

MyCC PENALISES SIX ENTERPRISES FOR BID RIGGING CARTEL IN FOOD SUPPLY TENDER

KUALA LUMPUR, 29 SEPTEMBER 2026 - The Malaysia Competition Commission (MyCC), an agency under the Ministry of Domestic Trade and Cost of Living (KPDN), has issued an Infringement Decision against six (6) enterprises for their involvement in a bid rigging cartel concerning a food supply tender issued in 2022 by the Ministry of Home Affairs (KDN). The six (6) enterprises are Bawah Bayu Trading PLT, Borneo Kreatif Enterprise PLT, Fatijaya Corporation, Man Prospek Niaga, Mediha Trading and Teras Maju Enterprise. The tender, namely *Pembekalan Makanan Mentah, Basah dan Kering kepada Pusat Pemulihan Penagihan Narkotik Papar, Agensi Antidadah Kebangsaan (AADK) Negeri Sabah bagi tempoh 3 tahun*, was valued at **RM5,714,520.00**.

MyCC commenced its investigation following information received from relevant parties concerning the conduct of bidders in relation to the tender. Throughout the investigation period, MyCC executed a search warrant at the premises of an associated entity, issued several notices requesting documents and recorded statements from key individuals.

Through MyCC's investigations, it was found that the enterprises had engaged in a bid rigging cartel through the exchange of information and facilitation of tender. MyCC finds that such agreement has the object of significantly preventing, restricting or distorting competition in the tender for provision of raw, fresh and dry food.

Following the completion of its investigation, MyCC issued a Proposed Decision to the six (6) enterprises on 16 June 2026. Subsequently, the enterprises submitted their written representation to MyCC. On 8 September 2026, all the six (6) enterprises intimated its decision to admit liability to the findings of the Proposed Decision and readiness to pay the financial penalty stipulated in the same decision.

Taking into account the facts, evidence, admissions of the parties and relevant aggravating and mitigating factors, MyCC issued a Finding of Infringement pursuant to Section 40 of the Competition Act 2010 [Act 712] against all enterprises for infringing Section 4(2)(d) of Act 712. In its decision, MyCC imposed a financial penalty of **RM1,177,664.64** cumulatively against the six (6) enterprises.

“MyCC welcomes the decision by the investigated enterprises to admit liability and their willingness to resolve the case expeditiously. Not only does this demonstrate remorse on their part but also saving MyCC’s time and resources,” said Datuk Haji Iskandar Ismail, Chief Executive Officer of MyCC.

“However, MyCC would like to reiterate that bid rigging is a serious form of infringement under the Act. It undermines the core nature of any tender as it significantly impairs the integrity of the procurement process. Businesses must compete independently and on their own merits to enable the government to deliver its intended service to the public. MyCC will continue to take firm enforcement action against cartels, without fear or favour, to safeguard competition process in private and public tenders.”

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About the Malaysia Competition Commission (MyCC)

Established in April 2011, MyCC is an independent body responsible for enforcing the Competition Act 2010, which was implemented to create healthy competition that would, in turn, stimulate productivity and innovation, thus creating wider choices of products for consumers with better quality and reasonable prices.

The Act 712 applies to all commercial activities undertaken within and outside of Malaysia that affect competition in the Malaysian market. It provides a regulatory framework including powers to investigate, adjudicate and impose penalties on the perpetrators of the competition laws.

MyCC celebrated its 15th anniversary on 1 April 2026 and to date, MyCC has taken decisive action against more than 250 companies relating to cartels and abuse of dominant positions, resulting in a cumulative penalty of more than RM687.9 million. MyCC's current priorities include amending the Act to actively target bid rigging cartels and cartels in the food and agriculture sectors, as well as focusing on the challenges brought by the digital economy to competition law and policy. For more information on the Act and MyCC activities, log on to www.mycc.gov.my.