

Did minister influence Bank Rakyat loans, asks PAS
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PAS has urged Bank Rakyat and the government to answer allegations that political connections had allowed a carpet trader to get away with a most favourable soft loan worth RM32 million.

PAS information chief Mahfuz Omar said both the bank and the government should explain how a cabinet minister can apparently force the bank to agree to let the businessman pay back this loan over 10 years, with no interest charges.

“We want an explanation from the bank... is the restructuring because the borrower failed to pay? If you fail to pay why was no legal action taken against the borrower?”

“Why have discussions with the minister’s office to pay the debt?” Mahfuz, the MP for Pokok Sena, asked at a press conference at PAS headquarters today.

He referred to a report by The Malaysian Insider (TMI) which quoted a former Bank Rakyat chairperson as claiming that Domestic Trade, Cooperatives and Consumerism Minister Hasan Malek had intervened in Bank Rakyat’s lending decisions.

Former bank chairperson Sabbaruddin Chik had told TMI that the bank’s board members initially rejected the offer, but later agreed after a request from Hasan.

Hasan has evaded reporters at an event today, TMI reported.

According to the report, Sabbaruddin’s contract was not extended after it ended in April this year.

Mahfuz today urged the Malaysian Anti-Corruption Commission (MACC) and Bank Negara Malaysia to look into the matter.

He noted that Bank Rakyat was mostly owned by ordinary people, with two million shares of the bank owned by 945,522 individuals and 2,019 cooperatives. These consisted of farmers and farmers’ groups.

“I am also asking for an extraordinary general meeting by the shareholders to discuss the minister’s intervention as it is a scandal.

“The government should look at it very seriously as the welfare of many people in cooperatives are being affected,” he said.

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