

## PRICE-FIXING

# SA steel firm faces R3b fine

AFRICA'S largest steelmaker, Arcelor-Mittal SA, could face a fine of more than R3 billion for price fixing, says the Competition Commission.

It has asked the Competition Court to penalise ArcelorMittal and smaller competitor Evraz Highveld Steel and Vanadium by up to 10 percent of their annual turnover for collusion.

ArcelorMittal's turnover for 2011 was R31.5bn while Highveld reported a turnover of R5.5bn for the year to end December 2011.

"Evidence before the commission indicates that the steel producers engaged in concerted practices or had understandings that Highveld would follow Mittal's lead on the pricing mechanism and changes in pricing, including discounts and transport tariffs," the competition regulator said yesterday.

ArcelorMittal spokesman Themba Hlengani said the firm would comment after consulting with its lawyers.

Shares of ArcelorMittal dropped more than 4.4 percent yesterday to R53.48. - Reuters