

# **Media Coverage**

**3 April 2024**

**CCP Issues Show Cause Notices to  
Fertilizer Firms**

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## CCP issues notices to urea makers

By Our Staff Reporter

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ISLAMABAD: The Competition Commission of Pakistan (CCP) has issued show-cause notices to the Fertiliser Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertiliser companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act 2010.

Urea prices play a crucial role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertiliser companies can lead to higher costs for farmers, ultimately resulting in more expensive food prices for consumers.

CCP's inquiry found that FMPAC and its six-member firms, including Engro Fertilisers Ltd, Fauji Fertiliser Company Ltd, Fatima Fertiliser Company Ltd, Fauji Fertiliser Bin Qasim Ltd, Agritech Ltd and Fatima Fertiliser Ltd of prima facie violating the competition law.

The inquiry was prompted by an FMPAC's advertisement in November 2021, where they announced a 'Maximum Retail Price of urea at Rs1,768 per 50kg bag' during a time of rising prices and reported shortages.

The inquiry proceedings revealed urea prices were deregulated under the Fertiliser Policy 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of section 4(2)(a) of the act.

The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity.

Despite receiving subsidised feedstock gas from the government, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received.

# CCP issues notice to fertiliser body over 'price fixing'

**By Mehtab Haider**

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Urea prices play a crucial role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertilizer companies can lead to higher costs for farmers, ultimately resulting in more expensive food prices for consumers. The CCP's inquiry found the FMPAC and its six member firms of prima facie violating the Competition Law.

The inquiry was prompted by an FMPAC advertisement in November 2021, where they announced a 'maximum retail price of urea at Rs 1,768 per

50kg bag', during a time of rising prices and reported shortages. The inquiry proceedings revealed that urea prices were deregulated under the Fertilizer Policy of 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of Section 4(2) (a) of the Act. The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity.

Despite receiving subsidized feedstock gas from the government of Pakistan, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received. From a competition law perspective, the announcement of prices by an association, even if relaying government-set prices, is considered a com-

mercial decision beyond permissible activities. The CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices. The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy.



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# CCP issues show-cause notices to FMPAC, six fertiliser firms

**OUR STAFF REPORTER**  
**ISLAMABAD**

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Urea prices play a crucial role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertilizer companies can lead to higher costs for farmers, ultimately resulting in more expensive food prices for consumers. CCP's inquiry found FMPAC and its six member firms, including Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited, of prima facie violating the Competition Law.

The inquiry was prompted by an FMPAC's advertisement in November 2021, where they announced a 'Maximum Retail Price of Urea at Rs 1768 per 50kg bag', during a time of rising prices and

reported shortages. The inquiry proceedings revealed that urea prices were deregulated under the Fertilizer Policy of 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of Section 4(2)(a) of the Act.

The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity. Despite receiving subsidized feedstock gas from the Government of Pakistan, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received. From a competition law perspective, the announcement of prices by an association, even if relaying government-set prices, is considered a commercial decision beyond permissible activities. CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices. The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy.

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## CORPORATE CORNER

### **CCP issues notices to fertiliser firms**

ISLAMABAD. The Competition Commission of Pakistan (CCP) has issued show cause notices to the Fertiliser Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertiliser companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010. Urea prices play a crucial role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertiliser companies can lead to higher costs for farmers, ultimately resulting in more expensive food for consumers. CCP's inquiry found that FMPAC and its six member firms, including Engro Fertilisers, Fauji Fertiliser Company, Fatima Fertiliser, Fauji Fertiliser Bin Qasim Limited, Agritech Limited and Fatimafert Limited, prima facie violated the competition law. The inquiry was prompted by an FMPAC's advertisement in November 2021, where they announced a "maximum retail price of urea at Rs1,768 per 50kg bag", during a time of rising prices and reported shortages. PRESS RELEASE

یوریا بنانے والی 6 کمپنیاں پرائس فلٹنگ میں ملوث، مینوفیکچررز کونسل کو شوکا ز جاری  
نومبر 2021ء میں اشتہار کے ذریعہ 50 کلو بیگ کی قیمت 1768 مقرر کرنے کی تشہیر کی تھی  
قیمتوں میں اضافہ کے باعث کھاد کی قلت رپورٹ کی، مسابقتی کمیشن کی انکوائری رپورٹ میں انکشاف  
کراچی (کامرس رپورٹر) مسابقتی کمیشن آف کمپنیوں کو کھاد کی پرائس فلٹنگ میں ملوث ہونے پر  
پاکستان نے ملک کی 6 بڑی یوریا تیار کرنے والی فریٹلائزر مینوفیکچررز آف صفحہ 6 پر بقیہ نمبر 27

