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COMPETITION COMMISSION OF INDIA

Case No. 06 of 2023

In Re:

Ulink Agritech Private Limited

Office No. 106 (B&C), 6th Floor, Building A-1,
E-Space IT Park, S. No. 4/1,
Nagar Road, Pune
Maharashtra – 411014

Informant

And

Agro Input Dealers Association

Shrikrishna Apartments, 39/A,
Gultekdi, Opp. Apsara Cinema,
Market Yard Road, Pune
Maharashtra- 411037

Opposite Party No.1

Agro Input Welfare Association

15 Sardar Patel Market,
O/S Jamalpur Gate Paldi,
Ahmedabad, Gujarat – 380022

Opposite Party No.2

Mr. Manmohan C. Kalantri

Shrikrishna Apartments, 39/A,
Gultekdi, Opp. Apsara Cinema,
Market Yard Road, Pune
Maharashtra- 411037

Opposite Party No.3

Mr. Arvindbhai Jerambhai Patel

15 Sardar Patel Market,
O/S Jamalpur Gate Paldi,
Ahmedabad, Gujarat – 380022

Opposite Party No.4

CORAM

Ms. Ravneet Kaur
Chairperson

Ms. Sweta Kakkad
Member

Mr. Deepak Anurag
Member



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Appearances during the hearings:

Ulink Agritech Private Limited : *Mr. Abir Roy, Advocate*
(Informant) *Mr. Vivek Pandey, Advocate*
Mr. Aman Shankar, Advocate
Mr. Sasthibrata Panda, Advocate

Agro Input Dealers Association : *Mr. Vijay Sardana, Advocate*
Agro Input Welfare Association *Mr. Arvindbhai Jerambhai Patel, OP-4*
Mr. Manmohan C. Kalantri *Mr. Pravinbhai Patel, Individual OP-1*
Mr. Arvindbhai Jerambhai Patel
(Opposite Parties)

Order under Section 27 of the Competition Act, 2002

1. The present Information has been filed by Ulink Agritech Private Limited (“**Informant**”) alleging contravention of provisions of Section 3(3)(b) of the Competition Act, 2002 (“**Act**”) by Agro Input Dealers Association (“**AIDA**”/“**OP-1**”), Agro Input Welfare Association (“**AIWA**”/“**OP-2**”), Mr. Manmohan C. Kalantri (“**President of AIDA**”/“**OP-3**”) and Mr. Arvindbhai Jerambhai Patel (“**Secretary of AIDA and Co-ordinator of AIWA**”/“**OP-4**”). (Hereinafter, OP-1, OP-2, OP-3 and OP-4 are collectively referred to as “**Opposite Parties**”/ “**OPs**”).

Facts in brief, as stated in the Information

2. The Informant is stated to be an agricultural technology start-up engaged in providing: (i) consultation services to farmers through its call centre, mobile application (“**AgroStar**”) and network of franchisee stores; and (ii) doorstep access of agricultural inputs to farmers. It is stated that the Informant provides omni-channel services to farmers across five states namely, Gujarat, Maharashtra, Madhya Pradesh, Rajasthan and Uttar Pradesh. Further, the Informant is engaged in the business of marketing and trading of agricultural inputs such as fertilisers, pesticides, nutrients, seeds, sprayers, hardware products and advisory services in relation to agriculture.
3. OP-1 is stated to be a national level organisation of agro-input dealers. OP-2 is a state level organisation of agro-input dealers in Gujarat. It is stated that registered members of OP-1



and OP-2 comprise of seed manufacturers, distributors and retailers. OP-3, is the President of OP-1 and stated to be the Director of Kalantri Beej Bhandar Private Limited and IFFCO eBazar Limited. OP-4 is the Secretary of OP-1 and also the Co-ordinator of OP-2. It is also stated to be the Managing Director of Gujarat Agro Seeds Company.

4. It is stated that products supplied by the Informant are purchased from global/national manufacturers namely, Monsanto, Corteva Agri-Science India Private Limited, UPL Ltd., Syngenta, *etc.* and from their dealers. Such products are sold by the Informant under the private label of AgroStar as well as on a non-private label basis (*i.e.*, distribution of products as received from manufacturers/ dealers).
5. It is also stated that the Informant has tied up with numerous retail stores *i.e.*, ‘Saathi Stores’ across the five states on a non-exclusive basis. These Saathi Stores are branded as ‘AgroStar ki laal dukan’ that purchase products (both private label and non-private label products) from the Informant and further supply the same to farmers. As per the Informant, the aforementioned arrangement is beneficial for farmers as they are able to directly visit the Saathi Store within their proximity for both personal assistance and direct purchase of agri-products. It also benefits dealers/retailers as the member companies of the OPs refuse to supply products in small quantities as per the requirements of small dealers.
6. It has been alleged that certain trade associations including the OPs have initiated campaigns against the Informant and are threatening Saathi Stores and prospective retail stores, stating that any store having dealership with the Informant shall have to face consequences. The Saathi Store partners have allegedly started severing ties with the Informant under threats of consequences. The OPs, being powerful associations, were threatening various Saathi Store partners to terminate their dealerships and to take down ‘AgroStar’ logo and sign boards from their shops. It has also been alleged that OP-2 had organised a meeting wherein it openly called its members to boycott online companies operating in agri-input market.
7. As per the Informant, the OPs, being powerful trade associations, are using their power to drive the Informant out of the market by forcing agri-input companies to stop supplies to



online platforms, stating that it is against the larger interest of farmers. It has been stated that the OPs were circulating a series of false and baseless messages on social media as a part of their campaign. A number of messages showing progress and success of OP-2's campaign against online platforms bringing out compliance of their instruction by the members have been enclosed along with the Information. It is alleged that the OP-1 and OP-2 were trying to deter its members from buying and selling agri-input products through online platforms, citing legal consequences. Further, there are also messages which have been circulated by the OPs to boycott seed and pesticide companies who refuse the diktat of the OPs and continue to deal with the Informant.

8. It has been stated that the Informant has a valid license to sell agri-input products and has complied with the existing laws in India. The Informant has alleged that the actions taken by the OPs are against the Digital India initiative of the Government and would seriously affect the ease of doing business in India in a negative manner. It has been stated that the Ministry of Agriculture and Farmers Welfare *vide* its Gazette Notification G.S.R. 846 (E) dated 24.11.2022 (“**notification dated 24.11.2022**”), published the Insecticides (Second Amendment) Rules, 2022. The amendment added a new Rule 10(E) to the Insecticides Rules, 1971 which permits online sale of insecticides through e-commerce entities. The said Rule 10 (E) reads as follows:

“10(E) Sale of Insecticides through e-commerce entity

A licensee, during the currency of license, may undertake sale of any insecticide through e-commerce entity for supply of insecticides to the doorstep of farmers and the licensee shall comply with the provisions of the Act and the rules made thereunder for the time being in force.....”

9. It is alleged that through the action of the OPs, as a cumulative effect, both the chain of procurement of agri-inputs from manufacturer and selling them through retailers are cut for the Informant.
10. In a nutshell, the entire *modus operandi* of the OPs was to coerce agri-input companies and retailers not to deal with the Informant/online platforms. Accordingly, the Informant has



alleged that the illegal and anti-competitive campaign started by the OPs has achieved its purpose as various major agri-input manufacturers have written to the OPs affirming that they will not choose any online e-commerce firms or enter into any dealership agreement with them to sell their products and issued directions to its dealers and distributors to desist from engaging in such acts, citing legal consequences in case of violation.

11. It has been stated that, there exists an understanding between members of the OPs which, through their impugned conduct on the part of the OPs is in violation of Section 3(3)(b) of the Act as they have limited the channel of supply and distribution of agri-inputs by forcing the Informant to limit their reach to farmers. The OPs have also hindered the technical development by not allowing growth of technology based innovative players like that of the Informant in the market.
12. The Informant, *inter alia*, prayed the Commission, to direct the Director General (“DG”) to investigate the matter against the OPs and all other unidentified parties as found to be indulged in the instant anti-competitive practice and pass an order under Section 27 of the Act, directing the OPs and its members to cease and desist from indulging in anti-competitive activities while imposing penalty for the same.

***Prima facie* order dated 03.01.2024**

13. The Commission considered the Information, comments/response dated 02.07.2023 filed by the OPs and rejoinder dated 20.07.2023 filed by the Informant. The Commission *prima-facie* noted that the decision taken by the OPs relating to stopping the sales through online platforms including that of the Informant, imposed upon their members (*i.e.*, dealers, retailers and seed producers), engaged in the supply and distribution of agri-inputs, is covered within the scope of Section 3(3)(b) of the Act.
14. The Commission noted that the material furnished by the Informant, *prima-facie* reveals that restriction has been imposed/likely to be imposed by the OPs upon its members to not sell their products on online platforms. The evidence provided in the Information brought out compliance of the directions of the OPs to boycott business through e-commerce.



