

Boustead flayed for footing Raja Ropiaah's bond

MalaysiaKini.com

March 14, 2013

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A Boustead Holdings Bhd subsidiary has paid for an expired RM87 million land bond on behalf of a Umno leader's company for the National Defence Education Institute (Puspahanas) project, claims PKR.

PKR director of strategy Rafizi Ramli said the payment is rightfully the responsibility of Selangor Umno Wanita chief Raja Ropiaah Raja Abdullah's company, Awan Megah Sdn Bhd, as it is the project contractor.

Instead, Rafizi (right) said, the payment came from Bakti Wira Sdn Bhd under a new agreement with Awan Megah, following the acquisition of carpet dealer Deepak Jaikishan's company Astacanggih Sdn Bhd last year.

Since the Armed Forces Fund Board (LTAT) owns Boustead, Rafizi argued, the bond money was effectively coming from the veterans' fund.

"It's as if those responsible for the (Mindef) Puspahanas project have used the funds of army veterans for the contractor of its own choice to bear the financial guarantee for the project to be completed," he told a press conference at the PKR headquarters today.

He explained that the land bond, originally worth RM72 million, was to be borne by Astacanggih. When cooperation between the company and Awan Megah fell apart, the bond expired.

"Till now the bond has not been renewed by Awan Megah and the Ministry of Defence has taken no action against Awan Megah or Raja Ropiaah (left).

"This goes against the rules and regulations of national procurement," Rafizi added.

He slammed the ministry for unethical behaviour for allowing Awan Megah to continue to hold the project, even though the bond had expired.

Instead of dismissing them, he said, they had used Bakti Wira to "save" Awan Megah to allow them to continue to hold the project.

Rafizi called on Defence Minister Ahmad Zahid Hamidi to explain why Awan Megah was being given this "special treatment".

"Zahid needs to explain to the Armed Forces what is so special about Awan Megah and Raja Ropiaah, to the extent that funds linked to the Defence Ministry must be used to salvage Raja Ropiaah's failure," he added.

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