



28th May, 2021 / 7252

To,
The Competition Commission of India
9th Floor, Office Block-1, Kidwai Nagar,
New Delhi-110023.

Natubhai Patel
President

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

Sachin K. Patel
Hon. Treasurer

Sub: Regarding artificial and sudden rise in steel prices

Ref: 1. Our letter dated 21-12-2020 on the aforesaid subject
2. Your response letter No. Sectt.-2020/9601 dated 24-05-2021

Respected Sir,

Greetings from Gujarat Chamber of Commerce and Industry (GCCCI).

With reference to your abovementioned response letter, we would like to place before you below points for your consideration:

1. We regret to note that your response under reference (2) above appears to be a routine reply given to many complainants that too after quite a long time of 5 months.
2. We once again draw your kind attention to the fact that GCCCI is an apex body of trade and industry related associations of the State of Gujarat and consists of members from all industry segments. It is on basis of the complaints received from our members that this representation has been made by us. For ascertaining and identifying these facts, further detailed investigation by the Central Government or Competition Commission is needed. We had therefore requested in our letter dated 21-12-2020 for such investigation to be carried out and to take remedial measures.
3. We are again reproducing the points below for your consideration:
 - In the past 2-3 months, the steel prices in the country have seen an increase of almost 40-45%, which does not seem natural and logical.
 - If we consider the trends over the past years, the prices of steel have never witnessed such a huge increase and that too within such a short time duration. The current wholesale price of hot-rolled coil (HRC) ex-Mumbai is Rs. 51,000 per tonne as compared to Rs. 36,500 per tonne in July 2020. This price rise is higher than the all-time peak prices of October 2018.
 - If we compare the price increase of steel in India vis-à-vis the international prices, we find that internationally the prices have increased on an average by only around 15%.
 - The price of iron lump and fines, which are the basic raw material for manufacturing steel has increased by only about 15% during this period.



4. We once again request that the further investigation in the matter be carried out by the Commission on its own motion as stipulated in Section 19(1) of the Competition Act, 2002 "...The Commission may inquire into any alleged contravention of the provisions contained in subsection (1) of section 3 or subsection (1) of section 4 either on its own motion..."

We look forward to your early action in the matter.

With regards,

Natubhai Patel
President

Natubhai Patel
President

Hemant N. Shah
Sr. Vice President

K. I. Patel
Vice President

Pathik S. Patwari
Hon. Secretary

V. P. Vaishnav
Hon. Secretary (R)

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Hon. Treasurer



भारतीय प्रतिस्पर्धा आयोग
Competition Commission of India

No.Sectt.-2020/9601

Dated: 24th May, 2021

To

Sh. Natubhai Patel, President, Gujarat Chamber of Commerce & Industry
gcci@gujaratchamber.org

Subject: Complaint against - **Artificial and sudden rise in Steel prices - reg.**

Sir/Madam,

Please refer to your letter /E-mail No. nil dated 21.12.2020 on the subject.

2. In this connection, I am to state that for the Commission to examine the matter, you may file an Information as envisaged in Section 19(1)(a) of the Competition Act, 2002 before the Commission as per the requirements and provisions contained in the Competition Commission of India (General) Regulations, 2009 (General Regulations). Specifically, Regulation 10(2) of the General Regulations provides as under:

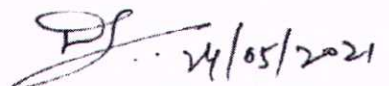
'The information or reference referred to in sub-regulation (1) shall contain:

- a) a statement of facts;
- b) details of the alleged contraventions of the Act together with a list enlisting all documents, affidavits and evidence, as the case may be, in support of each of the alleged contraventions;
- c) a succinct narrative in support of the alleged contraventions;
- d) relief sought, if any;
- e) Details of litigation or dispute pending between the informant and parties before any court, tribunal, statutory authority or arbitrator in respect of the subject matter of information;
- f) Such other particulars as may be required by the Commission'.

3. Further, Regulation 10(3) of the General Regulations requires that 'The contents of the information or the reference mentioned under sub-regulations (1) and (2), alongwith the appendices and attachments thereto, shall be complete and duly verified by the person submitting it.'

4. You may also refer the provisions of the Competition Act, 2002 and Competition Commission of India (General) Regulations, 2009 which are available on the CCI's website www.cci.gov.in. An advocacy booklet "How to file information" is also available on the website, to guide filing Information / Reference before the Commission. For any further query, you may contact the undersigned at atdregistry@cci.gov.in.

Yours faithfully,


(Office Manager - Secretariat)