News Briefing

Press Release

"CCP CONDUCTS SEARCH & INSPECTION OF POULTRY FEED MILLS"



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CCP raids offices of two poultry feed producers

By Our Staff Reporter

ISLAMABAD: Based on concerns over high prices of poultry products in the recent past, the Competition Commission of Pakistan (CCP) on Thursday carried out search and inspection of two major poultry feed producers of the country and is said to have recovered evidence of their suspected involvement in collusive activities and price fixing.

The CCP conducted the raid exercising its powers under Section 34 of the Competition Act 2010. Sou-

rces in the raiding party told Dawn that teams simultaneously carried the inspections at the offices of two major poultry feed producers in Rawalpindi and in Lahore to determine their collusive behaviour in the market.

The recovered material showed that the prices of broiler feed witnessed an increase of over Rs550 per bag of 50kg during the period of around last 18 months, whereas the average increase in prices of layer feed was over Rs530 per 50kg bag during the same period.

The sources said that the issue was brought to CCP notice by public complaints that the prices of broiler chicken (farm) had increased by more than 100 per cent from Rs103 per kg to Rs225 per kg.

The CCP conducted initial inquiry from the data obtained from the Pakistan Bureau of Statistics (PBS)

the link between the increase in feed prices and the product prices was inferred.

Upon receipt of the complaints, an informal survey of poultry sheds was carried out. It was noted that feed was sold in 50 kg bags and there are a number of varieties depending on the type of poultry.

It was noted that there was a continuous and simultaneous rise in poultry feed prices from Aug 2019 up to Jan 2021, with the exception of a downward revisions in June and July 2020.



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Rising prices

CCP raids two poultry feed mills

Mehtab Haider

ISLAMABAD: In wake of rising prices of poultry feed, the Competition Commission of Pakistan (CCP) on Thursday raided two poultry feed mills located in Rawalpindi and Lahore to collect evidence of their alleged involvement in collusive fixing of prices.

The CCP teams raided the SB Feed located in Rawalpindi and owned by one influential politician and

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CCP raids...

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National Feeds Lahore for collection of evidence to establish anti-competitive practices, such as collusive practices to fleece consumers

tices, such as collusive practices to fleece consumers.

The CCP had received complaints from multiple quarters regarding continuous and simultaneous increase in the poultry feed prices, which experienced a rising trend from August 2019 to-date (with the exception of downward revisions in June and July 2020).

Upon receipt of the complaints, an informal survey of the poultry sheds was carried out. It is noted that feed is sold in 50 kg bags and there are a number of varieties depending on the type of poul-

try.

It is observed that since
August 2019 to December
2020, prices of broiler feed
have increased on an average
by Rs584 per 50 kg bag. Similarly, for layer feed the average increase for companies
reviewed is Rs538 per 50 kg

Most of the feed mills cited similar and generic reasons for increase in price such as increase in raw material prices, currency devaluation, improvement in nutritional profiles, general inflation, increase in electricity tariffs, increase in KIBOR rate and increase in wages of skilled labour force.

Exercising its powers under Section 34 of the Competition Act 2010, the Competition Commission of Pakistan (CCP) carried out a search and inspection of two major poultry feed mills.

major poultry feed mills.

Two CCP teams conducted the inspections and successfully impounded the relevant record, including computer-stored information. During inspections, both companies fully cooperated with the CCP teams and handed over the required information.

formation.

It was observed that the prices of Chicken Farm Broiler increased by more than 100pc (from Rs103/kg to Rs 225/kg — figures obtained from PBS website) during the same period, which can be linked with the increase in prices of broiler feed.



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Collective rate-fixing

CCP conducts inspection of two major poultry feed mills

RECORDER REPORT

ISLAMABAD: Exercising its powers under Section 34 of the Competition Act 2010, the Competition Commission of Pakistan (CCP) on Thursday carried out search and inspection of two major lusive decision making and a i.e. input cost, currency devalpoultry feed mills based in Rawalpindi and Lahore to impound the proofs of their suspected involvement in col- Abuse Department was able also received from multiple or share sensitive commercial lusive activities and collective to obtain official price lists of sources that some of the top information and take collecfixing of poultry feed rates.

the CCP conducted the 2020. inspections and successfully impounded the relevant ingtrends. record including computerstored information.

companies fully cooperated the last 18 months or so, with the CCP teams and whereas, the average increase handed over the required in prices of layer feed was information.