15. Based on the above, the Commission was of the *prima facie* opinion that the conduct of the OPs was in contravention of provisions of Section 3(3)(b) read with Section 3(1) of the Act and warranted an investigation by the DG.
16. Accordingly, the Commission directed the DG to cause an investigation into the matter under the provisions of Section 26(1) of the Act. It was made clear that, if during the course of the investigation, the DG came across involvement of any other entity in addition to those mentioned in the Information, the DG shall be at liberty to investigate the same.
17. The Commission also directed the DG to investigate the role of persons/ officers who were in-charge of and were responsible for the conduct of the businesses of the OPs/other entities, if any, at the time the alleged contravention was committed as well as persons/officers with whose consent or connivance the alleged contravention was committed, in terms of the provisions of Section 48 of the Act.
18. Meanwhile, the Informant filed an Interim Relief Application dated 20.02.2023 under Section 33 of the Act. The Commission heard the parties on 20.03.2024 and *vide* order dated 29.05.2024 rejected the said application, stating that no case was made out by the Informant for grant of interim relief in light of the dicta laid down by the Hon'ble Supreme Court of India in *Competition Commission of India vs. Steel Authority of India Limited (2010) 10 SCC 744*.
19. The DG submitted the Investigation Report dated 28.01.2025 ("IR"), in both confidential as well as non-confidential versions. The Commission considered the IR in its ordinary meeting held on 26.03.2025.

Findings of the Director General

20. The DG in its IR identified the following three issues:

Issue 1

21. Whether the OPs have violated Section 3(3)(b) of the Act read with Section 3(1) of the Act by limiting or controlling the channel of production, supply, market and provision of services of agri-inputs by asking its members (*i.e.*, dealers, retailers and seed manufactures



who are engaged in the supply and distribution of agri-inputs) to stop the sale through online platforms?

Issue 2

22. Whether OPs have violated Section 3(3)(b) of the Act, by hindering the technical development by restricting the growth of technology based innovative players like that of the Informant in the market?

Issue 3

23. If the answer to the above are in the affirmative, who were the persons/officers in charge of and responsible for the conduct of the business of the OPs at the time of the said contravention?

Findings

24. One of the main allegations raised by the Informant in the case is that the OPs are discouraging retailers, dealers and manufacturers to continue their business with online platforms by adopting different strategies and methods. One of such methods was to mislead and threaten the retailers and dealers that selling of pesticides purchased from online platforms is prohibited under the law. The Informant cited the Insecticides (Second Amendment) Rules, notified on 24.11.2022 wherein sale of products *viz.*, fertilisers, insecticides and seeds are permitted online. The said amendment added a new Rule 10(E) to the Insecticides Rules, 1971 which permits online sale of insecticides through e-commerce entities.

25. The DG noted that even though the sale of agri-input products was permitted online, still the OPs *viz.*, OP-1 and OP-2 initiated a smear campaign to stop online sales. In addition, OP-1 issued a communication from its platform to agri-input companies *vide* letter dated 05.08.2022 directing them to stop sale of agri-inputs through online platform. The said letter is reproduced below for reference:



Public Version

S/1584/2016 Dt. 21/12/2016
: (020) 26457310

AGRO INPUT DEALERS ASSOCIATION, NEW DELHI

ADMIN OFFICE
Shrikrishna Apartment, 39/A, Gultekdi, Opp. Apsara Cinema, Market Yard Road, PUNE - 411037

PRESIDENT Manmohan C. Kalantri Mob.: 09422241298	TREASURER Abasaheb P. Bhokare Mob.: 09011034500	GEN. SECRETARY Pravibhai M. Patel Mob.: 09925955511
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WORKING AREA - ALL INDIA

VICE PRESIDENT

Purushottam Khandekar
Mo: 09314149473 (Rajasthan)
Harmesh Singh Srava
Mo: 09416191154 (Haryana)
Munender Gaurishetty
Mo: 09849020899 (Telangana)
Mansingh Rajput
Mo: 09425305227 (M.P.)
Dwarika Gupta
Mo: 09425532813 (Chattisgarh)
Jirendarsingh
Mo: 09431011944 (Bihar)

SECRETARY

Arvindbhai Patel
Mo: 09825033843 (Gujarat)
Surinder Singh Barhwal
Mo: 09463300622 (Punjab)
M. Bathiya Moorthy
Mo: 09443144973 (Tamilnadu)
V.V. Nagi Reddy
Mo: 09849764648 (A.P.)

ADVISOR

Satyansayan Kasai
Mo: 09422243115 (M.S.)

STATE PRESIDENT

Prakash M. Kawade
Mo: 09890350350 (M.S.)
M. Mohan
Mo: 09842488886 (Tamilnadu)
Raj Kumar Rassewani
Mo: 09888476451 (Punjab)
Bhimashankar Rao
Mo: 09848144579 (A.P.)
Prabhu Nadkarni
Mo: 09448357876 (Karnatak)
Abul Tripathi
Mo: 08052489336 (U.P.)
Rakesh Ahuja
Mo: 09816022122 (H.P.)
Arun Gufguttia
Mo: 09431700000 (Jharkhand)
Chitta Ranjan Dey
Mo: 09434078636 (W.B.)
Rajendra Kumar Patro
Mo: 08249263698 (Odisha)

SPOKESMAN

Sanjay Kumar Raghuvanshi
Mo: 09898697360 (M.P.)

Request Letter

5/8/2022

To**All companies****Sub: Problem of online business in Agri Input products**

The performance of Agriculture sector of our nation in last 50 year is considered with very high regard Globally; we have turned from an importer to a major exporter of Ag commodities even after feeding 135 crore population. The Agri-inputs sector has also developed to a respectful Level Globally, India is considered Leader in many segments of Agro-inputs. Its achievement could not have been possible without the whole hearted involvement of all dealers, as the dealer are directly involved in the farming activities of the farmers due to regular contacts. We provide agri-input to the farmers on seasonal credit which may turn in to a low credit also due to agro climatic situation. We wish to highlight some main contribution of all dealers to agri inputs sector, which are as mentioned hereunder:

1. Due to direct contacts, timely guidance and trust of the farmers, the dealers have developed the market for your products with such a huge volume. It is highly impossible even for a large corporation to reach out to 10 crore farmers for product development.
2. The online marketers sell only Brand products due to the demands, whereas dealers co-operate you in selling of your many products. There are high chances of selling of duplicate products online marketing, many brands in other segments are facing the same type of problem and some of them have shifted to offline sales also.
3. It is not possible to develop a new product or technology without personal contacts as assurance of the performance of the product/technology to the farmers. We have developed such segments keeping faith in you, future products/technologies would require the same type of contribution from the dealer.
4. All the license holders are well trained and experience persons who can justify the proper requirements of chemicals/inputs. The farmers need crop advisory services on regular basis & the usages of agro-chemicals, seeds and fertilizers as the field level conditions are changing very fast due to environment stresses and rain patterns changes. A farmer having cultivated the same crop in different fields mostly have different problems, the dealers can only provide solution to

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Reg. No. - S/1584/2016 Dt. 21/12/2016
Ph : (020) 26457310

E-mail : info@aida.org

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AGRO INPUT DEALERS ASSOCIATION, NEW DELHI

ADMIN OFFICE
Shrikrishna Apartment, 39/A, Gultekdi, Opp. Apsara Cinema, Market Yard Road, PUNE - 411037

PRESIDENT Manmohan C. Kalantri Mob.: 09422241298	TREASURER Abasaheb P. Bhokare Mob.: 09011034500	GEN. SECRETARY Pravibhai M. Patel Mob.: 09925955511
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Mansingh Rajput
Mo : 09425300227 (M.P.)

Dwarika Gupta
Mo : 09425532813 (Chattisgarh)

Vinodarsingh
Mo : 09431011944 (Bihar)

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Surinder Singh Barwala
Mo : 09483308822 (Punjab)

M. Sathya Maorthy
Mo : 09443144973 (Tamilnadu)

Y.V. Nagi Reddy
Mo : 09849764646 (A.P.)

ADVISOR

Balynarayan Kasat
Mo : 09422243115 (M.S.)

STATE PRESIDENT

Prakash M. Kawade
Mo : 09890350309 (M.S.)

M. Mohan
Mo : 09842488888 (Tamilnadu)

Ujj Kumar Rassewail
Mo : 09888475451 (Punjab)

Bhimashankar Rao
Mo : 09848144579 (A.P.)

Prabhu Nadkatti
Mo : 09448357878 (Karnataka)

Atul Tripathi
Mo : 09052689365 (U.P.)

Rakesh Ahuja
Mo : 09818022122 (H.P.)

Arun Gutgutiya
Mo : 09431700000 (Zarhand)

Chhita Ranjan Dey
Mo : 09434078836 (W.B.)

Rajendra Kumar Patro
Mo : 08249263698 (Odissa)

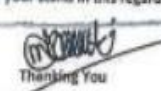
SPOKESMAN

Sanjay Kumar Raghuvanshi
Mo : 09880897360 (M.P.)

the farmers as most of the dealers pay regular visits to the fields. Such type of involvement is possible with online marketing setup.

5. Pesticides contain poisons, transportation through couriers have high chances of contamination with other materials including foods.

Considering the abovementioned background, we from Tehsil level to National level association have decided to request all agro-inputs companies to stop the sale through online platform. There are more than 85% farmers of India are small and marginal farmers, under such circumstances we believe that for the larger interest of the farmers and the food security of a nation, you should stop online sale. We have decided to co-operate with companies only who sell their products in every part of nation through offline setup. We, therefore, request you to kind clear your stand in this regard in writing before 20th August, 22 and oblige.


