



**Media Statement**  
**For immediate release**  
**13 April 2018**

## **COMMISSION WELCOMES TRIBUNAL ORDER CONFIRMING AGREEMENT WITH GEOTECHNICAL COMPANY**

The Commission welcomes a Tribunal order confirming its settlement agreement with geotechnical company, Rodio Geotechnics (Pty) Ltd (Rodio) in a case of collusive tendering, market division and price fixing involving major construction projects.

These include the Lesotho Highlands Water project, some parts of the Gautrain project, the Coega Harbour diaphragm wall project, the Mercure Hotel project and the Centurion Gate project. Other projects involved the Lusip Dam, the Braamhoek Dam and the Olifantsfontein Treatment Plant.

Rodio will, in terms of its settlement agreement, pay an administrative penalty of R885 963 (eight hundred and eighty five thousand, nine hundred and sixty three Rand). Rodio must also cooperate with the Commission in its prosecution of other companies involved in the cartel activity.

Other accused companies in the matter include Grinaker-LTA (an operating group of Aveng), Esorfranki Ltd, Dura Soltanche Bachy (Pty) Ltd (Dura), Geomechanics CC and Diabor (Pty) Ltd. Grinaker-LTA had applied for and was granted conditional immunity, so the Commission is not seeking a penalty against it.

Dura entered into a settlement with the Commission in 2014 and agreed to pay an administrative penalty amounting to R988 589 (nine hundred and eighty eight thousand, five hundred and eighty nine Rand). In 2016 Geomechanics settled with the Commission and paid a fine of R1.6million.

### **Background**

Rogel, a joint venture between Rodio and Ground Engineering Ltd (GEL), undertook and executed the contracts for the various projects. GEL is a division of Grinaker-LTA. Rodio admits that it, through Rogel and represented by GEL, entered into the collusive agreements with its competitors, in contravention of the Competition Act. The activities, vital to many large construction projects, included: piling, lateral support, geotechnical drilling and grouting.

### **Issued by:**

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