The CCP initiated the during the same period. enquiry of the suspected colfeed prices.

sources showed that there was the same period, which can be number of varieties dependindeed a simultaneous linked with the increase in ing on the type of poultry. increase in price by poultry prices of broiler feed. feed mills and the average quantum of increase in prices poultry feed mills that the has warned companies and also appeared to be similar, increase in prices was due to a industry associations against which raised suspicion of col-rise in the cost of production, indulging in anti-competitive violation of Section 4 of the uation, and general inflation, Competition Act.

The Cartels and Trade various feed mills from poultry feed mills were tive business decisions that Two authorised teams of August 2019 to October involved in collectively fixing may allow its members, who

The data shows the follow-

The prices of broiler feed witnessed an increase of over During inspections, both Rs 550 per 50kg bag during over Rs 530 per 50kg bag date (with the exception of a increase in raw material

It was observed that the and July 2020). lusive activities in the poultry prices of chicken farm broiler feed sector, after taking notice increased by more than 100 of a concurrent increase in percent (from Rs 103/kg to Rs 225/kg - figures obtained Data gathered from market from the PBS website) during in 50 kg bags and there are a labour etc.

etc could not be substantiated. the associations are not

Moreover, information was poultry feed rates through are competitors, to coordinate their meetings at various loca- business policy or discussion tions. The CCP stated that on economic aspects. concerns from multiple quarters were received regarding a mills behind increase in the continuous and simultaneous price. rise in poultry feed prices, which experienced a rising similar and generic reasons trend from August 2019 to for increase in price including downward revisions in June prices; currency devaluation;

Upon receipt of the complaints, an informal survey of increase in electricity tariffs; poultry sheds was carried out. increase in KIBOR rate, and

Through its various The reason provided by the enforcement orders, the CCP and collusive activities.

The rule of thumb is that allowed to discuss, deliberate,

Reasons given by feed

Most of the feed mills cited improvement in nutritional profiles; general inflation; It is noted that feed is sold increase in wages of skilled



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CCP conducts search, inspection of two major poultry feed mills

IMRAN ALKI KUNDI **ISLAMABAD**

Exercising its powers under Section 34 of the Competition Act 2010, the Competition Commission of Pakistan (CCP)on Thursday carried out search and inspection of two major poultry feed mills based in Rawalpindi and Lahore to impound the proofs of their suspected involvement in collusive activities and collective fixing of poultry feed rates.

Two authorised teams of CCP conducted the inspections and successfully impounded the relevant record including computer-stored information. During inspections, both companies fully cooperated with the CCP teams and handed over the required information.

The CCP initiated the enquiry of the suspected collusive activities in the poultry feed sector after taking notice of a concurrent increase in feed prices. Data gathered from market sources showed that there was indeed a simultaneous increase in price by poul-

try feed mills and the average to a rise in the cost of proquantum of increase in prices also appeared to be similar, which raised suspicion of collusive decision making and a violation of Section 4 of the Competition Act.

The prices of broiler feed witnessed an increase of over Rs 550 per 50kg bag during the last 18 months or so, whereas, the average increase

duction, i.e. input cost, currency devaluation, & general inflation, etc. could not be substantiated. Moreover, information was also received from multiple sources that some of the top poultry feed mills were involved in collectively fixing poultry feed rates through their meetings at various locations.

Commission's teams impound relevant record including computer-stored information

in prices of layer feed was over Rs. 530 per 50kg bag during the same period. It was observed that the prices of chicken farm broiler increased by more than 100% (from Rs 103/kg to Rs 225/kg - figures obtained from PBS website) during the same period, which can be linked with the increase in prices of broiler feed.

