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MAHATHIR-FELDA

GOVT TO RETAIN CONTROL OF FELDA EVEN AFTER KLSE LISTING

KUALA LUMPUR, Sept 12 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said the government would continue to retain control of FELDA even after the listing of the plantation-based agency on the Kuala Lumpur Stock Exchange (KLSE).

Elaborating on the government's plan to list Felda as one of the bluechips on the local bourse, Dr Mahathir explained that the estates assets to be listed would be those which had not been sold to Felda settlers.

"There are two parts (of estates in Felda), one that have been sold to the settlers and there are estates which have no settlers and are developed and belong entirely to Felda. So it is those estates (in the latter category) that we want to commercialise," he told reporters after tabling the 2004 Budget at the Dewan Rakyat here today.

Under the 2004 Budget, he announced plans to list the largest plantation company on the KLSE with aim of tapping funds from the capital market and Felda would no longer have to depend on the government for its financial requirements.

On the expectations of proceeds to be raised from the IPO, Dr Mahathir said they have yet to be determined.

When asked on the timeframe, Dr Mahathir said the government planned to list Felda as soon as possible but there were some legal procedures to be followed.

In his Budget speech, Dr Mahathir said that Felda settlers would also get the opportunity to hold equities in the listed company as members and individuals.

He said the proposal to list Felda on the KLSE was in line with the New Economic Policy (DEB) that aimed to enable Bumiputeras own at least 30 percent equity in the corporate sector.

"It is hoped that these shares would not be sold by the Bumiputeras," he said. -- BERNAMA

WNZ SHY MKO