



PRESS RELEASE

THE CAK'S SANCTION ON STEEL CARTEL AFFIRMED AS COMPETITION TRIBUNAL REJECTS APPEAL BY SEVEN MANUFACTURERS

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The Competition Authority of Kenya ('the Authority') is established by section 7 of the [Competition Act Cap 504 Laws of Kenya](#) ('the Competition Act'). The Authority's mandate is to promote and safeguard competition in the national economy and protect consumers from unfair and misleading market conduct. The Authority enforces the Competition Act with the objective of enhancing the welfare of Kenyans by, among other roles, sanctioning cartel conduct such as price fixing and output restriction.

Consistent with this mandate, the Authority welcomes the decision of the Competition Tribunal ('the Tribunal') to uphold its finding that **seven steel companies engaged in cartel conduct by colluding to fix prices, coordinating price adjustments, and agreeing to limit imports of certain steel components**. These practices potentially inflated the cost of constructing homes and infrastructure projects.

The Tribunal is an independent and quasi-judicial body which can, upon hearing appeals, confirm, set aside, or vary the Authority's decisions.

The Tribunal, during a sitting in Nairobi on 11th September, 2025, dismissed the appeals lodged separately by Jumbo Steel Mills Limited and Corrugated Sheets Limited through which the companies had sought to quash the Authority's decision.

Earlier, on 9th July, 2025, the Tribunal similarly dismissed appeals by Tononoka Rolling Mills Limited, Blue Nile Wire Products Limited, Devki Steel Mills Limited, Accurate Steel Mills Limited, and Nail and Steel Products Limited in favor of the Authority.

The Tribunal concurred with the Authority's **KES 287.9 Million total penalty imposed on the seven steel companies (breakdown annexed)**.

"The Tribunal's findings affirm the Authority's unwavering commitment to protect Kenyan consumers and businesses from the damaging effects of cartel conduct, and the veracity and completeness of our evidence-gathering, analysis and decision-making processes," said Mr. David Kemei, the Authority's Director-General.

Members of the Public can access the Tribunal's judgments from the Authority's Website: <https://www.cak.go.ke/information-center/publications>



For context, the Authority on 17th August, 2023 determined that fourteen (14) steel companies had colluded to fix prices, thereby restricting competition and unfairly burdening consumers of this key construction input. This conclusion was based on a thorough review of evidence obtained through market intelligence and search and seizure operations at the companies' premises.

Following this decision, **five companies entered into settlement negotiations** with the Authority before a decision was rendered, in accordance with section 38 of the Competition Act. This alternative dispute resolution option, which was finalized, aims to facilitate a speedy and cost-effective case resolution and promptly restore effective competition in the market.

Cumulatively, [the Authority penalized the other nine companies Ksh. 338.8 Million](#). In addition to the fines, the Authority required the steel companies to desist from engaging in anti-competitive conduct and implement internal competition compliance programs. The companies are: Tononoka Rolling Mills Limited, Blue Nile Wire Products Limited, Devki Steel Mills Limited, Accurate Steel Mills Limited, Nail and Steel Products Limited, Corrugated Sheets Limited, Doshi & Company (Hardware) Limited, Jumbo Steel Mills Limited, and Brollo Kenya Limited.

The companies individually challenged the sanction at the Tribunal within the 30-day statutory timeframe, and in line with their right to appeal under section 40 of the Competition Act.

At the Tribunal, the companies argued against the Authority's administrative process on procedural and legal grounds. However, the Tribunal affirmed that the Authority had accorded all parties due process in line with Article 47 of the Constitution of Kenya, the Fair Administrative Action Act, and the Competition Act.

In the course of the appeals, and pursuant to article 159 (2) (c) of the Constitution of Kenya, Doshi & Company (Hardware) Limited and Brollo Kenya Limited entered into **out of court settlements** with the Authority.

"Price fixing and output restrictions inflate prices for consumers, stifle innovation, and hinder economic progress. The Authority will continue enforcing the law firmly and fairly to ensure that our markets work for all Kenyans," said Mr. Kemei.

The steel sector intervention is a progression of the Authority's efforts to facilitate a competitive market in the construction sector in support of the Government's agenda to provide affordable housing to Kenyans. In 2021, the Authority penalized four paint manufacturers a total of Ksh. 66 Million for cartel conduct involving price fixing and coordinating price adjustments and discounts. The Authority previously intervened in the cement sector, resulting in a 30 percent reduction in product prices for consumers.

The Authority urges members of the public who suspects any occurrence of anti-competitive practices in any market in Kenya to submit information/evidence, including through the **Informant Reward Scheme**. Additionally, under the **Leniency Programme**, firms that

voluntarily disclose the existence of a prohibited agreement or practice, and cooperate fully in investigations, may benefit from full or partial immunity from fines upon successful conclusion of a case. **All disclosures to the Authority will be treated with strict confidentiality.**

Annexure 1: Breakdown of Penalties

	COMPANY	PENALTY (KES)
1.	Corrugated Sheets Ltd.	86,979,378.53
2.	Tononoka Rolling Mills Ltd.	62,715,074.03
3.	Devki Steel Mills Ltd.	46,296,001.25
4.	Jumbo Steel Mills Ltd.	33,140,459.40
5.	Accurate Steel Mills Ltd.	26,826,344.31
6.	Nail and Steel Products Ltd.	22,816,546.01
7.	Blue Nile Wire Products Ltd.	9,160,894.30
TOTAL		287,934,697.83

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