سی سی پی

بقیہ 27

پاکستان ایڈوائزری کونسل (FMPAC) کو شوکا ز نوٹس  
جاری کرویا۔ مسابقتی کمیشن کی انکوائری کے مطابق 6  
کمپنیوں نے نومبر 2021ء میں اشتہار کے ذریعے 50 کلو  
یوریا بیگ کی قیمت 1768 روپے مقرر کرنے کی تشہیر کی اور  
قیمتوں میں اضافہ کے باعث کھاد کی قلت رپورٹ کی۔



## CCP: پراس فلکنگ پر 6 فرٹیلائزر کمپنیوں کو شوکاز نوٹس

قیمتوں کے تعین کیلئے گھڑ جوڑ کمپنیشن ایکٹ 2010 کی خلاف ورزی، انکوائری مکمل

اسلام آباد (ارشاد انصاری سے) کمپنیشن آف پاکستان (سی سی پی) نے فرٹیلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل (ایف ایم پی اے سی) اور فرٹیلائزر کمپنیوں کو یوریا کی قیمتیں مہینہ طور پر گھڑ جوڑ سے مقرر کرنے پر جاری کئے گئے، سی سی پی کے مطابق (باقی صفحہ 5 نمبر 25)



قیمتوں کے تعین کیلئے ایسا گھڑ جوڑ کمپنیشن ایکٹ 2010 کے سیکشن 4 کی مہینہ خلاف ورزی ہے، سی سی پی کی انکوائری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں جن میں اینگرو فرٹیلائزر لمیٹڈ، فوجی فرٹیلائزر کمپنی لمیٹڈ، فاطمہ فرٹیلائزر کمپنی لمیٹڈ، فوجی فرٹیلائزر بن قاسم لمیٹڈ، ایگریٹیک لمیٹڈ اور فاطمہ فرٹ لمیٹڈ شامل ہیں، مہینہ طور پر کمپنیشن قانون کی خلاف ورزی کرتے ہوئے پائے گئے۔



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## یوریا قیمتوں میں گٹھ جوڑ، 6 کھاد کمپنیوں کو پر شوکاژ نوٹس

کمپنیوں میں ایسگر و فرٹیلائزر، فوجی فرٹیلائزر، فاطمہ فرٹیلائزر و دیگر شامل

اسلام آباد (اوصاف نیوز) کمپٹیشن کمیشن آف پاکستان (سی سی پی) نے فرٹیلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل (ایف ایم پی اے سی) اور 6 سرکردہ کھاد کمپنیوں کو پر شوکاژ نوٹس جاری کئے ہیں۔ یہ شوکاژ نوٹس ایف ایم پی اے سی اور فرٹیلائزر کمپنیوں کو یوریا (باقی صفحہ 6 بقیہ نمبر 50)

### شوکاژ نوٹس 50 اوصاف

کی قیمتیں مبینہ طور پر گٹھ جوڑ سے مقرر کرنے پر جاری ہوئے ہیں۔ قیمتوں کے تعین کا ایسا گٹھ جوڑ کمپٹیشن ایکٹ 2010 کے سیکشن 4 کی مبینہ خلاف ورزی ہے، سی سی پی کی انکوآری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں جن میں ایسگر و فرٹیلائزر لمیٹڈ، فوجی فرٹیلائزر کمپنی لمیٹڈ، فاطمہ فرٹیلائزر کمپنی لمیٹڈ، فوجی فرٹیلائزر بن قاسم لمیٹڈ، ایگریٹیک لمیٹڈ، اور فاطمہ فرٹ لمیٹڈ شامل ہیں، مبینہ طور پر کمپٹیشن قانون کی خلاف ورزی کرتے ہوئے پائے گئے۔





