

Selangor 'did not overpay' for Danau Putra land
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The Selangor government did not overpay Trinity Corporation Bhd, formerly known as Talam Corporation Bhd, for four plots of land in Danau Putra.

In fact, the state government was given a RM5.8 million discount on the transaction, Trinity Corporation chairperson Tsen Keng Yam said yesterday.

The mostly submerged parcel of land, Tsen said in a press statement, was valued at RM93.5 million, or RM15.98 per square foot, by independent valuers after considering of the cost of RM51.5 million for filling the land with soil.

In addition, he said, the existence of the submerged portion had been disclosed to the state in its valuation report, which was scrutinised and approved by the Securities Commission's Assets Valuation Department and by Bursa Malaysia.

Despite this, the land parcel totalling 134.35 acres was sold to the state at RM87.7 million, or RM15psf, lower than the original valuation.

The issue was raised by Deputy Agriculture Minister Chua Tee Yong (right), who questioned whether Selangor had overpaid for the land by RM57.3 million.

Chua said one of the plots, 80 percent of which was under water, was auctioned at RM15 million, or RM5.20psf. At this rate, he argued, the whole parcel ought to cost RM30.4 million.

Chua, who is also the MCA Young Professionals Bureau chief, also asked why this plot has been the subject of litigation.

No loss to the state

In response, Tsen said: "In addressing the issue whether the land was sold above the market value to the state through our debt settlement exercise, we categorically deny such an allegation."

He said two of the plots were being purchased, while the plot that was sold at RM15 million also had an interested purchaser who has already paid a deposit, and was waiting for the litigation related to the plot to conclude.

"We are given to understand that none of these sales were concluded below RM15 per square foot, and that all the monetary benefits from these sales belong to Selangor state.

"Hence, this reaffirms the fact that the Selangor state had nothing to lose but more to gain from the debt settlement exercise with Talam," Tsen (left) said.

However, he declined to explain why the partly-submerged plot was valued at RM5.20 for the purpose of the auction, fearing that it would be subjudice and in contempt of the High Court proceedings.

Nonetheless, he pointed out the company's 2011 and 2012 annual reports state that if the

legal dispute is not settled the state government's, Talam would identify a new piece of land as a replacement.

"Hence, there would be no loss to the state arising from the legal dispute," he said.

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