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CCP Delays Sugar Cartel Case as Mills Cite Court Recess

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The Competition Commission of Pakistan (CCP) has rescheduled hearings in the sugar cartelisation case against 79 sugar mills and the Pakistan Sugar Mills Association (PSMA) to September 2025, following requests for a delay due to the Supreme Court's summer recess.

The Competition Commission of Pakistan (CCP) has postponed hearings in a high-profile sugar cartelisation case involving 79 sugar mills and the Pakistan Sugar Mills Association (PSMA) until September 22–25, 2025, after legal counsels for the mills requested a delay, citing the unavailability of their representatives during the Supreme Court's summer recess. The decision, announced by the CCP on August 4, 2025, follows appeals from over 50 mills challenging the Competition Appellate Tribunal's (CAT) earlier

order for a rehearing, as reported by Business Recorder. The CCP emphasized that this is a one-time postponement to ensure fairness, but no further delays will be granted, and hearings will proceed daily.

In 2021, the CCP imposed a record penalty of Rs44 billion on the PSMA and its member mills for alleged anti-competitive practices, including price-fixing and manipulating sugar supply through coordinated export decisions. The Competition Appellate Tribunal (CAT) later set aside the penalty, ruling that the CCP chairperson's casting vote in a 2-2 deadlock was invalid under the Competition Act, 2010, and ordered a fresh hearing by an impartial member. The case, which stems from a 2020 inquiry, alleges that the PSMA facilitated cartelisation by sharing sensitive commercial information, such as stock positions and production quotas, leading to price hikes that burdened consumers. A 2019 price surge of Rs18 per kilogram, coupled with Rs40 billion in additional revenue for mill owners, was linked to these practices, according to a CCP report.

The postponement has sparked concerns about delays in addressing consumer harm, with the Public Accounts Committee recently noting that sugar mills earned Rs300 billion through recent price increases. The CCP's decision to grant the delay aligns with its commitment to due process, but it has firmly stated that the September hearings will proceed without interruption. The case's outcome is critical, as it could set a precedent for tackling market manipulation in Pakistan's sugar industry, which produces 6–8 million metric tonnes annually yet faces recurring shortages due to alleged hoarding and smuggling.