03 April, 2024

Dunya News \_ Front Page

## 6 فرٹیلائزر کمپنیوں، مینو فیکچررز کے خلاف کارروائی شروع

اسلام آباد (دنیا نیوز) سی سی پی نے 6 فرٹیلائزر کمپنیوں اور فرٹیلائزر مینو فیکچررز آف پاکستان کے خلاف کارروائی کا آغاز کر دیا، سی سی پی کی جانب سے شوکار نوٹس جاری کر دیئے (باقی صفحہ 5 بقیہ 35)

کارروائی شروع

بقیہ نمبر 35

گئے، سی سی پی اعلامیہ کے مطابق یوریا کی قیمتوں میں مبینہ طور پر گٹھ جوڑ پر ایف ایم پی اے سی اور فرٹیلائزر کمپنیوں کو شوکار نوٹس جاری کئے گئے۔



## یورپا کی پرائس فلکنگ 6: فریلائزر کمپنیوں کو شوکاز نوٹس جاری

03 اپریل، 2024



لاہور (سودی) کمپینیشن کمیشن آف پاکستان (سی سی پی) نے فریلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل اور چھ سرکردہ کھاد کمپنیوں کو پر شوکاز نوٹس جاری کیے ہیں۔ یہ شوکاز نوٹس یورپا کی قیمتیں مدینہ طور پر گھٹے جوڑے سے مقرر کرنے پر جاری ہوئے ہیں۔ سی سی پی کی انکوائری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں جن میں اینگرو فریلائزر لیٹڈ، فوجی فریلائزر کمپنی لیٹڈ، فاطمہ فریلائزر کمپنی لیٹڈ، فوجی فریلائزر بن قاسم لیٹڈ، ایگریٹیک لیٹڈ، اور فاطمہ فرٹ لیٹڈ شامل ہیں، مدینہ طور پر کمپینیشن قانون کی خلاف ورزی کرتے ہوئے پائے گئے۔ انکوائری کا آغاز نومبر 2021 میں ہوا تھا۔



# سرکردہ کھاد کمپنیوں کی یوریا کی پرائس فلٹنگ جاری

## سی سی پی نے چھ فرٹیلائزر کمپنیوں اور ایف ایم پی اے سی کو شوکاز نوٹس جاری کر دیئے

انکوائری کا آغاز نومبر 2021 میں شائع شدہ ایف ایم پی اے سی کے ایک اشتہار کے بعد کیا گیا تھا، جہاں انہوں نے بڑھتی ہوئی قیمتوں اور قلت کی اطلاع کے دوران، یوریا کی زیادہ سے زیادہ خوردہ قیمت 1768 روپے فی 50 کلوگرام کا اعلان کیا تھا۔ انکوائری سے یہ بات سامنے آئی کہ یوریا کی قیمتوں کو 2001 کی فرٹیلائزر پالیسی کے تحت ڈی ریگولیٹ کیا گیا تھا۔ اشتہار کے مواد کو یوریا کی فروخت پر ایسوسی ایشن کے فیصلے کے طور پر دیکھا گیا، جو کہ ایکٹ کے سیکشن 4 کی خلاف ورزی ہے۔ انکوائری میں یوریا کمپنیوں کے درمیان قیمتوں میں ہم آہنگی بھی نوٹ کی گئی، جو ممکنہ ساز باز کی سرگرمی کا اشارہ دیتی ہے۔

اسلام آباد (نئی بات نیوز) سپیشل کمیشن آف پاکستان نے فرٹیلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل ایف ایم پی اے سی اور چھ سرکردہ کھاد کمپنیوں کو پر شوکاز نوٹس جاری کیے ہیں۔ یہ شوکاز نوٹس ایف ایم پی اے سی اور فرٹیلائزر کمپنیوں کو یوریا کی قیمتیں مبینہ طور پر گھٹ جوڑ سے مقرر کرنے پر جاری ہوئے ہیں۔ قیمتوں کے تعین کا ایسا گھٹ جوڑ کمیشن ایکٹ 2010 کے سیکشن 4 کی مبینہ خلاف ورزی ہے، سی سی پی کی انکوائری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں جن میں اینگرو فرٹیلائزر لمیٹڈ، فوجی فرٹیلائزر کمپنی لمیٹڈ، فاطمہ فرٹیلائزر کمپنی لمیٹڈ، فوجی فرٹیلائزر بن قاسم لمیٹڈ، ایگریٹیک لمیٹڈ، اور فاطمہ فرٹ لمیٹڈ شامل ہیں، مبینہ طور پر سپیشل کمیشن قانون کی خلاف ورزی کرتے ہوئے یا ئے گئے۔



