

03 September 2021

PRESS COVERAGE

Press Release

**“CCP RAIDS TOP TWO TRACTOR MANUFACTURERS FOR THEIR SUSPECTED
INVOLVEMENT IN ANTI-COMPETITIVE ACTIVITIES”**

CCP raids Al-Ghazi, Millat offices over collusion

Complainants allege 'substandard' farm machinery was resulting in frequent breakdowns

By Kalbe Ali

ISLAMABAD: Competition Commission of Pakistan's (CCP) teams on Thursday raided and searched the premises of Millat Tractors Ltd (MTL) in Lahore and Al-Ghazi Tractors Ltd (AGTL) in Karachi on suspicion of collectively making business decisions.

The CCP teams confiscated the relevant record, documents, minutes of meetings and computer-stored information including critical data. The two companies account for around 99 per cent of tractor market share in Pakistan — MTL at 70pc and AGTL at 29pc — making the industry more susceptible to collusive activities.

The initial investigations carried out by the CCP prior to the raid had revealed that the Provisional Booking Order Forms (PBOs) of Millat and Al-Ghazi also appear to be similar, unreasonable, and exploitative in terms of the Act and indicate the possibility of collusion.

At the same time the CCP is also investigating the possibility of Resale Price Maintenance (RPM) by one of these two companies.

Through RPM, a supplier pressures a business not to sell products below a specific price; hence it is detrimental to competition.

The search inspections were carried out to see if the tractor manufacturers are involved in the alleged anti-competitive activities such as collusion and collective decision making with respect to price hike of tractors, undue shortage despite of excessive capacity, identical clauses in the PBOs of both companies and RPM.

The CCP is mandated under the Act to ensure free competition in all spheres of commercial and economic activity to enhance economic efficiency and protect consumers from anti-competitive behaviour.

The CCP initiated the inquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in the prices of tractors at different points in time despite subsidy relief given by the government on sales tax and a great extent of localisation in the tractors industry.

The complainants alleged that the tractors being manufactured were of substandard built quality resulting in a frequent breakdown.

The CCP's preliminary investigation shows that both the tractor manufacturers sequentially increased their prices in 2021.

The CCP initial report highlighted that similar sequential price pattern was also observed from 2018 to 2020.

Millat tractors increased prices by 1pc to 5pc in October 2018, 7pc to 13pc in July 2019, 2pc to 3pc in March 2020, and 5pc to 7pc in July 2020.

Similarly, AGTL increased the prices of its various models by 3pc to 5pc in October-November 2018, 5pc to 10pc in August 2019, 1pc to 4pc in March 2020, and 5pc to 7pc in July 2020.

The CCP initial inquiry has highlighted that the tractor industry was over 90pc localised, and there is hardly any technological advancements by the tractor manufacturers.

"Thus, the price increases by the market leader, Millat Tractors, followed by the second biggest market player, Al-Ghazi Tractor, in close succession, and similar quantum indicate the possibility of price coordination between the tractor manufacturers," the report added.

CCP raids premises of tractor makers

Suspects two major companies were involved in price collusion

OUR CORRESPONDENT
ISLAMABAD

The anti-cartel watchdog has conducted raids on the premises of Pakistan's two largest tractor manufacturers on the suspicion of collusion in increasing prices by 28% within two years.

The Competition Commission of Pakistan (CCP) on Thursday entered and searched the premises of Millat Tractors Ltd (MTL), Lahore and Al-Chazi Tractors Ltd (AGTL), Karachi, according to a press statement.

The raids were part of an investigation into

the conduct of tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act 2010, it added.

Both the firms fully cooperated by providing the relevant record, documents, meeting minutes and computer-stored information to the two search teams, said the CCP.

The CCP initiated the enquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in prices of tractors at different points in time despite the subsidy relief given by the government on sales tax and a great extent of localisation in the tractor industry.

The complainants also alleged that the tractors being manufactured were

of substandard build quality, resulting in frequent breakdown.

CCP said that the tractor industry was over 90% localised and there was hardly any technological advancement by the tractor manufacturers

The CCP's own role has recently come under scrutiny after it imposed a fine of Rs44 billion on sugar millers despite a split decision.

The CCP said that the tractor industry in Pakistan appeared to have a duopoly market structure, which made it more susceptible to collusive activities. Among

the three manufacturers, Millat Tractors had a 70% market share and Al-Chazi Tractors had a 29% share in last fiscal year 2020-21. The duo has a collective market share of 99%.

The CCP's preliminary investigation showed that both the tractor manufacturers sequentially increased prices in 2021 and the quantum of percentage increase was approximately similar in the case of alternative products, ie tractors.

Such a sequential price pattern was also observed in the years 2018 to 2020. Millat Tractors increased prices by 1-5% in October 2018, then 7-13% in July 2019, up to 3% in March 2020 and up to 7% in July 2020.

Cumulatively, Millat Tractors increased prices by

up to 28% in two years.

Similarly, Al-Chazi Tractors increased prices of its various models by 3-5% in October-November 2018, 5-10% in August 2019, up to 4% in March 2020 and 5-7% in July 2020. In total, Al-Chazi Tractors increased prices by up to 26% during the same period.