Thanking You



26. In the last para of the said letter, it has been specifically mentioned that OP-1 will cooperate with only those agri-input companies who sell their products through offline mode. The DG observed that during the course of investigation, Mr. Manmohan C. Kalantri, President, AIDA (OP-3), did not deny that the association forced the online agri-input retailers to discontinue their online business and when confronted with the contents of the last para of the said letter viz., “in the larger interest of the farmer and the food security of a nation,



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you should stop online sales”, he failed to justify his statement by way of placing any data, statistics, effect analysis of the initiative or any other measures taken by the association in this regard that substantiate his contention.

27. In reference to this, the investigation gathered copies of certain response letters submitted by agri-input companies to OP-1 showing their support to the association’s initiative. The copies of the letters from some companies such as Ajeet Seeds Pvt. Ltd., Ankur Seeds Pvt. Ltd, Kaveri Seeds Company Ltd, Nath Bio Genes (I) Ltd, Syngenta India Pvt, Ltd, Tulasi Seeds Pvt. Ltd, issued to AIDA. The copies of the letters from said companies are reproduced below for reference:

Space intentionally left blank



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EXHIBIT -3

Ajeet
Seeds Pvt. Ltd.

To
Agro Input Dealers' Association
Gujarat

Subject: Refer to your letter through agro input dealer's
association-
New Delhi, dated 5th August -2022.

Dear
Channel Partners,

We have been thankful to our channel partners for long standing
association with us for doing business together which has been
mutually rewarding.

As per your letter refer above, in given situation and
development, we hereby extend our support to Agro input dealers'
association -Gujarat.

We believe in shared value for our business growth in state of
Gujarat for Ajeet and Arya brand seeds

All the best
For Ajeet Seeds Private Ltd.

Piyush Bhatnagar
Senior Business Manager

Ajeet Seed Pvt.Ltd

Ahmedabad

Ravichandran Babu
Regional manager

Arya Hybrid Seed Ltd

Ahmedabad

Sreen
5/11/2024
(Mamanchan Kalambar)

Address: Plot No. 233, Chetpuri, To Patidar, Dist Anand - 388 121 (Vahmatpur) India. Tel: +91-2431-251444/5, 251833, Fax: +91-2431-251833.
E: S - E - 327, Doshi Chambers, Block 204, Hyderabad, Hyderabad - 500025 (Telangana State) India. Tel: +91-40-23392500, Fax: +91-240-2333135.
Email: info@ajeetseed.com Website: www.ajeetseed.co.in. CIN No. UD1105TG1000PTC112212.



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To,
Agro Input Dealer's Association,
Gujarat.

20th Oct, 2022

Subject- Regarding E- commerce online business letter on 5th Aug, 2022.

Dear Business Partners,

Ankur Seeds Pvt. Ltd is one of the most prestigious seeds organization offering a wide range of seeds in cotton, field crops and vegetable. Since 1974, the company has been successful in retaining farmers' trust. We provide best quality hybrids and varietal seeds pan India with our business partners. We thank our dealers - distributors for their support in expanding companies' business.

Ankur Seeds believes is in favor of doing business with our dealer-distributor channels rather than online e-commerce business.

We thank our trade partners for a smooth business till now and even henceforth.

Thanking You,

Sushil Raut

Dy. Zonal Manager,
Ankur Seeds Pvt .Ltd,
Ahmedabad, Gujarat.



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To
Agro Inputs Dealer Association
Gujarat

Date: 20/10/2022

Sub: Declaration regarding disassociation with online retail business

Dear Business Associates,

Kaveri seed company Limited is in Research, Production and Marketing of Hybrid showing seeds (Field crops and vegetables) acquiring good amount of market share as well, through our loyal distribution and retailer's channel pan India , which could be possible with your cordial relation and uplifting for the services to the Farmer Community at most.

By seeing the current marketing practices and it's long term effect on conjugation, it has been decided that, no business will be done through online retailers and the same would be expected from the retailers community to abstain from such practices to guard our mutual growth means distributors/ dealers should not supply the product to e-commerce companies.

For Kaveri seed Company Limited

Ketanpatel
(Regional Business Manager)
State: Gujarat


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NATH SEEDS*

Nath Bio-Genes (I) Ltd.

(CIN L01110MH1023PLC072842)

310, Sakar – III, Nr. Income Tax Circle, Ashram Road, Ahmedabad – 380 014.

26th September, 2022

Agro Inputs Dealer's Association
Gujarat

Subject : E-commerce platform (Online Business) regarding

Dear Business Partners,

Nath Bio-Genes (India) Ltd. is engaged in the production, processing & selling farmers' centric seeds fulfilling their requirements, since decades. Since our inception, we have added more and more Distributors, Channel Partners wherein we have built relationships and loyalty with each other.

Our focus and commitment are towards "farmers' growth and prosperity" by developing and strengthening business relationships through our channel partners which are contributing towards mutual growth and ultimately growth of our nation. We are keen to continue using the established channels without opting for online business option, which may potentially put our long-standing relationships with our channel partners at stake.

We are sure, you will understand our approach and take our stand in a positive manner.

Thank you and regards,

For NATH BIO-GENES (INDIA) LTD.

(Chiman Katba)

Dy. General Manager



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Annexure 3

syngenta

Baner Road, Pune 411 043
Mphasa, India
Tel : +91 20 3069 6000
Fax : +91 20 3069 9480
www.syngenta.com
CIN : L24210MH2000PTC136939

Date 21/10/2022

To
Agro Inputs Dealer Association,
Gujarat

Subject: - Regarding online sales with third party E Commerce companies

Syngenta India Pvt Ltd (erstwhile Syngenta India Limited) hereinafter known as "we" or "Syngenta" are associated with growers and doing business through trustable channel partners only. We are delivering the entire Syngenta portfolio and new technologies to growers through dealer network since decades and we value this long-trusted relationship with you.

We are committed that we are not selling our pesticides products through third-party e-commerce platforms presently in the state of Gujarat, and we will always stand by you as your most trusted partner.

Thanking you,

Yours Truly

Best Regards,
Shrimali Devdutt
Division Manager – North West.
syngenta



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TSP/MTG-237/2022-23
20 October 2022

 **TULASI SEEDS PVT. LTD.**
#5-46, Anandipet 4/5
Guntur-122 002, AP/INDIA
Phone: 93 863 222 3254 / 222 4967
www.tulasiseeds.com
An ISO 9001:2015 Company
CIN : U01112AP1994PTC012615

To

Agro Input Dealers Association
Gujarat

Sub : E-Commerce Platform (Online Business) regarding,

Dear Business Partners,

We, Tulasi Seeds Pvt. Ltd., having a strong Dealer & Distributor network in Gujarat and serving farming community with quality seeds since 1992.

We are very much grateful to you for your continued support in taking Tulasi brand to greater heights. We strongly believe in long term relation with our business partners and do not have any plan for the alternate channel like E-Commerce.

Yours truly,

Thanking you,

For TULASI SEEDS PVT. LTD.,


B. Chandra Sekhar

AGM - All India Marketing Co ordination

"Attested"


Ch. Arav Beh

28. Furthermore, OPs had the objective to achieve 100% success in the initiative of complete boycott of sale through online platform. This was corroborated by the communications made by Shri Arvind Bhai Patel, National Secretary, OP-1 to its members stating that some companies have shown support and agreed to the boycott of online sales and response from other companies are awaited so that complete ban is ensured. The copy of the said communication is reproduced below:



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Gujarati:

BASF, सिजेन्टा, अंकुर सीड्स, रासी SEEDS, नुजीविडु द्वारा भी ऑल इंडिया संघ को समर्थन पत्र जारी



साथियों

ऑल इंडिया एग्रो इनपुट डीलर एसोसिएशन द्वारा ऑनलाइन प्लेटफॉर्म के बहिष्कार के लिए विभिन्न कंपनियों को पत्र लिखे गए थे और निवेदन किया था कि वह अपने उत्पाद तो ऑनलाइन प्लेटफॉर्म को नहीं देंगे।

इसी संदर्भ में पहले धानुका सुमिटोमो केमिकल यूपीएल, अडामा, सल्फर मिल्स, GSP कॉप सॉल्यूशंस, सुमिल केमिकल्स, और नागार्जुन (NACL) लिमिटेड द्वारा भी ऑल इंडिया संघ को समर्थन पत्र जारी किया गया था और अब *BASF, सिजेन्टा, अंकुर सीड्स, रासी SEEDS, नुजीविडु द्वारा भी ऑल इंडिया संघ को समर्थन पत्र जारी* कर सुचित किया है कि वह इस मुद्दे पर पूर्ण रूप से ऑल इंडिया संघ के सदस्यों के साथ हैं और वह भविष्य में भी ऑनलाइन प्लेटफॉर्म को अपने उत्पाद नहीं देंगे।।

जिन कंपनियों ने ऑल इंडिया संघ की इस मुहिम को समर्थन दिया है उनके प्रति हम ऑल इंडिया संघ की ओर से आभार प्रकट करते हुए अन्य सभी कंपनियों से भी उम्मीद करते हैं कि वह जल्द ही इस बारे में अपना समर्थन पत्र जारी करेंगे

धन्यवाद

अरविंद भाई पटेल

राष्ट्रीय सचिव

ऑल इंडिया एग्रो इनपुट डीलर एसोसिएशन

Translated:

BASF, Syngenta, Ankur Seeds, Rasi SEEDS, Nujividu also issued letter of support to All India Association

Comrades,

All India Agro Input Dealers Association wrote letters to various companies to boycott the online platform and requested them not to offer their products to the online platform.