عوامي حقن جي ترجمان، ڪمپيوٽر تي پهرين مڪمل اخبار

ABC CERTIFIED

ڪراچي، حيدرآباد ۽ سکر مان هڪ ئي وقت شايع ٿيندڙ

Daily AWAMI AWAZ

روزنامي

# عوامي آواز

اس سي پي طرفان (پان ڪمپنين ۽ اينف ايم پي ايل سي) کي شوڪاز نوٽيس جاري

ڪمپنين کي اس نوٽيس پوريا پان جون ٽيڪ جوڙ نوٽيس ٿيڻون مقرر ٿي ڏنا ويا آهن

جائابن ڪمپنيون مبيد طور تي ڪمپنيشن ٿاڻون جي پڇڙڙي طرفي رهيوڻ فيرون

اهي اس سي پي اس انٽرنيٽي وٽان  
لڳا پوري اس نوٽيس ايم پي ايل سي  
۽ ان جون ٽيڪ جوڙ ڪمپنين ۽ پوري  
انٽرنيٽي ٽريڊنگ ڪمپنيون مقرر ٿي ڏنا ويا آهن  
ڪمپنيون مبيد طور تي ڪمپنيشن ٿاڻون جي  
پڇڙڙي طرفي رهيوڻ فيرون  
اس سي پي اس انٽرنيٽي وٽان  
لڳا پوري اس نوٽيس ايم پي ايل سي  
۽ ان جون ٽيڪ جوڙ ڪمپنين ۽ پوري  
انٽرنيٽي ٽريڊنگ ڪمپنيون مقرر ٿي ڏنا ويا آهن  
ڪمپنيون مبيد طور تي ڪمپنيشن ٿاڻون جي  
پڇڙڙي طرفي رهيوڻ فيرون

اسٽار ايم (پ ر) مٿي واري  
ڪمپنيشن اس نوٽيس ايم پي ايل سي  
پان ڪمپنين ۽ اينف ايم پي ايل سي  
(پان ڪمپنين ۽ اينف ايم پي ايل سي) کي شوڪاز نوٽيس جاري  
ڪمپنين کي اس نوٽيس پوريا پان جون ٽيڪ جوڙ نوٽيس ٿيڻون مقرر ٿي ڏنا ويا آهن  
ڪمپنيون مبيد طور تي ڪمپنيشن ٿاڻون جي پڇڙڙي طرفي رهيوڻ فيرون  
اس سي پي اس انٽرنيٽي وٽان  
لڳا پوري اس نوٽيس ايم پي ايل سي  
۽ ان جون ٽيڪ جوڙ ڪمپنين ۽ پوري  
انٽرنيٽي ٽريڊنگ ڪمپنيون مقرر ٿي ڏنا ويا آهن  
ڪمپنيون مبيد طور تي ڪمپنيشن ٿاڻون جي  
پڇڙڙي طرفي رهيوڻ فيرون

## فرٹیلانڈرز کمپنیوں نے ملی بھگت سے یورپا کھاد کی پرائس فکسنگ کی ، مسابقتی کمیشن

Apr 02, 2024 | 20:22:PM

(وقاص عظیم) مسابقتی کمیشن نے فرٹیلانڈرز کمپنیوں کو ملی بھگت سے یورپا کھاد کی پرائس فکسنگ کرنے پر شوکاز نوٹس جاری کر دیا۔

تفصیلات کے مطابق مسابقتی کمیشن نے 6 فرٹیلانڈرز کمپنیوں، ایف ایم پی اے سی کو شوکاز نوٹس جاری کر دیئے ہیں ، شوکاز فرٹیلانڈرز کمپنیوں کو یورپا کی قیمتیں مبینہ طور پر گھٹے جوڑ سے مقرر کرنے پر جاری ہوئے، سی سی پی کا کہنا ہے کہ قیمتوں کیلئے گھٹے جوڑ کمپینیشن ایکٹ 2010 کے سیکشن 4 کی مبینہ خلاف ورزی ہے، انکوائری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں شامل ہیں، کمپنیوں میں اینگرو فرٹیلانڈرز لمیٹڈ، فوجی فرٹیلانڈرز کمپنی لمیٹڈ شامل ہے، اس کے علاوہ فاطمہ فرٹیلانڈرز ، فوجی فرٹیلانڈرز بن قاسم لمیٹڈ، ایگریٹیک لمیٹڈ اور فاطمہ فرٹ لمیٹڈ بھی گھٹے جوڑ میں شامل ہیں ۔

