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MAHATHIR-PROTON

TUN MAHATHIR DENIES PRESSURING GOVT ON PROTON AFFAIRS

PUTRAJAYA, Feb 5 (Bernama) -- Tun Dr Mahathir Mohamad today refuted claims that he is exerting his influence on the government over the affairs of national carmaker Proton Holdings Bhd, whose chairman resigned early this week.

Fingers should not be pointed at him for the resignation of Datuk Abu Hassan Kendut, the former prime minister said at a press conference here today.

"I have never applied any pressure on the government, I have always said once I step down I will not disturb the government.

"I have had nothing to do with Hassan Kendut and whoever," he said in reference to a report alleging that Hassan's resignation was prompted by Dr Mahathir's appeal to block moves by the Proton's board to remove the company's chief executive Tengku Tan Sri Mahaleel Tengku Ariff.

Stressing that he is not giving the government "any headache", Dr Mahathir, who is Proton's advisor said: "I didn't appeal to the board of Khazanah (Nasional Bhd, Proton's majority shareholder) or Proton's board of directors."

Mahathir said that he was rarely in contact with the government regarding Proton's affairs.

"I never have any contact, certainly not with the Prime Minister because he is very busy. Sometimes the second minister of finance would ask me certain things about Proton and I would tell him that the company is doing well, it is making profit.

"But if the government asks me something, then of course I give my opinion. And I was asked whether Tengku Mahaleel should be retained or not. I said, of course, I do not see why he should not be retained."

He said the impression he got from a meeting with four of Proton board members, including Abu Hassan, about five months ago was that they did not want Tengku Mahaleel to stay on.

However, he said that there was no real complaint that Proton was not well run.

In a subsequent meeting with the entire board, Tengku Mahaleel gave a briefing on Proton's performance but there was no suggestion at that meeting that he should be removed, disclosed the former prime minister.

Dr Mahathir said that Second Finance Minister Tan Sri Nor Mohamed Yakcop had asked him a month ago about Tengku Mahaleel's position and he had responded that Tengku Mahaleel should be retained.

He said that the board might want to remove Tengku Mahaleel for not "being very compliant."

"Well, I think maybe because they told him to do something and he did not agree with it," he said when asked what he meant.

Dr Mahathir said that he found Tengku Mahaleel to be a polite person.

"But he has certain mannerism like very loud laugh and things like that. Maybe it annoys some people, I think maybe it is a Kelantanese trait because Tengku Razaleigh Hamzah is also like that. When he finds something ticklish he guffaws."

Dr Mahathir said that Tengku Mahaleel should not be removed given the fact that Proton is a profitable company that has acquired a certain level of automotive technology.

He said that he was impressed by Tengku Mahaleel's extensive knowledge of the auto industry.

"If he doesn't (have that knowledge), I think Proton would have failed by now," he said.

Dr Mahathir said that removing a CEO should only take place when a person fails to deliver, mismanages the company or steals from its coffers.

"If they can tell me, look, the company is losing money, he's stealing money or whatever, then I think it is justified. But they did not say all that.

"Of course Tengku Mahaleel is not popular with some people, but then it is impossible to be popular with all your staff," he said. -- BERNAMA

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