The CCP said that the tractor industry was over 90% localised and there was hardly any technological advancement by the tractor manufacturers.

Thus, the price increases by the market leader, ie Millat Tractors, followed by the second biggest market player, ie Al-Chazi Tractors, in close succession and similar quantum indicate the possibility of price coordination between the tractor manufacturers.

CCP raids tractor Cos' premises to probe drastic price hike

Mehtab Halder

ISLAMABAD: To investigate allegations of cartelization to fleece consumers against two major players of tractor manufacturers, the Competition Commission of Pakistan (CCP) on Thursday raided premises of Millat Tractors and Al-Ghazi tractors simultaneously to collect evidence against them.

According to CCP's announcement, as part of an investigation against tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act, 2010, the CCP entered and searched the premises of Millat Tractors Ltd (MTL) Lahore and Al-Ghazi Tractors Ltd (AGTL) Karachi.

The search was carried out under Section 34 of the Act. Both the undertakings fully cooperated by providing the relevant record, documents, minutes of meeting and computer-stored information to the two CCP teams. Some critical data was impounded during the search and inspections.

The CCP initiated the enquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in the prices of tractors at different points despite subsidy relief given by the government on sales tax and a great extent of localisation in the tractors industry. The complainants also alleged that the tractors being manufactured were substandard resulting in a frequent breakdown.

The tractor industry in Pakistan appears to have a duopoly market structure, which makes it more susceptible to collusive activities. Among the three manufacturers, Millat Tractors has a 70 per cent market share (in FY2020-21), and Al-Ghazi Tractors has a 29 per cent market share (in FY 2020-21). The duo has a collective market share of 99 per cent.

The CCP's preliminary investigation shows that both the tractor manufacturers sequentially increased their prices in 2021, and the quantum of percentage increase was approximately similar in

the case of alternative products, i.e. tractors. Such a sequential price pattern was also observed in the years 2018-2020. Millat tractors increased prices by 1-5 per cent in October 2018, 7-13 per cent in July 2019, 2-3 per cent in March 2020 and 5-7 per cent in July 2020. Similarly, Al-Ghazi Tractors increased the prices of its various models by 3-5 per cent in October-November 2018, 5-10 per cent in August 2019, 1-4 per cent in March 2020 and 5-7 per cent in July 2020.

It is worth noting that the tractor industry is over 90 per cent localised, and there is hardly any technological advancements by the tractor manufacturers. Thus, the price increases by the market leader, i.e. Millat Tractors, followed by the second biggest market player, i.e. Al-Ghazi Tractor, in close succession, and similar quantum indicate the possibility of price coordination between the tractor manufacturers. The investigation reveals that the Provisional Booking Order Forms

(PBOs) of Millat and Al-Ghazi also appear to be similar, unreasonable, and exploitative in terms of the Act and indicate the possibility of collusion.

The CCP is also investigating the possibility of Resale Price Maintenance (RPM) by one of these two companies. Through RPM, a supplier pressures a business not to sell products below a specific price; hence it is detrimental to competition.

The search inspections have been carried out to see if the tractor manufacturers are involved in the alleged anti-competitive activities, such as collusion and collective decision-making for price hikes of tractors, undue shortage despite excessive capacity, identical clauses in the PBOs of both the companies and RPM.

The CCP is mandated under the Act to ensure free competition in all spheres of commercial and economic activity to enhance economic efficiency and protect consumers from anti-competitive behaviour.

CCP raids premises of two tractor makers

RECORDER REPORT

ISLAMABAD: As part of an investigation against tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act, 2010, the Competition Commission of Pakistan Thursday entered and searched the premises of Millat Tractors Ltd (MTL) Lahore and Al-Ghazi Tractors Ltd (AGTL) Karachi.

The search inspections were carried out under Section 34 of the Act. Both the undertakings fully cooperated by providing the relevant record, documents, meeting minutes and computer-stored information to the two CCP search teams. Some critical data has been impounded during the search and inspections.

The CCP initiated the enquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in the prices of tractors at different points in time despite subsidy relief given by the government on sales tax and a great extent of localisation in the tractors industry. The complainants also alleged that the tractors being manufactured were of substandard quality, resulting in a frequent breakdown.

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tible to collusive activities. Among the three manufacturers, Millat Tractors has a 70 per cent market share (in FY2020-21), and Al-Ghazi Tractors has a 29 per cent market share (in FY 2020-21). The duo has a collective market share of 99 per cent.

The CCP's preliminary investigation shows that both the tractor manufacturers sequentially increased their prices in 2021, and the quantum of percentage increase was approximately similar in the case of alternative products, i.e. tractors. Such a sequential price pattern was also observed in the years 2018 – 2020. Millat tractors increased prices by 1 – 5 per cent in October 2018, 7 – 13 per cent in July 2019, 2 – 3 per cent in March 2020, and 5 – 7 per cent in July 2020.

Similarly, Al-Ghazi Tractors increased the prices of its various models by 3 – 5 per cent in October-November 2018, 5 – 10 per cent in August 2019, 1 – 4 per cent in March 2020, and 5 – 7 per cent in July 2020.