سی سی پی کا کہنا ہے کہ ایف ایم سی اور 6 کمپنیوں نے مبینہ طور پر کمپینیشن قانون کی خلاف ورزی کی، قیمتوں میں مبینہ گھٹے جوڑ کی انکوائری کا آغاز نومبر 2021 سے کیا گیا، انکوائری شائع شدہ ایف ایم پی اے سی کے ایک اشتہار کے بعد کیا گیا تھا، اشتہار میں بڑھتی ہوئی قیمتوں اور قلت کا بتایا گیا تھا، یورپا کی زیادہ سے زیادہ خوردہ قیمت 1768 روپے فی 50 کلو گرام کا اعلان کیا گیا تھا، یورپا کی قیمتوں کو 2001 کی فرٹیلانڈرز پالیسی کے تحت ڈی ریگولیت کیا گیا تھا، اشتہار کے مواد کو یورپا کی فروخت پر ایسوسی ایشن کے فیصلے کے طور پر دیکھا گیا، انکوائری میں یورپا کمپنیوں کے درمیان قیمتوں میں ہم آہنگی بھی پائی گئی ، قیمتوں میں ہم آہنگی ممکنہ ساز باز کی سرگرمی کا اشارہ دیتی

## 6 فرٹیلانزر کمپنیوں کو شوکاز نوٹس

کاروبار ویب ڈیسک 03 اپریل 2024



کمپینیشن کمیشن آف پاکستان نے 6 فرٹیلانزر کمپنیوں کو شوکاز نوٹس جاری کر دیے۔

کمپینیشن کمیشن آف پاکستان (سی سی پی) نے فرٹیلانزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل (ایف ایم پی اے سی) اور 6 سرکردہ کھاد کمپنیوں کو پرائس فکسنگ پر شوکاز نوٹس جاری کر دیئے، یہ شوکاز نوٹس ایف ایم پی اے سی اور فرٹیلانزر کمپنیوں کو یورپا کی قیمتیں مبینہ طور پر گتھ جوڑ سے مقرر کرنے پر جاری کئے گئے۔

سی سی پی کے مطابق قیمتوں کے تعین کیلئے ایسا گتھ جوڑ کمپینیشن ایکٹ 2010 کے سیکشن 4 کی مبینہ خلاف ورزی ہے، سی سی پی کی انکوائری میں ایف ایم پی اے سی اور اس کی چھ ممبر کمپنیاں جن میں اینگرو فرٹیلانزر لمیٹڈ، فوجی فرٹیلانزر کمپنی لمیٹڈ، فاطمہ فرٹیلانزر کمپنی لمیٹڈ، فوجی فرٹیلانزر بن قاسم لمیٹڈ، ایگریٹیک لمیٹڈ اور فاطمہ فرٹ لمیٹڈ شامل ہیں، مبینہ طور پر کمپینیشن قانون کی خلاف ورزی کرتے پائے گئے۔



کاروباری خبریں

# فرٹیلائزر کمپنیوں کی جانب سے پرائس فکسنگ کا انکشاف

ویب ڈیسک

اپریل 2, 2024



اسلام آباد: فرٹیلائزر کمپنیوں کی جانب سے پرائس فکسنگ کا انکشاف ہوا ہے، کمیٹیشن کمیشن آف پاکستان (سی سی پی) نے 6 فرٹیلائزر کمپنیوں کو شوکاز نوٹس جاری کر دیے۔

سی سی پی نے فرٹیلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل کو بھی نوٹس جاری کر دیا ہے، ایف ایم پی اے سی اور 6 بڑی یوریا کمپنیوں کو پرائس فکسنگ پر نوٹس دیا گیا ہے۔

سی سی پی کے مطابق ایف ایم پی اے سی اور 6 کمپنیوں نے نومبر 2021 میں اشتہار دیا تھا، جس میں 50 کلو یوریا بیگ کی قیمت 1768 روپے مقرر کرنے کی تشہیر کی گئی تھی، یہ اخباری اشتہار اس انکوائری کی بنیاد بنا ہے۔

