

## **Discounts, loans to NFC sister firms justified, say BN MPs**

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**by S Pathmawathy**

BN parliamentarians today defended the funds and discounts the National Feedlot Corporation (NFC) gave to its allied companies, saying the allocations were justified by its real scope of work.

Rebutting claims by the opposition, Rembau MP Khairy Jamaluddin said the RM81.2 million channelled to National Livestock & Meat Corporation (NLMC) Sdn Bhd and the RM3 million discount accorded to Real Food Company (RFC) Sdn Bhd, "served multiple objectives", not just to process raw meat.

The opposition has been criticising the federal government's handling of the NFC, a multi-million ringgit cattle farm, after the Auditor-General's Report 2010 reported it to be in "a mess".

Agriculture and Agro-based Industries Ministry Noh Omar further defended the problematic project, owned and managed by Women, Welfare and Community Development Minister Shahrizat Abdul Jalil's family, calling it a "success".

Since yesterday, Khairy had been making point-by-point rebuttals, and accused Pakatan Rakyat of frivolous attempts to discredit the government and taking cheap shots at Shahrizat.

### Discounts reach distributors

Speaking to reporters in the Parliament lobby, Khairy said RFC, the sole distributor of beef from NFC, received discounts of RM3 million that was eventually passed down to the distribution network.

"Some of the buyers from RFC are supermarkets such as Jusco, Carrefour, Cold Storage and Giant, farmers markets, the food and beverage industry and downstream food processing companies," said Khairy.

As for the NLMC, the RM81.2 million loan was not merely for the production of raw beef but also for infrastructure, to open up market access and to purchase cattle from satellite farms served by the NFC.

"At the same time it functions to improve logistics and the delivery mechanism for NFC, as a premier beef producer," added Khairy.

### Conflict of interests?

Yesterday, Khairy offered lengthy rebuttals to the Opposition in the Dewan Rakyat during the committee stage debate on the Supply Bill 2012 for its criticisms against the NFC.

In an immediate reaction, PKR secretary-general Saifuddin Nasution (centre in photo) argued that Khairy's response did not address the allegations but opened up a whole new can of worms.

"That is interesting information... which leads to more questions that need answers," Saifuddin said.

The Machang MP explained that this might lead to a conflict of interest on how a company owned by the group director awarded discounts and loans to another company, which is also owned by the family, as an action that may contravene provisions of the Companies Act 1965.

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