

06 JAN 1997

DR M: PRIVATISATION OF PERWAJA STILL OPEN TO OTHERS

KUALA LUMPUR, Jan 6 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said any company keen on participating in the privatisation of Perwaja Steel Sdn Bhd is welcome to do so.

He was asked whether Lion Group, which was originally offered to participate, could still take part.

"Dia (Lion Group) masih boleh menyertai kalau dia hendak. Kita terbuka," said Dr Mahathir. (It can still take part if it wants to. We are open).

This was because the federal government and the Terengganu state government collectively held 49 percent of Perwaja and some of the equity could be given to the interested party, he told reporters after the presentation of the Prime Minister's Quality Awards 1996 here.

The other 51 percent is held by Maju Holdings Sdn Bhd, the bumiputera group now undertaking the rescue and privatisation of Perwaja.

Asked whether he thought Maju Holdings and Lion Group could work together, he said, "What I think does not make any difference. What they (Maju and Lion) think is what matters."

On the government's role in shouldering Perwaja's debts and losses worth about RM6.0 billion, he said it was done to allow Maju Holdings to start on a clean slate, otherwise the debts and losses would go on accumulating.

"The government has to separate the debts which occurred from the start," he explained. "The government will take over the debts and losses."

"We will have to find sources of funds to pay off the debts. Of course, the losses may have to be written off. The debts, we will have to pay. There is no way we can avoid paying debts," said Dr Mahathir. -- BERNAMA

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