It may be noted that the tractor industry is over 90 per cent localised, and there is hardly any technological advancements by the tractor manufacturers. Thus, the price increases by the market leader, i.e. Millat Tractors, followed by the second biggest market player, i.e.

Al-Ghazi Tractor, in close succession, and similar quantum indicate the possibility of price coordination between the tractor manufacturers.

The investigation so far reveals that the Provisionial Booking Order Forms (PBOs) of Millat and Al-Ghazi also appear to be similar, unreasonable, and exploitative in terms of the Act and indicate the possibility of collusion.

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CCP raids Millat, Al- Ghazi Tractors sites

STAFF REPORT

ISLAMABAD

As part of an investigation against tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act, 2010, the Competition Commission of Pakistan on Thursday entered and searched the premises of Millat Tractors Ltd (MTL) Lahore and Al-Ghazi Tractors Ltd (AGTL) Karachi. The search inspections were carried out under Section 34 of the Act. Both the undertakings fully cooperated by providing the relevant record, documents, meeting minutes and computer-stored information to the two CCP search teams. Some critical data has been impounded during the search and inspections. The CCP initiated the enquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in the prices of tractors at different points in time despite subsidy relief given by the government on sales tax and a great extent of localisation in the tractors industry.

COMMENT

Reinventing the wheel

By Mansoor Ahmad

LAHORE: Having miserably failed to control the prices of food and essential items that impact the poor, the government has placed cement and autos on the price control list, which are mostly consumed by the affluent.

Government has introduced Price Control and Prevention of Profiteering and Hoarding Order 2021, based on 44 years old Price Control and Prevention of Profiteering and Hoarding Act, 1977. SROs 1062(I)/2021 and 1065(I)/2021 issued on August 24 list essential items divided into three parts while the structure to manage prices has also been revised.

No one disputes that the prices in Pakistan tend to remain high because our system has failed to control cartels, hoarders, and collusive price fixing.

But prices cannot be controlled through administrative measures. You need to have a fair and transparent rule-based system that checks the prices automatically.

Common man in Pakistan is not worried about the high prices of cars or cement bags. They are pissed off by the unregulated increase in the rates of daily use of essential items. Food prices matter most for the poor as they consume 60-80 percent of their income on food. For them the power and gas tariff matter more.

The state has failed to check the food prices and has constantly increased the power and gas tariffs. The rates of wheat flour, sugar, edible oil, and chicken, have doubled or more in the past three years. Now even the middle class families cannot think of buying a car or constructing a house. To them succeeding in

providing food, shelter, and clothing to their loved ones is like the conquest of the world.

As far as cars and cement are concerned the best administrative step would have been to liberalise the import regime in these sectors to promote fair competition. The Secretary Industries is now assigned the powers of Controller General under the Price Control and Prevention of Profiteering and Hoarding Order 2021. You cannot ask an industry to sit with a price controller and prove to him/her the production cost on which the end user price would be fixed by the controlling authority. This is no way as it would scare away the investors. If they make a high profit, they also reflect this in their tax returns. If the government thinks they (industrialists) conceal their income it should strengthen the Federal Board of Revenue (FBR).

This government policy is against the spirit of free competition. The Competition Commission of Pakistan (CCP) earlier this year zoomed in on the sugar industry. The commission was unambiguous in its recommendations that fixing of prices, output, etc, are universally recognised as having the most detrimental effects on competition, eradicating or seriously reducing the benefits that competitive markets deliver for consumers.

The commission was of the opinion that stopgap measures of 'fixing price' can at best provide temporary relief to cap the excessive price increase. This measure fails to benefit the sector or the economy at large and the short-term benefit of fixing prices (if any) does not justify the long-term loss caused by such policies.

The main reason behind the high prices of

essential items is a flawed distribution chain. The farmers for instance part with their produce at one-fourth of its retail price. The retailer hardly earns 5-10 percent on its sales. The remaining 65 percent is pocketed by the middleman. Even the finance minister conceded that elimination of the middleman is essential for effective price control.

Another point worth noting in this regard is that middlemen in agriculture earn thousands of billions in profit but pay nothing as tax. A system has to be developed under which the middlemen pay income tax on their earnings. The vehicle producers and cement manufacturers are largely fully documented and pay income tax on their yearly earnings. The corporate tax rate is 30 percent. The government in a way gets back 30 percent of the high price charged from the consumers by car or tractor manufacturers.

This is in addition to 35 percent indirect taxes they pay on the sale of each vehicle. In the current competitive scenario the vehicle producers or cement manufacturers are constrained to charge more as the input used in these industries are becoming expensive in the global market.

It looks like the government wants to arrest inflation through price control but the logic seems flawed, especially when the prices of the raw material/inputs of the finished product are not being controlled. For example, steel sheet prices have increased by Rs5 from 1st September, which is a major input for many industries including auto. While prices of steel are not being controlled, how the prices of cars, motorcycles, tractors and many other types of vehicles will be.

Anti-competitive activities: CCP raids 2 tractor manufacturers for their suspected involvement

F.P. Report

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CCP conducts search, inspection of MTL, AGTL

IMRAN ALI KUNDI
ISLAMABAD

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CCP raids top two tractor manufacturers for their suspected involvement in anti-competitive activities

ISLAMABAD, September 2: As part of an investigation against tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act, 2010, the Competition Commission of Pakistan today entered and searched the premises of Milat Tractors Ltd (MTL) Lahore and Al-Ghazi Tractors Ltd (AGTL) Karachi.

