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**CCI imposes penalty on seven entities for bid rigging in the tender of  
State Bank of India**

Competition Commission of India ('CCI') passed a final order against seven entities for indulging in anticompetitive agreement for supply of signages for branches/offices/ATMs of State Bank of India (SBI). Amongst these seven entities, one party was a lesser penalty applicant before CCI.

This matter was initiated *suo motu* by CCI on the basis of complaint received in 2018 alleging bid-rigging and cartelisation in the tender floated by SBI Infra Management Solutions Pvt. Ltd. The investigation *inter alia* found e-mails exchanged between the parties which formed the basis for manipulation of the bidding process.

Based on a cumulative assessment of the evidence collected, CCI found that there was an agreement amongst the parties which resulted in geographical market allocation as well as bid-rigging in the above mentioned tender of SBI. Accordingly, all the parties were held to be guilty of contravention of the provisions of Section 3 of the Competition Act, 2002 (the Act), which prohibits anti-competitive agreements including cartels. Further, 9 (nine) individuals of these parties were also held liable for the anti-competitive conduct of their respective entities, in terms of the provisions of Section 48 of the Act.

Considering that one party has filed lesser penalty application besides cooperating during investigation as well as inquiry process and that most of the parties are MSMEs - some of which even acknowledged their conduct during the inquiry, CCI took a lenient view and decided to impose penalty upon the parties @ 1% of their respective average turnover. The individuals found guilty under Section 48 of the Act were also imposed penalty @1% of their respective average incomes. Further, considering the stage at which the lesser penalty applicant approached the CCI and in light of the co-operation extended by it thereafter, CCI granted a reduction in penalty by 90% to it and its individuals. Apart from the above, CCI also directed the parties and their respective officials to cease and desist from indulging in anti-competitive conduct.

A copy of the order in Suo Motu Case No. 02 of 2020 is available on CCI's website at the following link:

<https://www.cci.gov.in/sites/default/files/SM-02-of-2020.pdf>

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