The reason provided by the poultry feed mills that the increase in prices was due

Through its various enforcement orders, the CCP has warned companies and industry associations against indulging in anti-competitive and collusive activities. The rule of thumb is that the associations are not allowed to discuss, deliberate, or share sensitive commercial information and take collective business decisions that may allow its members, who are competitors, to co-ordinate

business policy or discussion on economic aspects.

The CCP, as part of its statutory mandate under the Competition Act, strives to eradicate anti-competitive practices in all sectors of the economy.

According to the sources, concerns from multiple quarters were received regarding a continuous and simultaneous rise in poultry feed prices which experienced a rising trend from August 2019 to date (with the exception of a downward revisions in June and July 2020). Upon receipt of the complaints an informal survey of poultry sheds was carried out. It is noted that feed is sold in 50 kg bags and there are a number of varieties depending on the type of poultry.

They said that information is received from a poultry feed company and Livestock & Dairy Department, Government of Punjab which indicated that poultry feed prices witnessed an increase which was not proportionate to the increase in cost of ingredients used.



Business, economic & financial news by 'Pakistan Today'

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CCP CONFISCATES TWO MAJOR D MILLS' RECORD TRY FEE

SHAHZAD PARACHA

ISLAMABAD

HE Competition Commission of Pakistan (CCP) on Thursday carried out a search and inspection operation in two major poultry feed mills in a bid to confiscate proof of their suspected involvement in collusive activities, as well as fixing of poultry feed rates.

conducted the successful inspection of National Feed to be similar, which raised suspicion of collusive de-Mill and SB Feed Mill and impounded the relevant records, including computer-stored information.

Both companies fully cooperated with the CCP teams during inspections and handed over the required information. The CCP initiated the enquiry of

FEED MILLS CLAIM INCREASE IN PRICES WAS DUE TO RISE IN PRODUCTION COST, CURRENCY DEVALUATION, INFLATION

sector after taking notice of a concurrent increase in feed prices, sources added. Data gathered from market sources showed that there was indeed a simultaneous increase in price by poultry feed mills and the Sources said that two authorised teams of CCP average quantum of increase in prices also appeared cision making and a violation of Section 4 of the Competition Act.

Sources said that the prices of broiler feed witnessed an increase of over Rs550 per 50kg bag during the last 18 months or so, whereas, the average increase the suspected collusive activities in the poultry feed in prices of layer feed was over Rs530 per 50kg bag

during the same period.

It was observed that the prices of Chicken Farm Broiler increased by more than 100 per cent (from Rs103/kg to Rs225/kg - figures obtained from PBS website) during the same period, which can be linked with the increase in prices of broiler feed, officials added.

The poultry feed mills' claim that the increase in prices was due to a rise in the cost of production including input cost, currency devaluation and general inflation could not be substantiated.

Moreover, information was also received



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CCP conducts search and inspection of poultry feed mills

Staff Report

xercising its powers under Section 34 of the 2010, the Competition Competition Act Commission of Pakistan (CCP) today carried out search and inspection of two major poultry feed mills based in Rawalpindi and Lahore to impound the proofs of their suspected involvement in collusive activities and collective fixing of poultry feed rates.

Two authorized teams of CCP conducted the inspections and successfully impounded the relevant record including computer-stored information. During inspections, both companies fully cooperated with the CCP teams and handed over the required information.

The CCP initiated the enquiry of the suspected collusive activities in the poultry feed sector after taking notice of a concurrent increase in feed prices. Data gathered from market sources showed that there was indeed a simultaneous increase in price by poultry feed mills and the average quantum of increase in prices also appeared to be similar, which raised suspicion of collusive decision making and a violation of Section 4 of the Competition Act.

The prices of broiler feed witnessed an increase of over Rs. 550 per 50kg bag during the last 18 months or so, whereas, the average increase in prices of layer feed was over Rs. 530 per 50kg bag during the same period. It was observed that the prices of Chicken Farm Broiler increased by more than 100% (from Rs 103/kg to Rs 225/kg - figures obtained from PBS website) during the same period, which can be linked with the increase in prices of broiler feed.

