

# Tyre biz cartelisation: NCLAT asks CCI to pass fresh order

**APPELLATE TRIBUNAL** NCLAT has directed the Competition Commission (CCI) to pass a fresh order in the matter of alleged cartelisation by tyre companies, citing the need to re-examine arithmetical and inadvertent errors as well as to review the penalty to save the domestic tyre industry.

The National Company Law Appellate Tribunal's (NCLAT) order dated December 1 has come on a batch of appeals filed by the tyre makers against the ruling by the Competition Commission of India (CCI) back in August 2018. The CCI had imposed penalties totalling more than ₹1,788 crore on the

tyre companies.

In its 166-page order, the tribunal has remanded back all cases for review to CCI and also directed the regulator to pass a fresh order "after hearing the parties". The regulator should also "consider reviewing the penalty to save domestic industry" in view of the fact that it is under a lot of pressure from global tyre-making companies where a lot of unutilised capacity is available, as per the tribunal.

NCLAT said, "since cartel has been found for the year 2011-12 and the same is surrounded by arithmetical errors may be leading to wrong conclusions apart from other flaws". —PTI