

MEDIA RELEASE

MyCC IMPOSES RM 2.98 MILLION PENALTY AGAINST THREE CONTRACTORS FOR BID RIGGING CARTEL

KUALA LUMPUR, 8 JULY 2025 – The Malaysia Competition Commission ("MyCC"), an agency under the Ministry of Domestic Trade and Cost of Living ("KPDN"), served an Infringement Decision on 7 July 2025 against three (3) enterprises for infringing section 4 of the Competition Act 2010 [Act 712] by participating in a bid rigging cartel in relation to six (6) tenders issued by Perbadanan Putrajaya ("PPj") between the year of 2018 and 2021 valued at **RM44,845,284.80.** The three (3) enterprises are Abadi Malaysia Sdn. Bhd. (Abadi Malaysia), Kota Lanskap Sdn. Bhd. (Kota Lanskap) and Usia Maintenance Sdn. Bhd. (Usia Maintenance) (collectively referred to as "Enterprises").

No.	Nature of Tender	Value
1.	Maintenance works for amenity trees in various precincts in Putrajaya. (2018) [Tender 1]	RM8,899,999.00
2.	Maintenance works for Kompleks Kejiranan in Precinct 11, Putrajaya. (2018) [Tender 2]	RM6,996,280.00
3.	Maintenance works along Jalan Protokol in Precinct 1, Putrajaya. (2019) [Tender 3]	RM8,803,440.00
4.	Maintenance works for Taman Wawasan in Precinct 2 and Taman Pancarona in Precinct 18, Putrajaya. (2019) [Tender 4]	RM6,948,130.00
5.	Maintenance works for the landscape in Kompleks Kejiranan in Precincts 7, 8, 9 and 11, Putrajaya. (2019) [Tender 5]	RM5,922,000.00
6.	Maintenance works for the main drain, gross pollutant traps and retention in various precincts in Putrajaya. (2021) [Tender 6]	RM7,275,435.80
	Total	RM44,845,284.80

The details of the tenders are as follows: -

Investigation and Decisions

Following a complaint on a potential bid rigging scheme involving several projects related to building and facility maintenance, landscaping and civil engineering works in Putrajaya, MyCC conducted an assessment and identified nine (9) enterprises suspected of



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participating in a bid rigging cartel. A full investigation was subsequently carried out, which included conducting raids on the premises of the parties involved, collecting 24 statements from multiple individuals, requesting relevant information and conducting an analysis of the relevant evidence.

As a result of the investigation, MyCC issued a Proposed Decision to the Enterprises on 10 September 2024 and subsequently received their representations on 11 November 2024 and 13 March 2025. After thoroughly reviewing these representations, MyCC concluded that the Enterprises had infringed Act 712 and subsequently issued the Infringement Decision against the Enterprises on 7 July 2025.

Cartel behaviors by the enterprises

The bid rigging modus operandi was coordinated by Abadi Malaysia. In this regard, the investigation found that the arrangement to bid the tenders by the Enterprises was conducted through information sharing via WhatsApp, emails and meetings. MyCC also found that the tender documents were prepared by employees from different enterprises in a single location under the coordination of Abadi Malaysia through one of its directors. This modus operandi was adopted by the cartel group throughout these six projects.

In fact, during the raid, MyCC found confidential documents belonging to the Enterprises at the premise of Kota Lanskap, indicating centralised coordination between the Enterprises related to tender submissions. The bid rigging arrangement resulted in Usia Maintenance and Abadi Malaysia winning Tender 1 and Tender 5, respectively. They were still found liable for the remaining four (4) tenders as evidence showed that they portrayed cartel behaviours in all the remaining four (4) tenders. As for Kota Landscape, MyCC found that it demonstrated the same cartel behaviours throughout the process of submitting all six (6) tenders.

Financial Penalty

Act 712 empowers MyCC to impose a financial penalty of up to 10% of the worldwide turnover of the Enterprises. Based on MyCC's calculation, which considered both aggravating and mitigating factors, these infringing Enterprises have been imposed by MyCC a total financial penalty of **RM2,977,015.15**, with the breakdown as follows:

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Company	Amount (RM)
Abadi Malaysia Sdn. Bhd.	1,587,951.59
Kota Lanskap Sdn. Bhd.	614,508.28
Usia Maintenance Sdn. Bhd.	774,555.28
Total	2,977,015.15

"This Final Decision marks another significant step in the Commission's continuous effort to uphold the principles of transparency, fairness and integrity in public procurement processes. Bid rigging undermines trust in the market, wastes public resources and ultimately harms the public interest. The Commission takes such conduct seriously and will continue to use all enforcement resources under the law to hold wrongdoers accountable," said Datuk Haji Iskandar bin Ismail, Chief Executive Officer of MyCC.

"We call on all market participants to reflect on this case and renew their commitment to ethical business practices. Businesses must compete on merit, not through collusion, and public and private organisations must remain alert to the signs of anti-competitive conduct in their procurement exercises. We also urge members of the public and all relevant stakeholders who may encounter suspicious bidding behavior to come forward and report such matters to MyCC. Every report, no matter how small it may seem, can contribute to preserving competition and deter this unacceptable behaviours which we deem as the supreme evil of competition law," he added.

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About the Malaysia Competition Commission (MyCC)

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

The Act 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 14th anniversary on 1 April 2025, and to date, MyCC has taken decisive action against over than 200 companies relating to cartels and abuse of dominant positions, resulting in a cumulative penalty of more than RM667 million. MyCC's current priorities include amending the Act to introduce the merger control regime, actively targeting 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 <u>www.mycc.gov.my</u>.