

Another Najib associate involved in Scorpene scandal

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Whistleblower website Wikileaks last month posted a diplomatic cable from the US embassy in Kuala Lumpur which listed the names of Prime Minister Najib Abdul Razak's close associates.

Among them is Lodin Wok Kamaruddin, who heads the Armed Forces pension fund - the Lembaga Tabung Angkatan Tentera (LTAT).

French freelance writer Céline Boileau, in an investigation, found that Lodin Wok is Boustead Holdings Bhd deputy chairperson.

LTAT and Boustead control 20 percent Perimekar, while KS Ombak Laut Sdn Bhd holds the remaining 60 percent stake.

Perimekar had acted as the go-between for the procurement of two French-made submarines by Malaysia's Defence Ministry, from which the company allegedly made RM534.8 million in commission.

Coincidentally, Lodin Wok also sits on the board of Affin Bank Bhd - one of Perimekar's bankers.

"What would implicate Lodin Wok in the alleged 'Scorpene scandal' currently under probe in Paris is that the businessman is one of the five directors (in Perimekar) together with Mazlinda Makhzan, Rozana Abdullah Meili, Abdul Rani Mohd Hussin Abdullah and Mohd Hussin Tamby," said Boileau.

Mazlinda (right in photo), a former magistrate, is the spouse of political analyst Abdul Razak Baginda, a close associate of Najib, who was then deputy prime minister and defence minister, and was the minister in charge of the procurement of the submarines.

Abdul Razak was released from a 2006 murder charge of Altantuya Shariibuu, a Mongolian national who is believed to be a translator for the multi-million ringgit submarine deals.

Two of Najib's bodyguards have been found guilty of murdering her in a jungle clearing in Shah Alam, and her body blown up with C4 explosives. The duo have since been sentenced to death.

Najib has strongly denied any link to the murder and has taken an oath on the Quran in a mosque to prove his innocence.

Perimekar's sole purpose

Lodin Wok has nevertheless downplayed his involvement in Perimekar, arguing he was a director in the company as a representative of Armed Forces pension fund.

Furthermore, he reportedly told Boileau, he had resigned from the company board on July 1, last year.

This was the same time the company had completed its contract with the government upon the delivery of the two Scorpene submarines, said Boileau.

According to the French journalist, Perimekar is suspected of being created for the sole purpose of distributing a RM500 million commission between Malaysian and foreign beneficiaries.

"What was highly suspect was that the company, registered in 1999, defines its activity as 'marketing, maintenance and other activities related to submarines and surface vessels'," said Boileau.

Its financial statements, added Boileau, revealed that the Malaysian government as Perimekar's "single

customer".

Last year, the company which had reportedly received millions of ringgit in commission posted huge losses, she said.

"Has the golden age of Perimekar gone?" queried Boileau.

Uneven financial performance

Boileau also discovered that the company registered an uneven financial performance from year to year.

For example, while the company reported a net loss of RM8.2 million in 2003, it declared a net profit of RM24.7 million the following year, she said.

In 2008, Perimekar also became a group with two small subsidiaries - Prima Laksana and Gagah Nirwana.

Between 2009 and 2010, while the submarines were being delivered, Perimekar's activity had (almost) tumbled down: the company has seen its net income decrease from a profit of RM19 million to a loss amounting to RM3.3 million," she reported.

"The turnover has plunged from about RM85 million to RM23 million - an amount still comfortable enough for its shareholders. They have been granted dividends of RM56.2 million in 2009 (66 percent of the turnover) and RM18.7 million in 2010 (81 percent of the turnover)," she added.

Between 2003 and 2010, the company received more than RM200 million from its contract with the government, noted Boileau.

However, the financial report last year stated: "The company's project with the government of Malaysia was completed on Dec 25, 2009, after which a downsizing exercise was done in a fair manner and the company was focusing on prospecting for other viable business opportunities."

Support services

"But Perimekar is not the only Malaysian company being involved in the Scorpene deal," said Boileau.

Boustead DCNS Naval Corp - a 60-40 joint venture in 2009 between BHIC Defence Technologies and the French-based DCNS - was awarded by the Defence Ministry a RM532 million contract related to the Scorpene submarines, she said.

The company provides "support services" to Scorpene submarines from 2010 to 2015.

BHIC Defence is owned by BHIC (Boustead Heavy Industries Corporation), whose chairman is also Lodin Wok, added Boileau.