

# We will not be rigid, says Dr M

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THE Government will not be rigid in ensuring that all chief executive officers of Minister of Finance Inc companies and statutory bodies hold only one post in the central organisation.

Prime Minister Datuk Seri Dr Mahathir Mohamad said the Government had its own methods of dealing with such issues.

"We have our own ways of getting around it. We are not very rigid, you know . . . we listen to the views of the people including that of the Press," he told reporters after opening the two-day Fifth Asia Oil and Gas Conference 2000 in Kuala Lumpur.

Dr Mahathir was asked to comment on the top positions held by Petronas' chief executive officer and president Tan Sri Hassan Merican despite a recent directive by the Finance Ministry that all chief executives officers of Minister of Finance Inc companies and statutory bodies should hold only one post in the central organisation.

Last week, Finance Minister Tun Daim Zainuddin, when opening a seminar on *The Role of Financial Institutions towards Good Gover-*

*nance*, had stated this policy was already practised by the Government.

This, Daim had stated, was to increase accountability and transparency so that any action or business transaction could be done without raising questions from other stakeholders.

Dr Mahathir was also asked if Petronas was willing to go into an alliance with Indonesia's Pertamina to explore and produce oil in the republic.

"We would like to go to Indonesia if they are willing to accept us," he said.

Dr Mahathir, when asked when the Petronas takeover of Proton would be completed, said:

"Proton needs to have such an investment because you need a lot of money to develop cars. I am sure the deal will be concluded as soon as they agree on the prices."

Early this month, Hassan stated that Petronas hoped to complete its purchase of the controlling 27.2 per cent stake in Proton by late July or early August.

(It was reported last Thursday that Hicom Holdings Bhd's conditional sale and purchase agreement

with Petronas regarding Petronac acquisition of Hicom's 27.2 per cent interest in Proton has been superseded by new agreements.

(A conditional sale and purchase agreement was signed between Hicom and Petronas for the proposed disposal of Hicom's 140.145 million shares in Proton, for a total cash of RM981.015 million or at RM7 per Proton share.

(Another agreement was a subscription agreement for Petronas to subscribe at par for 99,998 shares in Perecom Industries Sdn Bhd, a wholly-owned subsidiary of Hicom.

(Perecom is the legal and beneficial owner of 7.444 million Proton shares, representing 1.4 per cent equity interest in Proton.)

Asked on his relationship with Daim, Dr Mahathir reiterated it was normal.

"We sit across the table and talk to each other. That's how we work together.

"If we have any differences, we settle them.

"Two people cannot see everything in the same way," he said.