

SC junks CCI plea to transfer petitions challenging probe into steel cartel

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The Supreme Court, on Tuesday, rejected a plea moved by the Competition Commission of India (CCI) to transfer the two writ petitions filed by steel firms challenging the competition watchdog's probe into cartelisation by steel companies.

The two writ petitions challenging CCI probe are pending before the Madras and Calcutta High Courts.

A Division Bench comprising Justice Sanjeev Khanna and Justice Bela Trivedi disagreed with the submissions made by Madhvi Divan, Additional Solicitor General of India, who argued that writ petitions involving similar grounds of law and arising out of same facts and circumstances are pending before two different High Courts.

Divan — who represented the CCI — also contended

The CCI had moved the SC to transfer cases filed by Erode-based Agni Steels and Kolkata-based Shyam Steel Industries before the apex court

that the steel companies are acting in concert since when they could not procure interim relief from one HC, they invoked the jurisdiction of the other HC on the same facts and circumstances, praying for the same reliefs. She submitted that there is a possibility that conflicting opinions may be rendered by the two High Courts.

The CCI had moved the Supreme Court to transfer cases filed by Erode-based Agni Steels and Kolkata-based Shyam Steel Indus-

tries before the apex court. In May this year, the Calcutta High Court declined a stay on ongoing investigations by the Director-General (investigations) — the investigations arm of the CCI — in the steel cartel matter.

SERIOUS ALLEGATIONS

The Madras High Court had, in July 2021, directed DG (investigation) to look into cartelisation charges made by the Coimbatore Corporation Contractor Welfare Association, which had approached the High Court.

In December 2022, the CCI raided the offices of several steel companies across the country for alleged price collusion on products used in the construction industry.

The raided companies include West Bengal-based Shyam Steel and Rungta Mines, a Jharkhand-based entity involved in construction material (including TMT bars) making.