The reason provided by the poultry feed mills that the increase in prices was due to a rise in the cost of production, i.e. input cost, currency devaluation, & general inflation, etc. could not be substantiated. Moreover, information was also received from multiple sources that some of the top poultry feed mills were involved in collectively fixing poultry feed rates through their meetings at various locations.

Through its various enforcement orders, the CCP has warned companies and industry associations against indulging in anti-competitive and collusive activities. The rule of thumb is that the associations are not allowed to discuss, deliberate, or share sensitive commercial information and take collective business decisions that may allow its members, who are competitors, to co-ordinate business policy or discussion on economic aspects. The CCP, as part of its statutory mandate under the Competition Act, strives to eradicate anti-competitive practices in all sectors of the economy.

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ت سے فیڈاورم غی کی قیمتوں میں بیک وقت اضافیہ ہواتھا

ہاکتان نے مرغی کی قیمتوں میں حالیہ اضافے کے 🛘 ہوتا ہے کہ پولٹری فیڈ کی قیمتوں میں بیک وقت ممیٹی کےمطابق پولٹری فیڈ ملوں کی جانب سے بیہ

اسلام آباد (کامرس رپورٹر) مسابقتی کمیشن آف | مارکیٹ ذرائع سے جمع کردہ اعدادوشار سے بھی ظاہر پیش نظر راولینڈی اور لا ہور میں پولٹری فیڈ ملوں کے 📗 اضافیہ ہوا اور قیمتوں میں اوسطاً اضافہ بھی ایک جیسا د فاتر پر چھاہے مارے اور اہم ریکارڈ قبضے میں لے 🏿 ہی دکھائی دیا جس سے بادی انظر میں گھے جوڑ کا شبہ لیا۔ پولٹری فیڈ مارکیٹ میں مکنہ مسابقت مخالف | ظاہر ہوتا ہے جو کمپیشن ایک کی دفعہ 4 کی خلاف سر گرمیوں کی تحقیقات کے مطابق پولٹری فیڈ کی 🛭 ورزی ہے۔ برائلر فیڈ کی قیت میں گزشتہ 🔞 ماہ قیمتوں میں گٹے جوڑاور ملی بھگت سے اضافہ کیا گیا جس | کے دوران 50 کلوگرام کے بیگ پر 550روپے سے مرغی کی قیمتوں میں بیک وقت اضافہ ہوا۔ اسے زیادہ تک کااضافہ دیکھا گیا، جبکہ لیرفیڈ کی قیمت انسپشن کا مقصدان ملوں کا پولٹری فیڈ کی قیمتوں ہیں 🛘 میں ای مدت کے دوران اوسطاً 530 روپے فی 50 مبینہ گھ جوڑ کے ذریعے اجتماعی اضافے میں ملوث 🏿 کلوگرام کے بیگ پر اضافہ ہوا۔ اس عرصے کے ہونے کے شواہد قبضے میں لینا تھا۔ ی بی نے پوکٹری | دوران چکن فارم برائلر کی قیمتوں میں 100 فیصد فیڈ سیٹر میں مسابقت مخالف سرگرمیوں کے حوالے | سے زیادہ (103 رویے فی کلوگرام سے 2 2 2 سے ٹھوس معلومات کی بنیاد پر کمپٹیشن ایک اروپے فی کلوگرام تک اضافہ ہوا۔ جے برائلر فیڈک (2010) کی دفعہ 34 کے تحت اپنے افسران کو 🛘 قیمتوں میں اضافے سے جوڑا عاسکتا ہے۔انکوائری راولینڈی اور لا ہور میں بیک وقت پولٹری فیڈ ملوں کے دفاتر کی تلاثی اور اہم ریکارڈ کا حائزہ لینے اور 🛭 دعویٰ کہ قیمتوں میں اضافیہ پیداواری لاگت میں متعلقہ شواہد کو قیضے میں لینے کا اختیار دیا۔انسپشن کے 🏿 اضافے کی وجہ سے ہوا ہے ثابت نہیں ہوتا۔ٹھویں دوران دونوں کمپنیوں نے س سی ٹی کی ٹیموں کے اشواہد حاصل کرنے کے لئے کمیشن نے یہ سرچ ساتھ مکمل تعاون کیااورمطلوبه معلومات حوالے کیں۔ السیکشن کیا۔