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مسابقتی کمیشن، ٹریڈر مینوفیکچررز کے دفاتر پر چھاپے، ریکارڈ ضبط

ٹریڈر مینوفیکچررز نے ترتیب وار انداز میں قیمتوں میں اضافہ کیا، جو گھجور کی نشاندہی کرتا ہے

اسلام آباد (کامرس رپورٹر) مسابقتی کمیشن آف پاکستان نے ٹریڈر انڈسٹری میں مبینہ گھجور پر ٹریڈر مینوفیکچررز کے دفاتر پر چھاپے مارے اور ریکارڈ قبضے میں لے لیا، مسابقتی کمیشن آف پاکستان نے گذشتہ روز ملت ٹریڈرز لمیٹڈ لاہور اور الغازی ٹریڈرز لمیٹڈ کراچی کے دفاتر پر چھاپے مارا، سرچ آپکیشن کمپنیشن ایکٹ کے سیکشن 34 کے تحت کیا گیا تاکہ ٹریڈر مینوفیکچررز کی مشتبہ مسابقت مخالف سرگرمیوں سے متعلق دستاویزات، میٹنگ منٹس اور باقی صفحہ 4 نمبر 39

39 مسابقتی کمیشن

کمپیوٹر میں محفوظ معلومات کو ضبط کیا جا سکے، مجاز افسران کی دو مختلف ٹیموں نے ٹریڈر مینوفیکچررز کے دفاتر کا سرچ آپکیشن کیا اور اہم معلومات کو قبضے میں لے لیا، ٹریڈر مینوفیکچررز کے خلاف انکوائری کا آغاز پاکستان سٹیزن پورٹل کے ذریعے ٹریڈر کی قیمتوں میں حکومت کی جانب سے دی گئی سبسڈی ریلیف کے باوجود خاطر خواہ اضافے کی بنیاد پر کیا گیا، قیمتوں کے اعداد و شمار کے تجزیے سے پتہ چلتا ہے کہ سال 2021 میں دونوں ٹریڈر مینوفیکچررز نے ایک کم عرصے کے دوران ترتیب وار انداز میں اپنی قیمتوں میں اضافہ کیا، ترتیب وار انداز میں قیمتوں میں تقریباً ایک جیسا اضافہ ٹریڈر مینوفیکچررز کے درمیان قیمتوں کے حوالے سے مبینہ گھجور کے امکان کی نشاندہی کرتا ہے۔ مزید برآں، MTL اور AGTL کے عارضی بینک آرڈر فارم (PBOs) بھی تقریباً ایک جیسا ہے اور عارضی بینک آرڈر فارم کے مندرجات بھی کمپنیشن ایکٹ کے لحاظ سے غیر معقول اور استحصالی دکھائی دیتے ہیں، اس سے بھی یہ پتہ چلتا ہے کہ دونوں مینوفیکچررز کے درمیان ایک ممکنہ ممنوعہ معاہدہ طے پایا ہوا ہے، ایم ٹی ایل اور اس کے ڈیلرز کے درمیان ڈیلرشپ معاہدے کی جانچ سے یہ مشاہدہ بھی کیا گیا ہے کہ مذکورہ معاہدے کی شق 5 ڈیلرز کو کمپنی کی جانب سے مقرر کردہ قیمت سے کم قیمت پر فروخت کرنے سے روکتی ہے، جو ممنوعہ ری سیل پرائس میچینٹس (آر پی ایم) کے زمرے میں آتا ہے اور کمپنیشن ایکٹ کی خلاف ورزی بھی ہے، دستیاب شواہد کی بنیاد پر اور اولیگوپولسک مارکیٹ ڈھانچے کو دیکھتے ہوئے یہ امکان موجود ہے کہ ٹریڈر مینوفیکچررز مبینہ ملٹی بھگت اور اجتماعی فیصلہ سازی میں ملوث ہیں جو کمپنیشن ایکٹ کے سیکشن 3 یا 4 کی خلاف ورزی کے زمرے میں آتا ہے۔



03 Sep 2021 | Back Page | Press Release

سی سی پی کا ٹریکٹر مینوفیکچررز کیخلاف انکوائری کا آغاز

کراچی کے مختلف دفاتر کا معائنہ، اہم معلومات کو قبضے میں لے لیا گیا

اسلام آباد (نامہ نگار خصوصی) ٹریکٹر انڈسٹری میں (پی) نے آج ملت ٹریکٹرز لمیٹڈ (MTL) لاہور کیپٹیشن ایکٹ، 2010 کے سیکشن 3 اور 4 اور الغازی ٹریکٹرز لمیٹڈ (AGTL) کراچی کی سپینڈ خلاف ورزیوں کے سلسلے میں جاری انکوائری کے دفتر کا سرچ آپکشن کیا۔ سرچ آپکشن کیپٹیشن کے حوالے سے، کیپٹیشن کمیشن آف پاکستان (سی سی پی) کے سیکشن (باقی صفحہ 8 بقیہ نمبر 1)