سی سی پی کے مطابق یہ اشتہار کمیٹیشن ایکٹ کے سیکشن 4 کی خلاف ورزی ہے، گٹھ جوڑ پر مبنی ایسی پرائس فکسنگ ممنوع ہے، مذکورہ یوریا کمپنیوں کے درمیان قیمتوں میں ہم آہنگی بھی نوٹ کی گئی ہے۔



بوم پیج شوبز عالمی دنیا پاکستان کھیل کاروباری دنیا



## 6 فرٹیلائزر کمپنیوں کو شوکاز نوٹس

On Apr 3, 2024

اسلام آباد(قدرت روزنامہ) کمپیٹیشن کمیشن آف پاکستان نے 6 فرٹیلائزر کمپنیوں کو شوکاز نوٹس جاری کر دیے۔ کمپیٹیشن کمیشن آف پاکستان (سی سی پی) نے فرٹیلائزر مینوفیکچررز آف پاکستان ایڈوائزری کونسل (ایف ایم پی اے سی) اور 6 سرکردہ کھاد کمپنیوں کو پرائس فکسنگ پر شوکاز نوٹس جاری کر دیئے، یہ شوکاز نوٹس ایف ایم پی اے سی اور فرٹیلائزر کمپنیوں کو یوریا کی قیمتیں مبینہ طور پر گٹھ جوڑ سے مقرر کرنے پر جاری کئے گئے۔

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# CCP issues show cause notices to six fertiliser firms

Bilal Hussain Published April 2, 2024

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The Competition Commission of Pakistan (CCP) has issued showcause notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading companies for allegedly fixing urea prices, which would constitute a prima facie violation of Section 4 of the Competition Act, 2010.

Urea prices play a pivotal role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertilizer companies can lead to higher costs for farmers, ultimately resulting in more expensive prices for consumers.

The CCP's inquiry found FMPAC and its six member firms – Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited – prima facie in violation of the Competition Law.

The inquiry was initiated following an FMPAC advertisement in November 2021, where they announced a 'Maximum Retail Price of Urea at Rs 1768 per 50kg bag', during a period of rising prices and reported shortages.

The inquiry proceedings revealed that urea prices were deregulated under the Fertilizer Policy of 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of Section 4(2)(a) of the Act.

The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity.



Despite receiving subsidised feedstock gas from the government, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received.

From a competition law perspective, the announcement of prices by an association, even if relaying government-set prices, is considered a commercial decision beyond permissible activities. CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices.

The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy.

3 April 2024

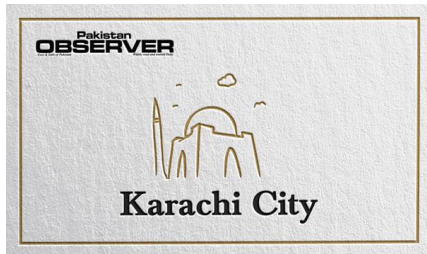
Online

# CCP issues notice to fertilizer companies, MAC over price fixing

by [News desk](#)

[2 mins ago](#)

in [Karachi](#)



The Competition Commission has issued notices to fertilizer companies and the Fertilizer Manufacturers Advisor Council regarding alleged price fixing. Notices were issued to six major urea companies for fixing the price of 50-kilogram urea bags at Rs. 1468 through advertisements in November 2021, according to a statement by the Competition Commission.

The inquiry is based on advertisements published in newspapers by the six companies, which allegedly violate Section 4 of the Competition Act. The six companies involved include Engro Fertilizers Limited, Fauji Fertilizer Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatima Fert Limited. Price fixing competition law violation allegations have been raised by associations and their members against coordinated actions.

The inquiry also noted price harmony among urea companies, suggesting possible collusive activities. Departing from the permissible activities of legally determined prices by the government, as stipulated under competition law, is deemed a commercial decision.



Online

## CCP issues notices to fertilizer manufacturers for alleged price fixing

The inquiry proceedings reveal that urea prices were deregulated under the Fertilizer Policy of 2001

[| SAMAA WEB DESK](#) Apr 02, 2024



Competition Commission of Pakistan (CCP) – File

**The Competition Commission of Pakistan (CCP) has issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010.**

Urea prices play a crucial role in determining the prices of essential food commodities. Any arbitrary increase in urea prices by fertilizer companies can lead to higher costs for farmers, ultimately resulting in more expensive food prices for consumers.