In the same context earlier Dhanuka, Sumitomo Chemical UPL, Adama, Sulfur Mills, GSP Crop Science, Sumil Chemicals, and Nagarjuna (NACL) Limited also issued letters of support to the All India Association and now *BASF, Syngenta, Ankur Seeds, Rasi SEEDS, Nujividu has also issued a letter of support* to the All India Sangh informing that it is fully with the members of the All India Sangh on this issue and will not provide its products to the online platform in future.

On behalf of All India Sangh, we express our gratitude to the companies who have supported this campaign of All India Sangh and hope that all other companies will also issue their letter of support in this regard soon
thank you

Arvind

Arvind Bhai Patel

National Secretary

All India Agro Input Dealers Association

29. Supporting the point above, another undated communication was found wherein OP-2 thanked its members for their support and encouraged other companies to show their support as well. The copy of the said communication is reproduced below:



Public Version

Gujarati:

AIWA એસોસિએશન, જિલ્લા પ્રમુખશ્રીઓ તેમજ તાલુકા પ્રમુખશ્રીઓ ના પ્રયત્નો થી ઓનલાઇન ની વડત્ત માં આપણ ને જે કંપની એ AIWA એસોસિએશન ને સપોર્ટ કરેલ છે તે બિયારણ કંપની ની આપણે આભાર માનીએ છીએ અને તે કંપની ને આપણા એસોસિએશનના તમામ વેપારી એટલે સપોર્ટ કરશે કે જે બિયારણ કંપની આપણ ને સપોર્ટ નથી કરેલ તે કંપની ને અફસોસ રહી જાય જે બિયારણ કંપની એ આપણ ને વેટર આપેલ તેનું લિસ્ટ નીચે મુજબ છે.

- (1)Hiral seeds Corporation (Ahmedabad)
- (2)Shivam seeds Corporation(Ahmedabad)
- (3)Crystal crop protection Ltd (Seeds Div)
- (4)Dinkar seeds pvt Ltd (Himatnagar)
- (5)Keval shiv marketing venture LLP (Vadodara)
- (6)Kedium crop care (Ahmedabad)
- (7)Nath Bio -Genes (i)Ltd (Ahmedabad)
- (8)Navbharat seeds pvt Ltd (Ahmedabad)
- (9)Ganesh crop science Pvt Ltd (Ahmedabad)
- (10)Scientific Agri Seeds (Junagadh)
- (11)Namdhari seeds (Karnataka)
- (12)Chetya Biogene pvt Ltd (Gandhinagar)
- (13)Mahodaya Hybrid seeds Pvt Ltd (Ahmedabad)
- (14)Narmada seeds pvt Ltd (Rajkot)
- (15)Solar Agro Tech Pvt Ltd (Rajkot)
- (16)alpGIRI seeds (Gandhinagar)
- (17)Patidar seeds Pvt Ltd (Ahmedabad)
- (18)Nadeshwari seeds pvt Ltd (Ahmedabad)
- (19)Saga seeds company (Ahmedabad)
- (20)Ganga Hybrid seeds Company (Ahmedabad)
- (21)Dhananjay agri seeds (Himatnagar)
- (22)Danani seeds (Ahmedabad)
- (23)Ellora Natural seeds pvt Ltd (Aurangabad)
- (24)Sonalika Agro Input (Ahmedabad)
- (25)Avani seeds Limited (Ahmedabad)
- (26)PanchaGanga seeds pvt Ltd (Aurangabad)
- (27)Mantavya seeds pvt Ltd (Gandhinagar)
- (28)Agri Genetics pvt Ltd (Himatnagar)
- (29)Shree Avakar seeds
- (30)AHZOLIYA Seeds (Ahmedabad)
- (31)Kartavya Agritech pvt Ltd (Ahmedabad)

- (32)Savan seeds pvt Ltd (Ahmedabad)
- (33)Nidhi seeds (Rutu crop care pvt Ltd)(Rajkot)
- (34)Akshay seeds Tech co. (Junagadh)
- (35)Meldai seeds company (Gandhinagar)
- (36)Western Bio Vegetable seeds pvt Ltd(Gandhinagar)
- (37)Apple seeds tech co. (Junagadh)
- (38)Royal seeds pvt Ltd (Hyderabad)
- (39)Kalash seeds pvt Ltd (Maharashtra)
- (40)Sudarsan Agri Genetics pvt Ltd (Ahmedabad)
- (41)Dhanlaxmi crop science pvt Ltd (Himatnagar)
- (42)Nandi seeds pvt Ltd (Mumbai)
- (43)PVR Agri Genetics (Himatnagar)
- (44)Gujarat Agro seeds co (Junagadh)
- (45)Gujrat Farm seeds pvt Ltd (Anand)
- (46)Junagadh Universal seeds (Junagadh)
- (47)Super vegetable seeds (Rajkot)

ઉપર ની બિયારણ કંપની એ આપણ ને વેટર આપેલ છે, જો કોઈ કંપની નું નામ લખવાનું રહી ગયું હોય તો જણાવશો, અને ઉપર ની તમામ કંપની ને વેપારી મિત્રો સાથે અને સહકાર આપશે.

Translated:

We would like to thank the seed company that has supported AIWA association in the online fight with the efforts of the AIWA association, district presidents and taluka presidents and all the traders of our association will support that company so much that the seed company we it is a pity-for-the company that has not supported it.

Following is the list of the seed companies which have given us a letter.

- (1)Hiral seeds Corporation (Ahmedabad)
- (2)Shivam seeds Corporation(Ahmedabad)
- (3)Crystal crop protection Ltd (Seeds Div)
- (4)Dinkar seeds pvt Ltd (Himatnagar)
- (5)Keval shiv marketing venture LLP (Vadodara)
- (6)Kedium crop care (Ahmedabad)
- (7)Nath Bio -Genes (i)Ltd (Ahmedabad)
- (8)Navbharat seeds pvt Ltd (Ahmedabad)
- (9)Ganesh crop science Pvt Ltd (Ahmedabad)
- (10)Scientific Agri Seeds (Junagadh)
- (11)Namdhari seeds (Karnataka)
- (12)Chetya Biogene pvt Ltd (Gandhinagar)
- (13)Mahodaya Hybrid seeds Pvt Ltd (Ahmedabad)
- (14)Narmada seeds pvt Ltd (Rajkot)
- (15)Solar Agro Tech Pvt Ltd (Rajkot)
- (16)alpGIRI seeds (Gandhinagar)
- (17)Patidar seeds Pvt Ltd (Ahmedabad)
- (18)Nadeshwari seeds pvt Ltd (Ahmedabad)
- (19)Saga seeds company (Ahmedabad)



- (20)Ganga Hybrid seeds Company (Ahmedabad)
- (21)Dhananjay agri seeds (Himatnagar)
- (22)Danani seeds (Ahmedabad)
- (23)Ellora Natural seeds pvt Ltd (Aurangabad)
- (24)Sonalika Agro Input
(Ahmedabad)
- (25)Avani seeds Limited (Ahmedabad)
- (26)PanchaGanga seeds pvt Ltd (Aurangabad)
- (27)Mantavya seeds pvt Ltd (Gandhinagar)
- (28)Agri Genetics pvt Ltd (Himatnagar)
- (29)Shree Avakar seeds
- (30)AHZOLIYA Seeds (Ahmedabad)
- (31)Kartavya Agritech pvt Ltd (Ahmedabad)
- (32)Savan seeds pvt Ltd (Ahmedabad)
- (33)Nidhi seeds (Rutu crop care pvt Ltd)(Rajkot)
- (34)Akshay seeds Tech co. (Junagadh)
- (35)Meldai seeds company (Gandhinagar)
- (36)Western Bio Vegetable seeds pvt Ltd(Gandhinagar)
- (37)Apple seeds tech co. (Junagadh)
- (38)Royal seeds pvt Ltd (Hyderabad)
- (39)Kalash seeds pvt Ltd (Maharashtra)
- (40)Sudarsan Agri Genetics pvt Ltd (Ahmedabad)
- (41)Dhanlaxmi crop science pvt Ltd (Himatnagar)
- (42)Nandi seeds pvt Ltd (Mumbai)
- (43)PVR Agri Genetics (Himatnagar)
- (44)Gujarat Agro seeds co (Junagadh)
- (45)Gujarat Farm seeds pvt Ltd (Anand)
- (46)Junagadh Universal seeds (Junagadh)
- (47)Super vegetable seeds (Rajkot)

The above seed company has given us a letter, if any company's name is left to be written, please let us know, and business friends will support and cooperate with all the above companies.

30. Further, during the course of recording of his deposition dated 04.11.2024 before the DG, Mr. Manmohan C. Kalantri, President, AIDA (OP-3) was asked “*Whether AIDA had requested the manufacturers of seed, fertilizers and pesticides companies to stop supplying products to online platforms.*” He replied in affirmative and stated that “*...Yes, based on the concerns/issues of farmers, AIDA has requested the agro-input manufacturers companies to stop the sale through online platforms in the larger interest of the farmers and food security of our nation...*”

31. Mr. Manmohan C Kalantri, further in his deposition dated 05.11.2024 stated that “*...Yes, the Association has discouraged retailers from partnering with or procuring products from online platform. AIDA was getting feedback from the dealers that many spurious agro-input products are on sale via online platforms and many pesticides manufacturers have not granted principal certificate to online sellers about their products for further sales. In this regard, the association also wrote letters to the Hon'ble Agriculture Minister on 10.10.2022. Our state association namely, Agri-Input Welfare Association (AIWA) also*



informed the State Governments about the unauthorized sale of agro-inputs via online platforms...”