Experss

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لاہور،راولینڈی میں 2 پولٹری فیڈ ملز و فاتر پر چھا ہے ریکار ڈقیفے میں لے لیا، کمیشن نے گھ جوڑے پولٹری فیڈ مہنگی کرنے کا نوٹس لیا تھا

اسلام آباد (ارشاد انصاری ہے) مسابقی کمیشن آف پاکستان نے مسابقی قوانین کی مبینہ خلاف ور زیوں پر لا ہور اور راولپنڈی دوبڑی پولٹری فیڈ ملوں کے دفاتر پر چھا ہے مار کرریکار ڈفیفے میں لے لیا ہے۔ سرچ انسپشن کا مقصد ان ملوں کا پولٹری فیڈ کی قیمتوں میں مبینہ گھ جوڑ کے ذریعے اجتماعی اضافے میں ملوث ہونے کے شواہد قبضے میں لینا تھا۔ سی سی پی نے پولٹری فیڈ کی قیمتوں میں بیک وفت اضافے کانوٹس لے کرائلوائری کا آغاز کیا تھا۔ برائلر فیڈ کی قیمت میں گزشتہ 18 ماہ کے دوران 50 کلوگرام کے بیگ پر 550رو ہے سے زیادہ تک کا اضافہ دیکھا گیا، جبکہ لیئر فیڈ کی قیمت میں اوسطاً 530رو ہے فی بیگ اضافہ ہوا۔ اسی عرصے کے دوران چکن فارم برائلر کی قیمتوں میں لیئر فیڈ کی قیمتوں میں اضافہ ہوا، جے برائلر فیڈ کی قیمتوں میں اضافہ سے جوڑاجا سکتا ہے۔ انکوائری کمیٹی نے مختلف ذرائع سے پالگایا کہ متعدد بڑی پولٹری فیڈ ملز مختلف مقامات پر میٹنگوں کے ذریعہ اور کمپنیوں کے سیال اوز کے واٹس ایپ گروپ کے ذریعہ ، اجتماعی طور پر پولٹری فیڈ کی قیمتوں میں اضافہ میں ملوث ہیں۔

Nai Baat

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سی سی پی کی بولٹری فیڈ ملوں کے دفاتر پر چھاپے