CCP's inquiry found FMPAC and its six-member firms, including Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited, of prima facie violating the Competition Law.

The inquiry was prompted by an FMPAC's advertisement in November 2021, where they announced a 'Maximum Retail Price of Urea at Rs 1768 per 50kg bag', during a time of rising prices and reported shortages.

The inquiry proceedings revealed that urea prices were deregulated under the Fertilizer Policy of 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of Section 4(2)(a) of the Act.

The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity.

Despite receiving subsidized feedstock gas from the Government of Pakistan, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received.

From a competition law perspective, the announcement of prices by an association, even if relaying government-set prices, is considered a commercial decision beyond permissible activities. CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices.

The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy.



# CCP Issues Notices to Fertilizer Manufacturers for Price Fixing

April 2, 2024

Islamabad, April 2, 2024 – The Competition Commission of Pakistan (CCP) has taken decisive action against the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six major fertilizer companies for allegedly engaging in price fixing practices regarding urea, a move that could have far-reaching consequences for both farmers and consumers.

The issuance of Show Cause Notices on Tuesday marks a significant development in the ongoing efforts to safeguard fair competition within the agricultural sector.

Urea prices hold significant sway over the costs associated with essential food commodities, making any arbitrary increases particularly concerning. According to a statement released by the CCP, such actions by fertilizer companies have the potential to burden farmers with higher input costs, ultimately translating into increased prices for consumers at large.

The inquiry conducted by the CCP highlighted the involvement of FMPAC and its six member firms, namely Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited, in what appears to be a prima facie violation of Section 4 of the Competition Act, 2010.

The genesis of the inquiry traces back to November 2021 when FMPAC issued an advertisement setting a ‘Maximum Retail Price of Urea at Rs 1,768 per 50kg bag’ amidst reports of rising prices and shortages. This move, interpreted by the CCP as an association’s decision on urea sale rates, is deemed a contravention of Section 4(2)(a) of the Act, which prohibits such collusive practices.

Moreover, the inquiry unearthed a concerning pattern of uniform pricing and price parallelism among the urea companies, hinting at potential collusion in the determination of prices. This observation is particularly alarming given that these companies benefit from subsidized feedstock gas provided by the government, albeit at varying rates for each plant. The apparent uniformity in prices raises pertinent questions regarding the cost structures and subsidies received by these entities.

From a competition law perspective, the advertisement of prices by an association, irrespective of whether they align with government-set rates, is deemed a commercial decision exceeding permissible boundaries. The CCP has consistently cautioned business associations against engaging in price-fixing or other collusive activities, emphasizing the need for adherence to fair competition principles.

The enduring prevalence of double-digit food inflation in Pakistan underscores the profound impact of urea price escalations on the broader economy. As such, the CCP's intervention in addressing alleged price-fixing practices assumes heightened significance, underscoring the imperative of preserving competitive dynamics within the agricultural sector.

Moving forward, the onus lies on the concerned parties to provide substantive responses to the Show Cause Notices issued by the CCP, thereby enabling a thorough examination of the allegations and facilitating the enforcement of appropriate remedial measures. In doing so, stakeholders can contribute to fostering an environment conducive to fair competition, ensuring equitable outcomes for all stakeholders involved in Pakistan's agricultural landscape.

3 April 2024

Online

## CCP Issues Show Cause Notices to Fertilizer Firms

April 2, 2024 [Business](#)

### Staff Report

The Competition Commission of Pakistan (CCP) has finally issued show cause notices to fertilizer firms over alleged monopolistic practices to fix prices of urea.

It issued notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies over the alleged monopoly to fix urea prices.

According to CCP's inquiry, FMPAC and its six-member firms were involved in monopolistic practices by setting prices of urea.

These companies who violated competition law included Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited.

The urea industry had been charging higher prices from the farmers during the previous tenure of a caretaker government.

The caretaker government had tried to cut the prices down but fertilizer manufacturers had not cooperated.

Following this, the caretaker government referred a case to the Competition Commission of Pakistan to probe fertilizer manufacturers for fixing urea prices.

Urea is a key input for crops that farmers use and their prices are a major contributor in determining the prices of essential food commodities.