32. The Association had also taken up the matter of online sales with Government of India and the Government of Gujarat. The investigation provided Mr. Manmohan C. Kalantri, President, AIDA (OP-3) the opportunity to clarify on what basis had the association wrote letter to the Government. His reply explaining the same is reproduced below:

“.... Based on the feedback from the farmers and agro-input dealers about the spurious agro-input products in the markets via e-commerce platforms and at the same time the stop sales notices from the concerned departments to the online platforms (as attached in our submission dated 14.10.2024 Part-B at Page 7) there was a confusion in trade. Due to stop sales, the money was blocked and due to spurious agro-input products there was a threat of penal actions against the dealers, the association wrote the request letter to the agro-input manufacturing companies to stop sales online till the matter is resolved and clarity emerges in regulations. This will protect the farmers from spurious agro-input products and dealers will not be forced to do anything which is not legally permitted...”

33. In addition to the above efforts of issuing letters, a message was circulated by Mr. Sanjay Kumar Raghuvanshi, National Spokesperson, AIDA (OP-1) on the requirements of holding principal certificates by retail stores selling pesticides.

34. During the course of examination, it was found that the message titled “*Message from Agro Input Dealers Association on the requirement of holding Principal certificate by the retail stores selling Pesticides*”, circulated by OP-1, refers to Pesticides Act, 1966 which is incorrect, as the content specified therein is actually mentioned in Rule 10(4A) of the Insecticides Rules, 1971. The said provision is reproduced below for reference:



“...10. Licence for sale, etc., of insecticides

...

4. A licence to sell, stock or exhibit for sale or distribute insecticides shall be issued in Form VIII and shall be subject to the following conditions, namely:

...

4A.

i. Every person shall along with his application for grant or renewal of a licence to undertake operation or sell, stock or exhibit for sale or distribute Insecticides, file a certificate from the principal whom he represents or desires to represent the “Form IX” vide GSR 840(E), dt. 5-11-2015, w.e.f. 25-4-2018.

ii. The certificate to be issued by the principal shall be addressed to the licensing officer of the concerned area and shall contain full particulars of the principal including their registration and manufacturing licence numbers, full name and address of the person proposed to be authorized and also the type of formulations to be used in commercial pest control operations, sold, stocked or exhibited, for sale or distribution.

....”

35. The contents of the said communication clearly depict the efforts on the part of the OPs to boycott online sale of products on the pretext of not having principal certificate from the manufacturers by the online agro-input companies. The last para of the said letter clearly specifies that all the partners should either immediately stop buying and selling from online platforms or obtain a principal certificate of all companies from these platforms and add them to their license in which their own name is depicted as the source, otherwise, action will be taken against them.

36. The investigation draws attention to point 4 of the proformas of principal certificate prescribed under Insecticides Rules, 1971 wherein it is mentioned that *“the dealer to whom this principal certificate has been issued shall procure above-detailed insecticides from the above mentioned distributor. In the event of procuring these insecticides from any other distributor, this certificate shall become null and void.”*



37. During investigation it was noted that, *prima facie*, the Informant had obtained valid license from the Government of Gujarat to sell agri-input products in the State and the principal certificate obtained from the manufacturers, whose products were being sold online, was also annexed with the license approved by the Government of Gujarat.
38. The DG also noted that both OP-3 and OP-4 were having substantial business interest in sale of agri-input products as both are dealers and OP-4 is engaged in the production of seeds too. Thus, conflict of interest exists in case of OP-3 and OP-4 for whom online agro-input business may emerge as a new competitor in their business like of the Informant, whose online business was expanding and they perceived him to be threat for their business growth.
39. The DG concluded that the OPs, through the act of boycotting the online sales of agri-input products, limited the channel of supply and distribution of the product in the market by asking its members (*i.e.*, dealers, retailers and seed manufactures engaged in the supply and distribution of agri-inputs) to stop sale through online platforms.
40. As regards the allegation that OPs hindered the technical development by not allowing the growth of technology based innovative players like that of the Informant in the market, the investigation noted that Informant is an agricultural technology start-up engaged in providing: (i) consultation services to farmers through its call center, mobile application and network of franchisee stores; and, (ii) marketing, trading and providing doorstep access of agricultural inputs to farmers. The Informant embraced technology in the agriculture sector by making the agri-input products available online for the convenience of farmers. It has also been claimed by the Informant that the farmers have benefited as the required product is delivered to the farmers at their desired place. In addition, it has also been claimed by the Informant that the retailers have given their testimonials that they have also benefited from online agro-input companies as these companies and specifically Agrostar enable the small dealers to purchase the required products in small quantities compared to its competing distributors who insist on purchase of bulk quantities.



41. Investigation notes that OPs have taken steps to stop the Agrostar company from growing and running its business of supplying agri-input products online. In this perspective, OPs pressurised dealers to stop supplying to online platforms by threatening non-cooperation by the association. It is also apparent from the communications sent by the dealers to the Informant that they sent notices to Agrostar regarding cancellation of dealership owing to pressure from these associations. Thus, the DG found that the OPs' actions resulted in hindering the technical development in the sector as it discouraged the growth of the Informant.
42. Further, investigation took note of the submission made by the Informant dated 26.06.2024, wherein a letter issued by AIDA (OP-1) dated 13.06.2024 has been submitted which states *"... The Hon'ble Competition Commission rejected the case on 3rd June 2024. The Competition Commission has said that the Agro Input Dealers Association is not a commercial institute which is to fight legal changes in the interest of its members and traders, their legal changes in their upcoming problems with the government. The Agrostar himself doing illegal trade, violating the rules of fertilizer, seeds and pesticides. Therefore, the case is rejected...."*
43. However, investigation noted that the letter issued by OP-1 dated 13.06.2024, stating that the Commission had rejected the case, is not a fact. The Commission, *vide* its order dated 29.05.2024, had decided the interim relief plea requested under Section 33 of the Act by the Informant referring to the case of *Competition Commission of India Vs. Steel Authority of India Limited, (2010) 10 SCC 744*. The Commission rejected the interim relief application of the Informant stating that *"the operations of the Informant is not just limited to the State of Gujarat but span across the entire country. The Commission notes that the damage to its business claimed by the Informant may not be entirely attributed to the alleged anti-competitive conduct of the Opposite parties. Thus, at this stage, this may not be sufficient ground for the grant of interim relief."* The order further states that *"nothing stated in this order shall tantamount to the final expression of opinion on the merits of the case and the observations made herein shall not affect the investigation in any manner."*



44. The investigation concluded that issuing such wrong/false information on the part of a national level association is misleading and signifies that such measures were adopted purposely by the OPs to affect the business of the online agri-input companies in general and the Informant in particular by conveying wrong information in the industry regarding the cancellation of the case. The said practice of misinterpreting the order of a regulatory body, as narrated above, and thus misleading the members of the association, further confirms that they are deliberately issuing letters with false information (issued by its national spokesperson) as discussed in the foregoing paras.
45. The investigation also noted that the contention of the OPs about the online business of the Informant being illegal is not correct and in fact contrary to the notification dated 24.11.2022 , which permits the online sale of fertilisers and pesticides.
46. Here it is pertinent to note that the documents shared with the investigation show that the Informant also possessed the valid licenses in other States in addition to the State of Gujarat to conduct the business.
47. Further, the investigation considered the submissions made by the Informant relating to the internal data maintained by it in respect of Saathi stores. The data shared by the Informant was analysed by the investigation and the observations made therefrom are incorporated in subsequent paras.
48. First, the investigation analysed the data of the new stores opened from July, 2021 to June, 2024. The Informant provided data on the new Saathi stores opened pan India that were dealing with the products distributed by the Informant and were alternatively known as “Agro Star ki Lal Dukan” in Hindi.
49. Investigation noted that the date when the AIDA (OP-1) issued the letter to all the agro-input companies was 05.08.2022 and from the July- Sept 2022 to July- Sept 2023 the number of new stores opened fell drastically and post that also declining trend was observed in the new stores opened.



