

'Gov't should nationalise Maju Expressway'

MalaysiaKini.com

March 20, 2012

The federal government has been urged to nationalise Maju Expressway (MEX), which is already 75 percent government-funded and which will potentially earn RM3.2 billion over the next 25 years.

NONE In a statement today, DAP publicity secretary Tony Pua (right) said should the federal government invoke the expropriation clause in the MEX concession agreement, it would cost RM401 million at most, without considering possible liabilities.

Pua said EP Manufacturing Bhd (EPMB) with the concession acquisition from Maju Holdings Sdn Bhd stands to make a killing from what was essentially a government-funded project.

“Therefore, it makes absolute sense for the government to expropriate or buy back MEX instead of letting the highway continue to rob the man-on-the-street.

“Should the government fail to expropriate the highway, it will certainly make true the Malaysian BN dictum of ‘crony first, rakyat last’,” said Pua.

Questions about EPMB’s acquisition plans stem from a report on Friday, which Pua argued would potentially make Maju Holdings a net profit of RM1.09 billion.

Pua said Abu Sahid Mohamad, who owns 96.8 percent of Maju Holdings, had only paid about RM60 million for the project while the rest was borne by a RM976.7 million government grant.

EPMB, according to a report in The Edge Financial Daily, had acquired the concession for RM1.7 billion.

Pua pointed out that Abu Sahid was making a “astronomical” 1,800 percent return on investment in less than eight years since the construction of the MEX began in 2004.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <http://www.malaysiakini.com/news/192630>