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بقیہ **کمپیوٹر** **1**
34 کے تحت کیا گیا تا کہ ٹریکٹر مینوفیکچررز کی مشتبہ کیپٹیشن مخالف سرگرمیوں سے متعلق دستاویزات، میننگ منٹ اور کمپیوٹر میں محفوظ معلومات کو ضبط کیا جا سکے۔

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مسابقتی کمیشن کا دو ٹریکٹر مینوفیکچررز کے
 دفاتر پر چھاپے، ریکارڈ قبضے میں لیا
 اسلام آباد (ارشاد انصاری سے) مسابقتی
 کمیشن آف پاکستان (سی سی پی) نے ٹریکٹر
 انڈسٹری میں مبینہ کارٹیلائزیشن و گھٹے جوڑے پر دو بڑے
 ٹریکٹر مینوفیکچررز کے دفاتر پر چھاپے مار کر ریکارڈ
 قبضے میں لے لیا ہے، مسابقتی کمیشن آف پاکستان کی
 جانب سے جاری کردہ (باقی صفحہ 5 نمبر 35)

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35 ریکارڈ قبضہ
 اعلامیہ کے مطابق ٹریکٹر انڈسٹری میں کمپنیشن ایکٹ،
 2010 کے سیکشن تین اور چار کی مبینہ خلاف ورزیوں
 کے سلسلے میں جاری انکوائری کے حوالے سے مسابقتی
 کمیشن نے گزشتہ روز کراچی کے دفاتر کا سرچ آپریشن
 کیا، قیمتوں کے اعداد و شمار کے تجزیے سے پتہ چلتا
 ہے کہ سال 2021 میں دونوں ٹریکٹر مینوفیکچررز نے
 ایک کم عرصے کے دوران ترتیب وار انداز میں اپنی
 قیمتوں میں اضافہ کیا۔

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مسابقتی کمیشن کی ٹیم کے ٹریکٹرز
بینائیوالی کمپنیوں کے دفاتر پر چھاپے
اسلام آباد (این این آئی) مسابقتی کمیشن نے
مسابقت مخالف سرگرمیوں (باقی صفحہ 5 نمبر 26)

بقیہ مسابقتی کمیشن 26

کے شے میں ملت ٹریکٹرز لمیٹڈ لاہور اور الغازی
ٹریکٹرز لمیٹڈ کراچی کے دفاتر کی سرچ انسپشن کی اور
اہم معلومات قبضے میں لے لیں۔ مسابقتی کمیشن کے
ترجمان نے اپنے جاری بیان میں کہا ہے کہ مجاز
افسران کی دو مختلف ٹیموں نے گزشتہ روز ملت ٹریکٹرز
لمیٹڈ لاہور اور الغازی ٹریکٹرز لمیٹڈ کراچی کے دفاتر
کی سرچ انسپشن کی، ٹریکٹرز مینوفیکچررز کے خلاف
انکوائری کا آغاز پاکستان سٹیزن پورٹل کے ذریعے
ٹریکٹرز کی قیمتوں میں حکومت کی جانب سے دی گئی
سبسڈی ریلیف کے باوجود خاطر خواہ اضافے کی
بنیاد پر کیا گیا، حقائق سے ظاہر ہوتا ہے کہ 2 سپلائرز
کی مارکیٹ میں اجاداری ہے۔ ترجمان نے بتایا کہ
قیمتوں کے اعداد و شمار کے تجزیے سے پتہ چلتا ہے
کہ سال 2021 میں دونوں ٹریکٹرز مینوفیکچررز نے
ایک کم عرصے کے دوران ترتیب وار انداز میں اپنی
قیمتوں میں اضافہ کیا۔ اعداد و شمار کے مطابق، ملت
ٹریکٹرز نے اکتوبر 2018 میں 5.1 فیصد، جولائی
2019 میں 13.7 فیصد، مارچ 2020 میں 3.2
فیصد اور جولائی 2020 میں 7.5 فیصد قیمتوں میں
اضافہ کیا۔ اسی طرح، الغازی ٹریکٹرز نے بھی
اکتوبر، نومبر 2018 میں 5.3 فیصد، اگست 2019
میں 10.5 فیصد، مارچ 2020 میں 4.1 فیصد، اور
جولائی 2020 میں 7.5 فیصد قیمتوں میں اضافہ
کیا۔ دستیاب شواہد کی بنیاد پر یہ امکان موجود ہے کہ
ٹریکٹرز مینوفیکچررز مبینہ ملی بھگت اور اجتماعی فیصلہ
سازی میں ملوث ہیں جو کمپنیشن ایکٹ کے سیکشن 3
اور یا 4 کی خلاف ورزی کے ذمے میں آتا ہے
۔ ترجمان نے بتایا کہ سی سی پی کمپنیشن ایکٹ کے
تحت معیشت کے تمام شعبوں میں آزادانہ مسابقت
کو یقینی بنانے کیلئے پرعزم ہے۔

سی سی پی کا ٹریکٹر انڈسٹری میں مہینہ کارٹیلائزیشن پر ٹریکٹر مینوفیکچررز کے دفاتر کا سرچ آپکیشن