50. Investigation noted that after the letter dated 05.08.2022 was circulated to conduct the mass ban, a rising trend in the number of stores closed has been observed. The investigation concluded that the stores were closed as the retailers cancelled their dealership with the Informant after being pressured by OP-1.
51. The investigation drew the conclusion that although repeat transactions by retailers with Saathi Stores registered a significant decline from 90% in July to September 2022 to 68% in July to September 2023, yet the decline is consistent prior to the date of initiatives taken by the OPs to stop the online agri-input business. In view of the above, investigation is not overly emphasising the point on this count.
52. Investigation draws the inference that business of the Informant was being targeted by OPs and it got significantly affected by the boycott call given by the OPs against tech-enabled market players in agri-input sector.
53. In view of the above, the DG has concluded that in the present case OPs *i.e.*, OP-1, OP-2, OP-3 and OP-4 have indulged in anti-competitive activities by prohibiting the sale of agri input products online and have thereby violated the provisions of Section 3(3)(b) of the Act.
54. Further, Mr. Manmohan C. Kalantri (OP-3) and Mr. Arvindbhai Jerambhai Patel (OP-4) have also been held liable by the DG under the provisions of Sections 48(1) and 48(3) of the Act in view of them being in the position of President of OP-1 and Secretary & Coordinator of OP-2, respectively, and the anti-competitive conduct attributable to them.
55. The DG has also held Mr. Pravinbhai Patel, General Secretary, OP-1 as being instrumental in galvanising support in favour of boycott call against online agro input platforms. On 13.06.2024, he issued one letter in capacity of General Secretary, OP-1 exhorting its members where a wrong information that CCI had rejected the case on 03.06.2024 stating the AgroStar itself doing illegal trade violating the rules of fertiliser, seeds and pesticides. Further, the DG has found that Mr. Sanjay Kumar Raguvanshi, National Spokesperson, OP-1 actively participated in misleading the members of OP-1 by referring wrong



legislation and reminded members of the adverse consequences of doing business using online agro business platform. Accordingly, the DG found Mr. Pravinbhai Patel, General Secretary, OP-1 and Mr. Sanjay Kumar Raguvanshi, National Spokesperson, OP-1 as liable under the provisions of Section 48(3) of the Act.

56. *Vide* order dated 26.03.2025, the Commission directed to forward an electronic copy of the non-confidential version of the IR to the Informant, following OPs and other persons identified by the DG responsible under Section 48 of the Act for filing their respective objections/suggestions [(both in electronic and physical form), along with a brief synopsis thereof (not more than 5 pages)], if any, within four weeks from the date of receipt of copy of the said order:

S. No	Name of the Opposite Party	Person(s)
1.	Agro Input Dealers Association ('AIDA' / 'OP-1')	Mr. Manmohan C. Kalantri, President of AIDA ('OP-3') Mr. Pravinbhai Patel, General Secretary of AIDA Mr. Sanjay Kumar Raghuwanshi, National Spokesperson of AIDA
2.	Agro Input Welfare Association ('AIWA' / 'OP-2')	Mr. Arvindbhai Jerambhai Patel, Secretary of AIWA and Coordinator of AIWA ('OP-4')

57. The Commission also directed OP-1 and OP-2 to furnish their audited financial statements including Balance Sheets and profit and loss accounts/Income and Expenditure accounts for the Financial Years ("FYs") 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24. The Commission also directed OP-1 and OP-2 to furnish, for the aforesaid financial years: (i) turnover or income based on their audited financial statements; and (ii) turnover or income derived by them directly or indirectly from sale of products and/or provision of services to which the alleged contravention relates by way of a certificate from their statutory auditor, or in his absence from a Chartered Accountant, supported by an affidavit by a person duly authorized by them in this regard, in terms of the Competition Commission of India (Determination of Turnover or Income) Regulations, 2024 and the Competition Commission of India (Determination of Monetary Penalty) Guidelines, 2024 ("Penalty



Guidelines”), latest within four weeks from receipt of the order. The persons identified to be responsible by the DG under Section 48 of the Act including individual OPs were also directed to file copies of their respective income tax returns for the FYs 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, and 2023-24.

58. OPs and the persons identified by the DG as responsible under Section 48 of the Act made request for confidential version of the IR *vide* their respective submissions dated 16.05.2025.
59. *Vide* order dated 28.05.2025, the Commission set up a confidentiality ring in the matter in terms of Regulation 36 of the Competition Commission of India (General) Regulations, 2024 (“**General Regulations**”) to grant access to the confidential version of the IR to OPs and other persons identified by the DG as responsible under Section 48 of the Act. The Informant was not included in the confidentiality ring.
60. In view of the setting up of the confidentiality ring, the Commission directed the OPs and other persons identified by the DG as responsible under Section 48 of the Act to file their respective objections/suggestions, if any, to the IR within six weeks of the receipt of the confidential version of the IR and records, strictly following the timelines in terms of Regulation 36 of General Regulations. The Commission also directed for a copy of non-confidential version of said objections/suggestions to be served upon the Informant for filing its rejoinder, if any, within two weeks from receipt of the same.
61. Objections/suggestions to the IR were submitted by the Informant on 14.08.2025 and by the OPs on 16.02.2026, respectively.
62. *Vide* order dated 29.05.2026, the Commission, *inter alia*, decided to provide an opportunity of hearing to the parties in respect of the IR and directed the parties to appear for hearing either in person or through their duly authorised representative(s) in terms of Section 35 of the Act on 17.06.2026 at 2:45 p.m. The Informant filed an Interlocutory Application (‘IA’) No. 153 of 2026 dated 08.06.2026, seeking an adjournment of the scheduled hearing. *Vide* order dated 11.06.2026, the Commission considered the matter and decided to grant the request for adjournment made by the Informant and directed the parties to appear for hearing on 15.07.2026 at 2:45 p.m.



63. On 15.07.2026, the Commission heard the parties through their learned counsels and decided to issue an appropriate order in due course.
64. The submissions of the OPs and the Informant to the IR are summarised in the following paragraphs.

Submissions of OPs and their Individuals

65. The OPs have submitted that the present case represents a fundamental mischaracterisation of legitimate regulatory advocacy by an association as anti-competitive conduct. OP's actions were driven by regulatory and compliance concerns rather than any intention to limit the market. OPs further mentioned that the DG has conflated misinformation with anti-competitive agreement as these are distinct concepts requiring different legal remedies.
66. The OPs have further submitted that they are registered not-for-profit societies engaged in welfare and representational activities and do not undertake any commercial or trading activities. Therefore, their conduct cannot be equated with anti-competitive agreements under Section 3(3) of the Act. Even if presumption under Section 3(3) of the Act were to arise (which requires first establishing an agreement), it is rebutted by legitimate justifications: statutory compliance, public safety, regulatory advocacy and information dissemination. Not-for-profit welfare organisations acting in members' interest do not fall within anti-competitive conduct provisions when exercising constitutional rights.
67. On the aspect of technical development, the OPs submitted that the same was not hindered as the Informant continued its app-based services and the mobile advisory platform continued to function. Further, technology adoption in the sector continued, and no innovation was blocked or prevented by the alleged conduct.
68. In their defence, OPs have submitted that the correlation does not imply causation and that the decline in the Informant's business may be attributable to multiple factors such as business model issues, economic conditions, and operational challenges of AgroStar itself. A decline in one business model does not prove anti-competitive conduct by third parties.



69. The Memoranda of Association ("**MOA**") of both AIDA (OP-1) and AIWA (OP-2) clearly establish their welfare, educational, and representational objectives. Neither MOA contains provisions for: imposing binding commercial decisions on members; enforcing penalties for non-compliance with association directives; creating enforceable commercial obligations; monitoring or disciplining members' independent business decisions.
70. Further, it has been argued by the OPs that supply in the market was not limited as multiple manufacturers continued supplying products and the overall market supply remained unchanged, with no evidence of shortage. No contravention by OPs was established as no agreement was proven, no limitation of supply was demonstrated and no Appreciable Adverse Effect on Competition ("**AAEC**") was established and conduct of OPs was explainable on legitimate grounds.
71. In the same vein, the OPs have stated that there was no presence of any coordinated boycott, enforceable agreement, monitoring mechanism and penalty or disciplinary action against any member, and therefore no coercive conduct. On the nature of communications issued by OPs, it is stated that their communications were merely advisory in nature and related to regulatory concerns, and did not constitute an agreement or coordinated boycott. Further these communications and actions of the OPs were legitimate exercise of constitutional rights under Articles 19(1)(a) and 19(1)(c); representations to Government authorities under Article 19(1)(a); made in the context of regulatory uncertainty before notification of Rule 10(E); and are thus, not anti-competitive agreements or concerted practices under the Act.
72. The OPs have averred that there was no market-wide impact and that only the Informant's specific business model may have been affected, while the overall market continued to function normally.
73. The OPs have submitted that the notification dated 24.11.2022 also mandates verification of licences and compliance with consumer protection requirements. According to the OPs, these restrictions validate the concerns raised by AIDA and AIWA regarding regulatory ambiguity.

74. The OPs have submitted that the IR does not establish any commercial motive of the associations, financial benefit to the OPs, and commercial advantage sought, profit, or any exercise of market power. The OPs further submitted that they are not-for-profit societies and, therefore, had no commercial incentive to restrict competition. Further, OPs have submitted that they do not have a direct competitive relationship with the Informant's online business and, therefore, had no incentive to eliminate competition. The OPs further submitted that they are not "enterprises" within the meaning of Section 2(h) of the Act and are not engaged in identical or similar trade.
75. The OPs have submitted that Section 48 of the Act is not applicable as the associations are not enterprises and no contravention has been established. AIDA/AIWA are not "companies" for the purpose of Section 48 of the Act as they are not engaged in "business". Further, Section 48 of the Act is not applicable to not-for-profit welfare societies like OP-1 and OP-2. Individual officers acted in representative capacity exercising constitutional rights with no personal commercial interest, no *mens rea* and with due diligence. Accordingly, defense under Section 48(2) of the Act is available.

