

Tyre Cartelisation Case: Madras HC Allows CCI to Pass the Final Order

Shrimi.Choudhary
@timesgroup.com

New Delhi: The Madras High Court has allowed the Competition Commission of India (CCI) to pass an order against tyre manufacturers CEAT, JK Tyres, MRF, Apollo Tyres and the Automotive Tyre Manufacturer Association in an investigation related to cartelisation and price parallelism.



The CCI, which has been investigating these companies since 2014-15, can now pass its final order.

In 2015, the court had allowed CCI to investigate the matter but barred it from taking any final decision.

The case was initiated by the corporate affairs ministry in 2013-14, where it had said that five domestic tyre manufacturers, including CEAT, JK Tyres, MRF, Apollo Tyres and their association- Automotive Tyre Manufacturer Association, which account for 90% of the market share, had increased prices of tyres and tubes on the pretext of a rise in cost of raw materials, but did not reduce the prices when input costs came down.

In the order pronounced on January 6, justice T Raja and T V Thamilselvi dismissed the writ appeal filed by MRF.