دو مختلف ٹیموں نے ٹریکٹر مینوفیکچررز کے دفاتر کا سرچ آپکیشن کیا اور اہم معلومات کو قبضے میں لے لیا گیا

اسلام آباد (الاکھبر نیوز) ٹریکٹر انڈسٹری میں کمپنیشن ایکٹ 2010 کے سیکشن 3 اور 4 کی مہینہ خلاف ورزیوں کے سلسلے میں جاری انکوائری کے حوالے سے، کمپنیشن کمیشن آف پاکستان (سی سی پی) نے آج ملت ٹریکٹرز لمیٹڈ (MTL) لاہور اور الغازی ٹریکٹرز لمیٹڈ (AGTD) کراچی کے دفاتر کا سرچ آپکیشن کیا۔ سرچ آپکیشن کمپنیشن ایکٹ کے سیکشن 34 کے تحت کیا گیا تاکہ ٹریکٹر مینوفیکچررز کی مشتبہ کمپنیشن مخالف سرگرمیوں سے متعلق دستاویزات، میٹنگ منٹ اور کمپیوٹر میں محفوظ معلومات کو ضبط کیا جاسکے۔ مجاز افسران کی دو مختلف ٹیموں نے ٹریکٹر مینوفیکچررز کے دفاتر کا سرچ آپکیشن کیا اور اہم معلومات کو قبضے میں لے لیا۔ ٹریکٹر مینوفیکچررز کے خلاف انکوائری کا آغاز پاکستان سٹیزن پورٹل کے ذریعے ٹریکٹر کی قیمتوں میں حکومت کی جانب سے دی گئی سبسڈی ریلیف کے باوجود خاطر خواہ اضافے کی بنیاد پر کیا گیا۔ ٹریکٹر انڈسٹری تین مینوفیکچررز پر مشتمل ہے، جن میں ملت ٹریکٹرز لمیٹڈ (ایم ٹی ایل)، الغازی ٹریکٹرز لمیٹڈ (ای جی ٹی ایل) اور اورینٹل ٹریکٹرز لمیٹڈ (او ٹی ایل) شامل ہیں۔ تین میں سے، دو ٹریکٹر مینوفیکچررز، یعنی ملت ٹریکٹرز لمیٹڈ (70 فیصد) اور الغازی ٹریکٹرز لمیٹڈ (29 فیصد)، کا مجموعی مارکیٹ شیئر 99 فیصد ہے۔ جیسا کہ حقائق سے ظاہر ہوتا ہے کہ پاکستان میں ٹریکٹر انڈسٹری دوہری مارکیٹ کا ڈھانچہ رکھتی ہے (یعنی 2 سپلائرز کی مارکیٹ میں اجاداری ہے) جس کی وجہ سے یہ ممنوعہ اجتماعی سرگرمیوں کے لیے بھی زیادہ حساس ہے۔ قیمتوں کے اعداد و شمار کے تجزیے سے پتہ چلتا ہے کہ سال 2021 میں دونوں ٹریکٹر مینوفیکچررز نے ایک کم عرصے کے دوران ترتیب وار انداز میں اپنی قیمتوں میں اضافہ کیا۔ اعداد و شمار کے مطابق، ملت ٹریکٹرز نے اکتوبر 2018 میں 1-5 فیصد، جولائی 2019 میں 7-13 فیصد، مارچ 2020 میں 2-3 فیصد اور جولائی 2020 میں 5-7 فیصد قیمتوں میں اضافہ کیا۔

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ٹریکٹروں کی قیمتیں بڑھانے کیلئے 'گٹھ جوڑ'، مسابقتی کمیشن کا ملت اور الغازی ٹریکٹرز کے دفاتر پر چھاپہ

مارکیٹ میں 99 فیصد شنیر رکھنے والے دونوں مینوفیکچررز کے خلاف انکوائری کا آغاز اُس وقت ہوا جب پاکستان سٹیزن پورٹل پر شکایات موصول ہوئیں کہ حکومتی سبسڈی کے باوجود ٹریکٹروں کی قیمتوں میں اضافہ کر دیا گیا ہے، ترجمان مسابقتی کمیشن

By [ای۔ای۔ای](#) - September 2, 2021

اسلام آباد: مسابقتی کمیشن آف پاکستان (سی سی پی) نے مسابقت مخالف سرگرمیوں کے شبہ میں ملت ٹریکٹرز لمیٹڈ لاہور اور الغازی ٹریکٹرز لمیٹڈ کراچی کے دفاتر کا سرچ انسپکشن کیا اور اہم دستاویزات قبضے میں لے لیے۔ مسابقتی کمیشن کے ترجمان کی جانب سے جاری بیان میں کہا گیا ہے کہ ٹریکٹر انڈسٹری میں کمپی ٹیشن ایکٹ 2010ء کے سیکشن 3 اور 4 کی مبینہ خلاف ورزیوں کے سلسلے میں جاری انکوائری کے حوالے سے جمعرات کو ملت ٹریکٹرز لمیٹڈ لاہور اور الغازی ٹریکٹرز لمیٹڈ کراچی کے دفاتر کا سرچ انسپکشن کیا گیا۔