Any arbitrary increase in urea prices by fertilizer companies has been leading to higher costs for farmers.

Ultimately, it results in more expensive food prices for consumers.

CCP initiated an inquiry following an FMPAC advertisement in November 2021.

The fertilizer manufacturers body FMPAC had announced a 'Maximum Retail Price of Urea at Rs 1768 per 50kg bag'.

The price was announced during a time of rising prices and reported shortages.

The inquiry proceedings further revealed that urea prices were being deregulated under the Fertilizer Policy of 2001.

CCP had seen the advertisement contents as a decision by an association on the sale rate of urea that was a violation of Section 4(2)(a) of the Act.

The inquiry further revealed that a pattern of uniform pricing and price parallelism among urea companies had suggested potential collusive activity.

The fertilizer manufacturers have been receiving subsidized feedstock gas from the Government of Pakistan.

This subsidy varies in rate for each plant. However, these companies' prices revealed uniformity in some instances.

The price uniformity had raised serious questions over the price-setting mechanism by manufacturers and the subsidies they were receiving.

CCP considers a commercial decision beyond permissible activities from a competition law perspective relating to the announcement of prices by an association, even if relaying government-set prices.

CCP has been repeatedly directing business associations to avoid engaging in price fixing or other collusive practices.

The urea prices have the ripple effect of the urea price hikes on the broader economy.

They have also contributed to persistent double-digit food inflation in Pakistan over the past few years.





Online

# CCP Issues Show Cause Notices to Fertilizer Firms



Published April 02, 2024 | 11:02 PM



The Competition Commission of Pakistan (CCP) on Tuesday issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010

ISLAMABAD, (APP - UrduPoint / Pakistan Point News - 2nd Apr, 2024) The Competition Commission of Pakistan (CCP) on Tuesday issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010.

Urea prices play a crucial role in determining the prices of essential food commodities, said CCP press statement adding any arbitrary increase in urea prices by fertilizer companies can lead to higher costs for farmers, ultimately resulting in more expensive food prices for consumers.

CCP's inquiry found FMPAC and its six member firms, including Engro Fertilizers Limited, Fauji Fertilizer Company Limited, Fatima Fertilizer Company Limited, Fauji Fertilizer Bin Qasim Limited, Agritech Limited, and Fatimafert Limited, of prima facie violating the Competition Law.

The inquiry was prompted by an FMPAC's advertisement in November 2021, where they announced a 'Maximum Retail Price of Urea at Rs 1,768 per 50kg bag', during a time of rising prices and reported shortages.

The inquiry proceedings revealed that urea prices were deregulated under the Fertilizer Policy of 2001. The advertisement contents were seen as a decision by an association on the sale rate of urea, a violation of Section 4(2)(a) of the Act.

The inquiry also noted a pattern of uniform pricing and price parallelism among urea companies, suggesting potential collusive activity.

Despite receiving subsidized feedstock gas from the government, which varies in rate for each plant, these companies' prices showed uniformity in some instances. This raises questions about their cost structures and subsidies received.

From a competition law perspective, the announcement of prices by an association, even if relaying government-set prices, is considered a commercial decision beyond permissible activities. CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices.

The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy, the statement added.

# CCP issues show cause notices to fertilizer firms

02/04/2024



DNA

ISLAMABAD, APR 2: The Competition Commission of Pakistan (CCP) has issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010.

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The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy.



3 April 2024

Online

# CCP Issues Show Cause Notices to 6 Fertilizer Firms Over Urea Price Fixing

By [ProPK Staff](#) | Published Apr 2, 2024 | 6:58 pm



The Competition Commission of Pakistan (CCP) has issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010.

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## CCP issues show cause notices to fertilizer firms



ISLAMABAD, Apr 02 (APP): The Competition Commission of Pakistan (CCP) on Tuesday issued Show Cause Notices to the Fertilizer Manufacturers of Pakistan Advisory Council (FMPAC) and six leading fertilizer companies for allegedly fixing urea prices, a prima facie violation of Section 4 of the Competition Act, 2010.

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activities. CCP has repeatedly directed business associations to refrain from engaging in price fixing or other collusive practices.

The persistent double-digit food inflation in Pakistan over the past few years underscores the ripple effect of urea price hikes on the broader economy, the statement added.