Submissions of the Informant

76. The Informant has submitted that this is a textbook cartel case wherein the OPs imposed and enforced an unlawful boycott that choked the supply chain, crippled innovation, eliminated efficient technology-driven models, and protected entrenched commercial interests.
77. The Informant has submitted that since the OPs are engaged in identical trade of goods, any agreement or decision taken by them qualifies as a horizontal agreement under Section 3(3) of the Act, which carries a presumption of AAEC and the case for cartelisation stands proved.
78. The Informant has further submitted that the OPs actively stifled market innovation by boycotting technology-driven entrants and coercing online platforms towards market exit,



thereby creating a chilling effect on innovation. Further, the Informant has submitted that the boycott sustained over time severely impaired its growth in Gujarat and eroded its business network. It has submitted that the boycott call is the sole reason for the adverse impact on the Informant. As a consequence of the boycott, the Informant submitted that it suffered significant business losses, including closure of Saathi Stores, reduction in dealership agreements, decline in repeat transactions and a substantial decrease in active transacting retailers in Gujarat. It was further submitted that the DG had recorded that the declining business trend commenced after the boycott campaign initiated by the OPs.

79. Further, buttressing its arguments, the Informant has submitted that there existed a clear horizontal anti-competitive agreement to prohibit supply to online players and that the distribution network was dismantled through coercion of retailers and manufacturers, resulting in a dual blockade. Further, it was submitted that the OPs resorted to threatening letters for termination of dealership relationships with Saathi Stores, circulated WhatsApp messages, issued letters and made personal communications to coordinate, monitor and enforce the boycott in the market. The Informant further submitted that the OPs sought to strengthen the boycott by spreading false information, seeking written confirmations from companies and publicising the support received from various agri-input companies. It is submitted that the OPs initiated the boycott due to fear of competition and to serve their own vested interests by eliminating competitors and acted beyond their scope as trade associations by behaving like a market regulator and spreading misinformation to strengthen the boycott.

80. The Informant has reiterated that OP-3 and OP-4 initiated the boycott to serve their vested business interests and the DG has rightly concluded that the boycott is *per se* anti-competitive and falls squarely within Section 3(3)(b) of the Act.

81. Highlighting the conduct of the OPs, the Informant submitted that the OPs had cited fabricated or non-existent quotations from judicial precedents in their replies to the IR and had deliberately misrepresented the Commission's interim order dated 29.05.2024 while circulating communications in the market. It was further submitted that the OPs disseminated false information regarding the legality of the Informant's business and



threatened manufacturers and other market participants with legal consequences for dealing with online platforms, despite the DG having recorded that the Informant possessed the requisite licences and permissions to conduct its business.

82. The Informant also submitted that its technology enabled business model improved market efficiency by connecting manufacturers, retailers and farmers, facilitating access to multiple brands, supplying agri-inputs in smaller quantities, extending credit support to retailers and providing agronomy advisory services through digital platforms. It was further submitted by the Informant that the DG had recognised the Informant's role in promoting innovation and supporting the Digital India Initiative in the agriculture sector.
83. The Informant submitted that the boycott adversely affected competition by suppressing innovation, restricting the growth of technology enabled agri-input businesses and creating barriers to the expansion of efficient business models. It was further submitted that the OPs failed to rebut the statutory presumption of AAEC under Section 3(3) of the Act or demonstrate any pro-competitive justification for their conduct.
84. Lastly, the Informant requested that, in view of the findings of the DG and the material on record, the Commission may pass appropriate directions, including cease-and-desist orders against the OPs, impose monetary penalties and pass consequential directions against the office bearers found liable under Section 48 of the Act.
85. In response to the query regarding its business relationship with Rasi Seeds (P) Ltd., the Informant submitted that it had a business relationship with the said company up to June, 2022 and procured seeds on an order to order basis. It was submitted that no formal written agreement existed between the parties; however, Principal Certificates had been issued by Rasi Seeds (P) Ltd. in favour of the Informant for various States, including Gujarat, authorising the Informant to sell its products in accordance with the applicable regulatory framework. The Informant further submitted that its commercial relationship with Rasi Seeds (P) Ltd. ceased after June, 2022, which, according to the Informant, coincided with the boycott campaign initiated by the OPs. In support of its submissions, the Informant placed on record copies of the Principal Certificates and invoice dated 07.06.2022.



86. In response to the query regarding the list of seed companies referred to in the undated communication circulated by OP-2, the Informant submitted that it had business relationships with certain seed companies mentioned therein during the period preceding the boycott. It was submitted that AgroStar had direct business dealings with [REDACTED]. The Informant further submitted that it procured seeds of Nath Bio-Genes (India) Ltd., [REDACTED] through their authorised resellers. According to the Informant, following the commencement of the boycott campaign, several of these business relationships were discontinued, resulting in disruption of its procurement activities.
87. The Informant further submitted that, at present, only [REDACTED] continue to maintain business relationships with it, whereas the remaining seed companies did not continue commercial dealings for supply of seeds. The Informant contended that the discontinuation of such business relationships closely coincided with the boycott campaign initiated by the OPs and requested the Commission to take the aforesaid submissions and documents on record.

Analysis

88. The Commission has carefully perused the material available on record, the IR, the objections/suggestions to the IR, the arguments put forth by the counsels of the Parties during the hearing conducted on 15.07.2026 and post hearing submissions of the Informant. The Commission observes that the central issue arising for determination in the present matter is whether the conduct of OPs amounts to a decision or practice that limits or controls supply and distribution of agri-input products and hinders technological development, in contravention of provisions of Section 3(3)(b) read with Section 3(1) of the Act. Once this primary issue is determined, the question relating to the liability of the office bearers under Section 48 of the Act would follow.
89. The Commission notes that the OPs have raised a contention that they being associations are not enterprises within the meaning of Section 2(h) of the Act as they are not doing any



business or commercial activity. In this regard, the Commission is of the view that in the instant matter the associations are covered under the definition of enterprise given under Section 2(h) of the Act. This has been a consistent view of the Commission in past several cases and has been upheld by appellate tribunal and courts.

90. The Commission notes that the DG, after analysing the documentary and oral evidence collected during investigation, has concluded that OP-1 and OP-2 initiated, coordinated and monitored a boycott campaign against online agri-input platforms. In particular, the DG has relied upon the letter dated 05.08.2022 issued by OP-1 to agri-input manufacturers requesting them to discontinue supplies through online platforms, stating that OP-1 would cooperate only with those companies which continued sales through offline channels. The DG has observed that the requirement contained in the said letter, calling upon manufacturers to communicate their stand within a stipulated period clearly demonstrates that the association intended not merely to express its concerns but also to secure compliance with its decision.
91. The Commission, after examining the letter dated 05.08.2022 and material available on record concludes that the language used in the said letter is not a mere request or representation. By declaring that cooperation would only be extended to companies dealing through offline channels and also seeking written confirmation from manufacturers, OP-1 effectively communicated its decision to boycott online agri-input platforms including the Informant.
92. The Commission further observes that the admissions dated 04.11.2025 and 05.11.2025 made by OP-3 during investigation assume considerable evidentiary significance. OP-3 has unequivocally admitted that OP-1 requested manufacturers to discontinue supplies to online platforms and also discouraged retailers from associating with such platforms. These admissions substantially corroborate the documentary evidence collected during investigation.
93. The Commission also notes that the material collected *viz.*, the depositions of OPs, letters, WhatsApp messages etc. during the investigation demonstrates that communications were



simultaneously addressed to manufacturers and retailers with the common objective of preventing online sale of agri-input products. OPs have also written letters to the Government authorities raising regulatory concerns related to online sale of agri-input products. The Commission is of the view that the regulatory concerns raised by the OPs before the Government authorities are generally not in violation of the provisions of the Act. However, in the present matter their coordinated communications to manufacturers and retailers went beyond being just an expression of regulatory concerns and was an attempt to control commercial decisions of market participants in violation of the provision of Section 3(3)(b) of the Act.

94. The Commission further observes that the evidence relating to dealership cancellations, discontinuation of supplies by manufacturers, communications received from market participants and admissions of the office bearers collectively establish that the boycott campaign was not merely proposed but was actively implemented in the market. Thus, the contention of the OP-1 that the communications were merely advisory in nature, does not hold good.
95. The Commission finds that OP-1, being the national association representing agro-input dealers, acted as the principal platform through which the boycott campaign was initiated. The letter dated 05.08.2022, subsequent communications with manufacturers, requests seeking confirmation of support and repeated dissemination of messages amongst members collectively establish that OP-1 facilitated and coordinated the collective decision to discourage online sale of agri-input products. The contention of the OP-1 that it is a case of mischaracterisation of legitimate regulatory advocacy is not correct as the said conduct was in violation of provisions of the Act.
96. The Commission further finds that OP-2 actively participated in implementation of the boycott campaign within the State of Gujarat. The circulation of messages amongst members and the dissemination of information regarding support received from manufacturers regarding boycott of online platforms demonstrate that OP-2 substantially contributed to implementation of the impugned conduct.



