
Competition council issues notice to PSM on billet sale

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The Dawn reported that the Competition Commission of Pakistan has issued a show cause notice to the Pakistan Steel Mills in what appears to be, prima facie, a refusal to deal on the part of the mills with many consumers/buyers of low carbon steel billets.

According to an official announcement issued by the commission the Commission looked into the matter and issued the show cause notice.

As per report “Taking suo moto notice of articles in the media as well as on a complaint submitted by Frontier Foundry Pvt (Ltd), that much of the Mills’ production of billets was being allocated to a few undertakings collectively known as the Abbas Group.”

Based on media articles and information shared by the complainant, the limited provision of billets to many consumers/buyers has had immense repercussions on the steel re-rolling industry such as reduced operating shifts and employee layoffs.

The commission said that “Despite the willingness on the part of consumers to pay premium prices for the billets, PSM has not provided the much needed item in the quantities required.”

Based on an analysis of the allocation data, also known as notices of readiness, which the PSM is providing on its website, the commission concluded that there was sufficient ground in the media stories and the allegation made by the complainant to issue a show cause notice to the PSM.

The hearing has been scheduled for May-19 in Islamabad.

(Sourced from Dawn)

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