ملوں کا پولٹری فیڈ کی قیمتوں میں مبینہ اضافے میں ملوث ہونے کے شواہد حاصل کئے

اسلام آباد (نئ بات رپورٹ) پولٹری فیڈ مار کیٹ میں مکنہ کمپٹیشن مخالف سرگرمیوں پر جاری تحقیقات کے پسِ منظر میں کمپیٹیشن کمیشن آ ف یا کستان (سیسی بی) نے راولینڈی اور لا ہور کی دو بڑی پولٹری فیڈ ملوں کے دفاتر کاسرچ اسپلشن کیا۔اس اسپلشن کامقصدان ملول کا پولٹری فیڈ کی قیمتوں میں مبینہ گھ جوڑ کے ذریعے اجتماعی اضافے میں ملوث ہونے کے شواہد قبضے میں لینا تھا۔سی سی پی نے پولٹری فیڈسیکٹر میں کمپیٹیشن مخالف سرگرمیوں کے حوالے سے ٹھوس معلومات کی بنیاد پر کمپیٹیشن ایکٹ (2010) کی دفعہ 34 کے تحت اپنے افسران کوراولپنڈی اور لا ہور میں بیک وقت ِ پولٹری فیڈ ملوں کے دفاتر کی تلاشی اورا ہم ریکارڈ کا جائزہ لینے اور متعلقہ شوامد کو قبضے میں لینے کا اختیار دیا۔ اسپکشن کے دوران ، دونوں کمپنیوں نے سی سی بی کی ٹیموں کے ساتھ مکمل تعاون کیا اور مطلوبہ معلومات حوالے کیں سیسی بی نے پولٹری فیڈ کی قیمتوں میں بیک وقت اضافے کا نوٹس کیتے ہوئے پولٹری فیڈسکٹر میں مشتبہ کمپٹیشن مخالف سرگرمیوں پر انکوائری کا آغاز کیا تھا۔ مار کیٹ ذرائع سے اکھٹے کر دہ اعدا دوشار سے بھی ظاہر ہوتا ہے کہ واقعتاً پولٹری فیڈ کی قیمتوں میں بیک وقت اضافہ ہوا اور قیمتوں میں اوسطاً اضافہ بھی ایک جبیبا ہی دکھائی دیاجس سے بادی النظر گھ جوڑ کا شبہ ظاہر ہوتا ہے جو کمپٹیشن ایکٹ کی دفعہ 4 کی خلاف ورزی ہے۔ برائلر فیڈ کی قیمت میں مچھلے18 ماہ کے دوران 50 کلوگرام کے بیگ پر 550رویے سے زیادہ تک کا اضافہ دیکھا گیا، جبکہ لیرفیڈ کی قیمت میں اس مدت کے دوران اوسطا 530 رویے فی 50 کلوگرام کے بیگ پراضافہ ہوا۔ بیمشاہدہ بھی کیا گیا کہائی عرصے کے دوران چکن فارم برائلر کی قیمتوں میں 100 فیصد سے زیادہ (103 رویے کلوگرام سے 225 رویے كلوگرام تك - وينا PBS) اضافه بوا، جي برائلر فيدكي قيمتون مين اضافي سے جوڑا جاسكتا ہے۔

Jinnah

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ى يى كاكىيىشى خالف سركرميون بربولى فىدملزدفاتر كامعائنه

السيكشن كامقصدان ملول كابولترى فيزكى قيمتول مين مبينة كثير جوز كيشوام قضي مين ليناتها

34 کے تحت اپنے افسران کوراولینڈی اور لاہور شل

بیک وقت بہلڑی فیڈ ملول کے وفاتر کی تلاثی اوراہم

ریکارڈ کا جائزہ لینے اور متعلقہ شواہد کو قبضے جس لینے کا

اختیاردیا۔ اسکیشن کے دوران ، دونول کمپنیول نے ی

معلومات کو الے کس کے ساتھ کھل تعاون کیا اور مطلوبہ
معلومات کو الے کیس۔ سی پی نے پولٹری فیڈ کی

قیمتوں جس بیک وقت اضافے کا نوٹس لیتے ہوئے

بولٹری فیڈ سیکٹر میں مشتبہ کمپٹیشن مخالف سرگرمیوں پر
انکوائری کا آغاز کیا تھا۔ مارکیٹ ذرائع سے انکھئے

انکوائری کا آغاز کیا تھا۔ مارکیٹ ذرائع سے انکھئے

کردہ اعداد دشارے بھی ظاہر ہوتا ہے۔

راولینڈی (آن لائن) پولٹری فیڈ مارکیٹ بیل مکنے کمیٹیشن مخالف سرگرمیوں پر جاری تحقیقات کے پسی منظر میں کمیٹیشن کمیشن آف پاکستان (ی ی پی) نے راولینڈی اور لا ہور کی دو بڑی پولٹری فیڈ ملوں کے دفاتر کا سرج معائنہ کیا۔ اس انسیکشن کا مقصدان ملوں کا بولٹری فیڈ کی قیمتوں میں مبینہ گئے جوڑ کے فرریعے اجماعی اضافے میں ملوث ہونے کے شواہد قرصے فراید ای ایمانی اضافے میں ملوث ہونے کے شواہد قصے میں لیمانی اسافے میں ملوث ہونے کے شواہد معلومات کی بنیاد پر کمپٹیشن ایکٹر میں معلومات کی بنیاد پر کمپٹیشن ایکٹ (2010) کی دفعہ معلومات کی بنیاد پر کمپٹیشن ایکٹ (2010) کی دفعہ معلومات کی بنیاد پر کمپٹیشن ایکٹ (2010) کی دفعہ