سی سی پی کے مجاز افسران کی سربراہی میں دو ٹیموں نے دونوں ٹریکٹر ساز اداروں کے دفاتر کے سرچ انسپکشن کے دوران ٹریکٹر سازی کی مشتبہ مسابقت مخالف سرگرمیوں سے متعلق دستاویزات، میٹنگ منٹس اور کمپیوٹرز میں محفوظ ریکارڈ کو ضبط کر لیا۔ ترجمان نے بتایا کہ ٹریکٹر مینوفیکچررز کے خلاف انکوائری کا آغاز اس وقت ہوا جب پاکستان سٹیزن پورٹل پر شکایات موصول ہوئیں کہ ٹریکٹر کی قیمتوں میں حکومت کی جانب سے دی گئی سبسڈی کے باوجود خاطر خواہ اضافہ کر دیا گیا ہے۔ واضح رہے کہ پاکستان میں تین ادارے ٹریکٹر سازی سے وابستہ ہیں جن میں ملت ٹریکٹرز لمیٹڈ (ایم ٹی ایل)، الغازی ٹریکٹرز لمیٹڈ (اے جی ٹی ایل) اور اورینٹ ٹریکٹرز لمیٹڈ (او ٹی ایل) شامل ہیں۔ تینوں میں سے دو مینوفیکچررز ملت ٹریکٹرز لمیٹڈ (70 فیصد) اور الغازی ٹریکٹرز لمیٹڈ (29 فیصد) کا مجموعی مارکیٹ شیئر 99 فیصد ہے۔

سی سی پی کے بیان میں کہا گیا ہے کہ پاکستان میں ٹریکٹر انڈسٹری دوہری مارکیٹ کا ڈھانچہ رکھتی ہے یعنی دو سپلائرز کی مارکیٹ میں اجارہ داری ہے جس کی وجہ سے یہ تجارتی گٹھ جوڑ کیلئے بھی زیادہ حساس ہے۔

ترجمان نے بتایا کہ قیمتوں کے اعدادوشمار کے تجزیے سے پتہ چلتا ہے کہ سال 2021ء میں دونوں ٹریکٹر مینوفیکچررز نے کم عرصے کے دوران اپنی قیمتوں میں اضافہ کیا، ملت ٹریکٹرز نے اکتوبر 2018ء میں 5.1 فیصد، جولائی 2019ء میں 13.7 فیصد، مارچ 2020ء میں 3.2 فیصد اور جولائی 2020ء میں 7.5 فیصد قیمتوں میں اضافہ کیا۔

اسی طرح الغازی ٹریکٹرز نے بھی اکتوبر نومبر 2018ء میں 5.3 فیصد، اگست 2019ء میں 10.5 فیصد، مارچ 2020ء میں 4.1 فیصد اور جولائی 2020ء میں 7.5 فیصد قیمتوں میں اضافہ کیا۔

مسابقتی کمیشن کے مطابق ترتیب وار انداز میں قیمتوں میں تقریباً ایک جیسا اضافہ ٹریکٹر مینوفیکچررز کے درمیان قیمتوں کے حوالے سے مبینہ گٹھ جوڑ کے امکان کی نشاندہی کرتا ہے۔

بیان میں کہا گیا ہے کہ ملت اور الغازی کا عارضی بکنگ آرڈر فارم بھی تقریباً ایک جیسا ہے اور عارضی بکنگ آرڈر فارم کے مندرجات بھی کمپی ٹیشن ایکٹ کے لحاظ سے غیر معقول اور استحصالی دکھائی دیتے ہیں۔ اس سے بھی پتہ چلتا ہے کہ دونوں مینوفیکچررز کے درمیان ایک ممکنہ ممنوعہ معاہدہ طے پایا ہوا ہے۔

سی سی پی کا مزید کہنا ہے کہ ملت ٹریکٹرز لمیٹڈ اور اس کے ڈیلرز کے درمیان ڈیلرشپ معاہدے کی جانچ سے یہ مشاہدہ بھی کیا گیا ہے کہ مذکورہ معاہدے کی شق 5 ڈیلرز کو کمپنی کی جانب سے مقرر کردہ قیمت سے کم قیمت پر فروخت کرنے سے روکتی ہے جو ممنوعہ ری سیل پرائس مینٹیننس (آر پی ایم) کے زمرے میں آتا ہے اور کمپٹیشن ایکٹ کی خلاف ورزی بھی ہے۔

دستیاب شواہد کی بنیاد پر اور اولیگو پولسٹک مارکیٹ ڈھانچے کو دیکھتے ہوئے یہ امکان موجود ہے کہ ٹریکٹر مینوفیکچررز مبینہ ملی بھگت اور اجتماعی فیصلہ سازی میں ملوث ہیں جو کمپٹیشن ایکٹ کے سیکشن 3 اور 4 کی خلاف ورزی کے زمرے میں آتا ہے۔

ترجمان نے بتایا کہ سی سی پی کمپٹیشن ایکٹ کے تحت معیشت کے تمام شعبوں میں آزادانہ مسابقت کو یقینی بنانے اور کمپٹیشن مخالف رویوں بشمول پرائس فکسنگ، پرائس کوارڈی نیشن اور ری سیل پرائس مینٹیننس وغیرہ سے صارفین کو بچانے کے لیے پرعزم ہے۔



