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Foreign help in Perwaja probe (HL)

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SIMPANG PERTANG, Fri. - The Anti-Corruption Agency is seeking the help of the Japanese and Hong Kong authorities in its probe into the alleged misappropriation of billions of ringgit in the Perwaja Steel scandal.

Minister in the Prime Minister's Department Datuk Seri Dr Rais Yatim said the ACA was trying to obtain information on transactions that were conducted via financial institutions in the two countries.

"The latest I have been told is that they have sought assistance from the Japanese and Hong Kong authorities to obtain proof of certain transactions carried out through their financial institutions.

"The ACA prosecutors need those details (to continue with their probe)," he told the New Straits Times at Umno Jelebu's Hari Raya open house.

He said he was also told that investigations into the millions of ringgit found in a Swiss bank account, allegedly paid by Perwaja Steel to a non-existent company, had concluded.

Perwaja Steel is saddled with RM10 billion in debts and losses, involving current liabilities of RM926 million, long-term liabilities totalling RM6.013 billion, and losses amounting to RM2.985 billion.

Investigations into the Perwaja affair, ordered by the Government in 1996, were hindered by several factors including the involvement of foreign institutions and individuals, and the discovery of RM76.4 million belonging to the company in a Swiss bank account.

The sum deposited was the amount paid by the former management of Perwaja Steel to NKK Corp via Frilsham Enterprises Inc in Hong Kong, a company later found to be non-existent.

"Although this case has taken a long time and is also a high-profile case, we should give the parties concerned sufficient time to carry out their investigations," he said.

Last June, Swiss officials had assured ACA officials that they would furnish the ACA with documents and information.

The Swiss authorities' help was a major breakthrough as the ACA was able to proceed with its probe without any hindrance.

The ACA has so far called more than 50 people, including former Perwaja chairman Tan Sri Eric Chia, to help in investigations.

The steel mill was taken over by Maju Holdings Group upon the latter's privatisation about four years ago.

Rais said the authorities had also concluded investigations into several other high-profile cases, some of which could be filed in court in January or early next year. "The Government wants stern action to be taken. Even the Prime Minister has several times said that we will not intervene or protect anyone.

In May, Prime Minister Datuk Seri Dr Mahathir Mohamad had said that some high-profile cases were not being brought to court.

Rais had said enforcement authorities would lose their credibility if publicity-hyped investigations into white-collar crimes did not lead to satisfactory conclusions.