

'Hiccup' delays settlement over Tajudin's appeal

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Former Malaysia Airlines (MAS) head Tajudin Ramli has cited a "last-minute hiccup" in ironing out terms of settlement with Pengurusan Danaharta Bhd (Danaharta) in a case before the Court of Appeal.

Justice Abu Samah Nordin agreed to adjourn the proceedings to 2.30pm tomorrow after Tajudin's lawyer, Lim Kian Leong, said more time is needed to resolve several "procedural matters".

The appeal pertains to a Kuala Lumpur High Court order on Dec 7, 2009 which requires Tajudin to pay Danaharta RM589.14 million with 2 percent annual interest above the base lending rate of Malayan Banking Bhd, backdated to Jan 1, 2006.

Danaharta is managing loans that Tajudin had incurred in purchasing MAS shares in the 1990s.

Lim indicated this morning that the parties involved have reached a settlement, the terms of which were not divulged in court.

Lawyers representing Danaharta and the government agreed to the postponement.

However, other parties objected, insisting that unless Lim could offer an assurance that the process would be completed by tomorrow, the appeal should go on.

"If I could give some assurance (I would) but my client believes that it can be resolved by tomorrow. A great deal of effort has been put in getting us this far... I understand the frustration," replied Lim.

"... we have made huge progress so far... this is just a last-minute hiccup."

Justice Abu Samah is sitting with Justices Syed Ahmad Helmy Syed Ahmad and Alizatul Khair Osman Khairuddin.

Tajudin, in his affidavit obtained by Malaysiakini last week, said that Danaharta had requested to settle the matter "out of court" and for for "all relevant cases" to be adjourned until the settlement is finalised.

He stated that he cannot divulge the terms of settlement in public until the government and Finance Ministry have been briefed and the government-linked companies are informed.

Among those who have filed suits against Tajudin are Danaharta, Telekom Malaysia, Celcom (M) Bhd, CIMB, Naluri Corp Bhd, Atlan Holdings Bhd and MAS.

Suits withdrawn

Tajudin became the largest shareholder in MAS, after he borrowed RM1.79 billion from the government in 1994 to purchase a 32 percent stake in the national carrier.

Severely affected by the Asian financial crisis in 1997 and 1998, Tajudin in 2001 convinced the government to buy back the MAS shares at RM8 per share.

However, Tajudin failed to repay the multi-million ringgit loans taken to purchase MAS, following which Danaharta filed a suit against him in 2006, seeking RM589.14 million with interest.

He then filed a counter-suit claiming RM13.46 billion from some 22 parties and individuals.

The tycoon claimed that he had acted on the instructions by then premier Dr Mahathir Mohamad and finance minister Daim Zainuddin to take over MAS. Mahathir, however, has denied ever having given such instructions.

Minister in the Prime Minister's Department Mohd Nazri Abdul Aziz, in a letter last August, had informed litigants that the government and the Finance Ministry had agreed that all suits against Tajudin would be withdrawn for an out-of-court settlement.

The legal team was to be replaced by lawyers from Hafarizam Wan Aishah & Mubarak, a firm that regularly acts for Umno, in a bid to save the government billions of ringgit.

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