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کمپیٹیشن کمیشن آف پاکستان کا ٹریکٹر مینوفیکچررز کے دفاتر پر چھاپہ

کمپیٹیشن کمیشن آف پاکستان نے ٹریکٹر مینوفیکچررز کے دفاتر پر چھاپہ مارا ہے۔
تفصیلات کے مطابق سی سی پی نے آج ٹریکٹرز لمیٹڈ لاہور اور الغازی ٹریکٹرز لمیٹڈ
کراچی کے دفاتر پر سرچ آپریشن کیا۔

سی سی پی کا کہنا ہے کہ ٹریکٹر مینوفیکچررز کے خلاف انکوائری کا آغاز پاکستان
سٹیزن پورٹل کے ذریعہ ہوا۔

سی سی پی نے بتایا کہ ٹریکٹر انڈسٹری تین مینوفیکچررز پر مشتمل ہے۔ دو ٹریکٹر
مینوفیکچررز کا بالترتیب 70 اور 29 فیصد مجموعی مارکیٹ شیئر ہے۔

سی سی پی کا کہنا تھا کہ سال 2021 میں دونوں ٹریکٹر مینوفیکچررز نے قیمتوں میں
اضافہ کیا۔ قیمتوں میں حکومت کی جانب سے دی گئی سبسڈی ریلیف کے باوجود خاطر
خواہ اضافہ ہوا۔

ذرائع کا کہنا ہے کہ سی سی پی نے اس سرچ آپریشن میں کمپنی کے دستاویزات، میٹنگ
منٹس اور کمپیوٹرز میں محفوظ معلومات کو ضبط کر لیا۔

سی سی پی کا مزید کہنا ہے کہ سرچ انسپکشن کے دوران اہم معلومات کو قبضے میں لے
لیا گیا ہے۔



03 Sep 2021 | Online | Press Release

CCP Conducts Search, Inspection Of MTL, AGTL



ISLAMABAD, (APP - UrduPoint / Pakistan Point News - 2nd Sep, 2021) :As part of an investigation against tractor manufacturers for prima facie violation of Sections 3 and 4 of the Competition Act, 2010, the Competition Commission of Pakistan (CCP) Thursday carried out search and inspection of Millat Tractors Ltd (MTL) Lahore and Al-Ghazi Tractors Ltd (AGTL) Karachi.

The search inspections were carried out under Section 34 of the Act, Both the undertakings fully cooperated by providing the relevant record, documents, meeting minutes and computer-stored information to the two CCP search teams, said a press release. Some critical data has been impounded during the search and inspections.

The CCP initiated the enquiry upon receiving concerns through the Pakistan Citizen Portal about a drastic increase in the prices of tractors at different points in time despite subsidy relief given by the government on sales tax and a great extent of localisation in the tractors industry.

The complainants also alleged that the tractors being manufactured were of substandard built quality resulting in a frequent breakdown. The tractor industry in Pakistan appears to have a duopoly market structure, which makes it more susceptible to collusive activities.

Among the manufacturers, Millat Tractors has a 70 per cent market share (in FY2020-21), and Al-Ghazi Tractors has a 29 per cent market share (in FY 2020-21). The duo has a collective market share of 99 per cent.

The CCP's preliminary investigation shows that both the tractor manufacturers sequentially increased their prices in 2021 and the quantum of percentage increase was approximately similar in the case of alternative products, i.e. tractors. Such a sequential price pattern was also observed from 2018 to 2020.

Millat tractors increased prices by 1to 5 per cent in October 2018, 7to 13 per cent in July 2019, 2to 3 per cent in March 2020, and 5to 7 per cent in July 2020. Similarly, Al-Ghazi Tractors increased the prices of its various models by 3to 5 per cent in October-November 2018, 5 to 10 per cent in August 2019, 1to 4 per cent in March 2020, and 5to 7 per cent in July 2020.

It is worth noting that the tractor industry is over 90 per cent localised, and there is hardly any technological advancements by the tractor manufacturers. Thus, the price increases by the market leader, i.e. Millat Tractors, followed by the second biggest market player, i.e. Al-Ghazi Tractor, in close succession, and similar quantum indicate the possibility of price coordination between the tractor manufacturers. The investigation so far reveals that the Provisional Booking Order Forms (PBOs) of Millat and Al-Ghazi also appear to be similar, unreasonable, and exploitative in terms of the Act and indicate the possibility of collusion.

The CCP is also investigating the possibility of Resale Price Maintenance (RPM) by one of these two companies. Through RPM, a supplier pressures a business not to sell products below a specific price; hence it is detrimental to competition.

The search inspections have been carried out to see if the tractor manufacturers are involved in the alleged anti-competitive activities such as collusion and collective decision making with respect to price hike of tractors, undue shortage despite of excessive capacity, identical clauses in the PBOs of both companies, and RPM.

The CCP is mandated under the Act to ensure free competition in all spheres of commercial and economic activity to enhance economic efficiency and protect consumers from anti-competitive behavior.

03 Sep 2021 | Online | Press Release

CCP Raids Tractor Companies Against Anti-Competitive Activities

by [Ahsan Gardezi](#)

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