the relevant market in its favour.



(b) “predatory price” means the sale of goods or provision of services, at a price which is below the cost, as may be determined by regulations, of production of the goods or provision of services, with a view to reduce competition or eliminate the competitors. [(c) “group” shall have the same meaning as assigned to it in clause (b) of the Explanation to section 5.]

27. The Commission has perused a list of top passenger vehicles by sales in India as per publicly available information. India’s top car manufacturers as per sale volumes are as follows:

S.No	OEM Name	FY 2026 Sales	2026 Market share (%)	2025 Market share (%)
1	Maruti Suzuki India Ltd	18,68,386	39.71%	40.20%
2	Mahindra & Mahindra Ltd	6,31,638	13.42%	12.42%
3	Tata Motors Ltd	6,13,513	13.04%	12.87%
4	Hyundai Motor India Ltd	5,78,337	12.29%	13.48%
5	Toyota Kirloskar Motor Pvt Ltd	3,35,321	7.13%	6.69%
6	Kia India Private Ltd	2,79,363	5.94%	5.83%
7	Skoda Auto Volkswagen Group	1,10,070	2.34%	2.04%
8	JSW MG Motor India Pvt Ltd	66,080	1.40%	1.39%
9	Honda Cars India Ltd	60,826	1.29%	1.56%
10	Renault India Pvt Ltd	39,060	0.83%	0.93%
11	Nissan Motor India Pvt Ltd	22,505	0.48%	0.60%
12	Mercedes-Benz Group	18,160	0.39%	0.43%
13	BMW India Pvt Ltd	17,301	0.37%	0.36%
14	Stellantis Group	11,718	0.25%	0.26%
15	Force Motors Limited	9,744	0.21%	0.15%
16	Jaguar Land Rover India Ltd	5,698	0.12%	0.13%
17	BYD India Private Ltd	5,361	0.11%	0.08%
18	Vinfast Auto India Pvt Ltd	2,390	0.05%	0.00%
19	Others	29,585	0.63%	0.60%

Source: <https://fada.in/images/pressrelease>

28. The Commission finds that the sales statistics of OP in comparison with other brands of cars sold in India from 01.05.2025 to 31.04.2026 show that it holds less than 1 % market share as per above information.

29. Further, when tested on factors mentioned under Section 19(4) of the Act, the Commission observes that, in the present matter, the market share of the OP is miniscule. It is further noted that the Informant has not been restrained from acquiring another dealership with Vinfast. There does not appear to be any dependence on the OP of either the Informant or customers at large who are free to exercise options in the



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market with other car manufacturers. Therefore, *prima facie*, the OP does not appear to be dominant in the relevant market. In the absence of dominance, no further analysis on the aspect of abuse of dominance is required.

30. In view of the Information provided and analysis carried out in preceding paragraphs, the Commission is of the opinion that no *prima facie* case of contravention of Sections 3(4) and 4 of the Act is made out against the OP. Accordingly, the Information is directed to be closed forthwith under Section 26(2) of the Act. Consequently, no case for grant of relief(s) as sought under Section 33 of the Act arises and the same is also rejected. Accordingly, IA No. 89/2026 also stands disposed of.

31. The Secretary is directed to communicate the order to the Informant, accordingly.

Sd/-
(Ravneet Kaur)
Chairperson

Sd/-
Anil Agrawal
Member

Sd/-
Sweta Kakkad
Member

Sd/-
Deepak Anurag
Member

Place: New Delhi

Date: 07.07.2026