

Business leaders ✓ hauled to court //

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PETALING JAYA, Fri: It began with rumours in early June alleging that top corporate leaders were being investigated, and speculation grew that charges would be made against some captains of industry.

The rumours gathered strength as several senior deputy public prosecutors were seconded to the Securities Commission (SC) and Bank Negara.

Still, when the blow was finally delivered, Malaysians were agog - two business tycoons charged on one day on July 24.

KFC Holdings Bhd executive deputy chairman Datuk Ishak Ismail and Abrar Corporation Bhd executive chairman Dr Wan Muhammad Hasni Wan Sulaiman were brought to the sessions court on that Saturday morning.

Ishak claimed trial to submitting false information in a letter to the SC. This was related to a proposal by Idris Hydraulic Bhd to acquire KFC Holding assets.

He is said to have committed the offence at the SC's office in Bukit Damansara between June 17 and 19, 1996.

Ishak, who now holds 53% stake in KFC, can be jailed up to 10 years or fined RM3 million or both if convicted.

He is on a RM200,000 bail before the trial begins on March 6 before sessions judge Datuk Ahmadi Asnawi.

Meanwhile in another court, Wan Muhammad Hasni claimed trial to defrauding seven investors through a scheme *The Raya Fund* in connection with the transaction of Mun Loong Berhad shares worth RM5 million.

He also faces three alter-

Most involved in fraud and misappropriation cases

native charges of criminal breach of trust.

Under the principal charge he can be jailed up to five years or fined a minimum of RM1 million. The alternative charges each carry a maximum 20-year jail term.

His trial has started before sessions judge Abdul Karim Abdul Jalil and will continue on Feb 21.

They are not the first corporate figures to be hauled to court.

On April 30, former Sime Bank CEO Datuk Ismail Zakaria was charged with four counts of acting beyond his powers in extending loans amounting to RM175 million.

He is alleged to have entrusted the fund -entrusted to him as the CEO - to Everise Capital Sdn Bhd, a subsidiary of listed gaming company Repco Holdings.

Ismail, a top banker when he resigned on Jan 19, 1998, can be jailed up to five years or fined not more than RM5 million or both.

He faces another four alternative charges for misappropriating RM175 million and can be jailed up to the maximum of 20 years with whipping and also liable to a fine.

His case will be heard before sessions judge Akhtar Tahir on Feb 14.

Following the flurry of corporate crackdowns, buzz surfaced about a link between these high-profile charges and the removal of Datuk Seri Anwar Ibrahim, who was also Finance Minister.

On Aug 5, as if to prove the rumours wrong, TA Securi-

ties executive chairman Tony Tiah Thee Kian was charged with abetting fugitive businessman Datuk John Soh Chee Wen to defraud Omega Securities Sdn Bhd of RM424.9 million.

Commenting on Tiah's charge at the Shah Alam sessions court, Prime Minister Datuk Seri Dr Mahathir said it is the SC's prerogative to charge wrongdoers, adding: "Even Tony Tiah is my friend."

Tiah's sister-in-law, company secretary Khoo Poh Kim, was also charged with abetting him.

Under the Securities Industry Act, Tiah can be fined at least RM1 million and jailed up to 10 years.

The case will be mentioned on March 6 while Tiah was released on RM1 million bail.

Bank Negara officials also looked into its own house for corrupt signs. On Sept 17, its former assistant governor Datuk Abdul Murad Khalid was taken to court on a charge under the Banking and Financial Institutions Act (Bafia).

Murad claimed trial for failing to furnish all information involving his assets by not declaring Ben Harta Sdn Bhd shares and its 51 properties worth RM23.925 million.

The said shares and properties are allegedly for Murad's pecuniary interest while being held by businessmen Gan Hong Sin @ Lan Hong Sing and Gan Sor Ting.

If convicted Murad can be jailed up to five years' jail or

fined RM5 million, or both. He was allowed a RM1 million bail.

Murad resigned from Bank Negara on Feb 1 this year and joined RHB Bank on Feb 8 as executive director but has also resigned.

The case is set for hearing on March 13 before sessions judge Datuk Ahmadi Asnawi.

Two days after Murad's charge, the axe fell on another corporate leader, gaming company Repco Holding Berhad's chairman Low Thiam Hock, better known as "Repco Low".

Low is alleged to have instructed his dealer's representative at Sime Securities to take any price of the company's shares offered by sellers at KLSE.

This is deemed to be an act to create misleading appearance with respect to its share price on the KLSE second board counter.

He could be fined no less than RM1 million or jailed to 10 years.

Low, 37 was released on a RM300,000 bail and his trial will begin in March before sessions judge Akhtar Tahir.

Also not spared from punishment is the director general of Federal Land Consolidation and Rehabilitation Authority (Felcra).

Datuk Mustapha Juman, 53, was charged on Dec 4 with three counts of criminal breach of trust amounting to RM40 million.

Mutapha also faces three alternative charges of misappropriating the money, all allegedly committed at Felcra's office from May 6-9, 1997.

He was released on RM90,000 bail and the trial is scheduled to start on April 24 before sessions judge Datuk Ahmadi Asnawi.