97. With regard to OP-3, the Commission notes that he not only admitted during investigation that manufacturers had been requested to discontinue supplies to online platforms but also, they had been discouraged from dealing with such platforms in future. The evidence further demonstrates that the communications issued by OP-1 were authorised by him as President of the Association.
98. As regards OP-4, the Commission notes that he actively coordinated the boycott campaign by circulating communications, acknowledging support received from manufacturers, issuing messages to members and participating in implementation of the decisions taken by the Associations. The evidence further indicates that OP-4 played an active role in monitoring implementation of the boycott campaign.
99. The Commission also notes the findings of the DG that both OP-3 and OP-4 possessed substantial commercial interests in the agri-input business. Although the existence of such commercial interests alone may not establish contravention, the same provides relevant context while appreciating their active involvement in organising and implementing the boycott campaign through the platform of the Associations.
100. Having regard to the evidence discussed above, the Commission is satisfied that the impugned conduct in the present proceedings demonstrates the active involvement of OP-3 and OP-4 in implementing and monitoring the boycott campaign. Their respective admissions, communications and participation in coordinating the conduct of manufacturers, retailers and members establish that they were directly responsible for the conduct of the affairs of OP-1 and OP-2 in relation to the impugned actions.
101. Accordingly, the Commission holds that OP-3, President of OP-1 and OP-4, Secretary of OP-1 and Coordinator of OP-2 are responsible for the conduct resulting in contravention of provisions of Section 3(3)(b) of the Act by OP-1 and OP-2 and thus, are also liable under Section 48 of the Act.
102. With regard to AAEC, the Commission noted the submission of OPs that supply in the market was not limited as multiple manufacturers continued supplying products and the



overall market supply remained unchanged, with no evidence of shortage of supply. In this regard, the Commission relies upon the findings of the DG wherein it was demonstrated that there was a significant decline in number of new stores opened and percentage of repeated transactions during June-September 2022 to June-September 2023 *i.e.* after boycott call was initiated *vide* communication 05.08.2022. Further, during the same period there was an increase in closure of a number of Saathi stores.

103. The Commission further notes that the DG has also identified Mr. Pravinbhai Patel, General Secretary of AIDA, and Mr. Sanjay Kumar Raghuvanshi, National Spokesperson of AIDA, as persons responsible under Section 48(3) of the Act for their active role in furtherance of the anti-competitive conduct of OP-1 and OP-2. The Commission observes that Mr. Pravinbhai Patel issued the communication dated 13.06.2024 to the members of the Association falsely stating that the Commission had rejected the present case, whereas, in fact, the Commission had merely declined to grant interim relief to the Informant and had expressly clarified that its observations would not affect the merits of the investigation. Such misleading communication had the effect of reinforcing the boycott campaign and creating an erroneous impression amongst market participants regarding the legality of the Informant's business.
104. Likewise, Mr. Sanjay Kumar Raghuvanshi, National Spokesperson of AIDA, circulated the communication concerning the requirement of Principal Certificates for retailers dealing in pesticides, which, as noted by the DG, incorrectly referred to the provisions of the Pesticides Act while cautioning that members should immediately discontinue dealing with online platforms or face consequences under the applicable regulatory framework.
105. The Commission is of the considered view that these communications were not isolated acts of dissemination but formed an integral part of the coordinated enforcement of the boycott campaign initiated by OP-1 and OP-2. By issuing and circulating such misleading and coercive communications, both Mr. Pravinbhai Patel and Mr. Sanjay Kumar Raghuvanshi actively facilitated and promoted the anti-competitive conduct of the Associations.



106. In view of above, the contention of OPs regarding defense under Section 48(2) of the Act that their individual officers acted in representative capacity exercising constitutional rights with no personal commercial interest, no *mens rea* and with due diligence, is not tenable. Accordingly, the Commission holds that they are liable under the provisions of Section 48(3) of the Act for the contravention committed by OP-1 and OP-2.

107. Therefore, the following persons are found to be in contravention of the provision of Section 3(3)(b) of the Act and liable under the provisions of Section 48 of the Act:

S. No.	Person Liable	Liable under Section 48(1) of the Act	Liable under Section 48(3) of the Act
1.	Mr. Manmohan C. Kalantri (OP-3)	As President, Agro Input Dealers Association (AIDA)	Signed Letter dated 05.08.2022 on behalf of OP-1
2.	Mr. Arvinbhai Jerambhai Patel (OP-4)	As Secretary Agro Inputs Dealers Association (AIDA) and Coordinator Agro Input Welfare Association (AIWA)	Signed undated Letter
3.	Mr. Pravinbhai Patel, General Secretary, AIDA	-	Issued letter dated 13.06.2024
4.	Sanjay Kumar Raghuvanshi, National Spokesperson AIDA	-	Issued and circulated message

Order

108. After considering all the material available on record, IR and submission of the parties, the Commission finds that OP-1, OP-2, OP-3, and OP-4 have acted in contravention of provisions of Section 3(3)(b) read with Section 3(1) of the Act. Accordingly, the Commission, in terms of Section 27(a) of the Act, directs the OPs and their respective officials who have been found liable in terms of provisions of Section 48 of the Act, to cease and desist in future from indulging in conduct found to be in contravention of the provisions of the Act.



109. As per Section 27(b) of the Act, the Commission is empowered to impose such penalty, as it may deem fit which shall be not more than ten per cent of the average of the turnover or income, as the case may be, for the last three preceding FYs, upon each of such person or enterprise which is a party to anti-competitive agreement. Though in terms of proviso to Section 27(b) of the Act, the Commission, in case any agreement referred to in Section 3 of the Act has been entered into by a cartel, may impose upon each producer, seller, distributor, trader or service provider included in that cartel, a penalty of up to three times of its profit for each year of the continuance of such agreement or ten per cent of its turnover or income, as the case may be, for each year of the continuance of such agreement, whichever is higher. The Commission, considering the nature of the organisations involved in the contravention, deems it appropriate to not invoke the proviso of Section 27(b) of the Act.
110. In determining the quantum of penalty upon enterprises and their individual persons the Commission is required to consider the Penalty Guidelines. The Commission, subject to the facts and circumstances of each case, may consider a period of three years preceding the year in which the IR is received by the Commission. The IR was received on 28.01.2025. Accordingly, relevant FYs to be considered for imposition of penalty are FYs 2021-22, 2022-23 and 2023-24.
111. Considering the nature and gravity of the contravention and nature of the industry, the Commission finds it appropriate to impose penalty @10% of the average relevant income on all the OPs and individual persons liable under Section 48 of the Act.
112. Further, in terms of the Penalty Guidelines, the Commission notes that the OPs have cooperated with the investigation and that this is their first violation of provisions of the Act. Therefore, keeping in view the nature of the OPs and the abovesaid mitigating factors, the Commission decides to impose penalty @5% of average income on each OP and individual person held liable under the provisions of Section 48 of the Act.
113. Accordingly, the amount of penalty imposed on the OPs and individuals is tabulated below:

Penalty on OPs and individual persons liable under Section 48 of the Act

Name	Average Income	Penalty Imposed @5% of Average Income
Agro Input Dealers Association (OP-1)	16,17,773	80,889
Agro Input Welfare Association (OP-2)	78,45,375	3,92,269
Mr. Manmohan.C Kalantri (OP-3)	99,78,068	4,98,903
Mr. Arvindbhai Jerrambhai Patel (OP-4)	14,94,347	74,717
Mr. Pravinbhai Patel, General Secretary of AIDA	1,83,543	9,177
Mr. Sanjay Kumar Raghuwanshi, National Spokesperson, AIDA	1,72,433	8,622

114. Accordingly, the Commission directs the aforementioned OPs and their individuals to deposit the penalty amount within sixty (60) days of the receipt of this order.

115. The Commission, in terms of Section 27(g) of the Act, also directs the contravening OPs to organise a competition compliance training programme in order to spread awareness about competition laws and to promote a culture of competition compliance within their associations and submit a compliance report within a period of sixty (60) days from the date of receipt of this order.

134. Before parting with the order, the Commission deems it appropriate to deal with the request of the parties seeking confidentiality over certain documents/information filed by it under Regulation 36 of the General Regulations. Considering the grounds given by the parties for the grant of confidential treatment, the Commission grants confidentiality to such documents / data / information in terms of Regulation 36 of the General Regulations, subject to Section 57 of the Act, for a period of three years from the date of passing of this order. It is however made clear that nothing disclosed in the public version of this order shall be deemed to be confidential or deemed to have been granted confidentiality, as the same have been used and disclosed for purposes of the Act in terms of the provisions contained in Section 57 thereof. Accordingly, the Commission directs that two versions of the present order may be issued



Public Version

i.e., the public version shall be served upon the Informant, the OPs and their respective individuals and the confidential version shall be shared with the OPs in the confidentiality ring viz., OP-1, OP-2, OP-3 and OP-4 through members of the confidentiality ring. The public version of the order shall be prepared keeping in mind the confidentiality requests and the provisions of Section 57 of the Act read with Regulation 36 of the General Regulations. For convenience, it is directed that the confidential version of this order may be provided to such ring members/ individuals through one of the ring members, who may then share the same with the other ring members nominated by the concerned OP. OP-1 and OP-2 are directed to serve a copy of the confidential version of this order upon their respective individual(s) upon whom penalty has been imposed for the purpose of compliance of this order.

116. Any pending application(s) filed by the parties shall be deemed to be disposed of in light of the above order.

117. The Secretary is directed to forward certified copy of the present order to the parties and their respective individuals, in terms of the above directions.

Sd/-
(Ravneet Kaur)
Chairperson

Sd/-
(Sweta Kakkad)
Member

Sd/-
(Deepak Anurag)
Member

New Delhi
Date: 21.08.2026