

**Subra defends role in Maika
Malaysiakini.com
July 11, 2010**

A sleepy debate today turned rambunctious when former MIC deputy president S Subramaniam took to the floor - the first time in twenty years - to deflect claims he had obstructed possible solutions to the problem of Maika Holdings.

Subramaniam (left) denied today that he impeded the MIC investment arm from selling its shares at RM2 per unit to the Maxis group.

The issue cropped up at the party's annual general meeting earlier today when a delegate demanded to know why G Team Resources and Holdings Sdn Bhd was only offering 80 sen per share.

In addition to demanding an explanation for the lower offer, the delegate also blamed the missed opportunity offered by a court injunction to stop the sale of Oriental Capital Assurance (OCA) Bhd to refund its shareholders.

S Samy Vellu was the first to interject in the debates on the presidential address and told the 1,010 delegates present that the Maxis group had offered RM2 for each share in the insurance company.

However, added the MIC chief, the sale of OCA was disrupted following the injunction obtained by Subramaniam and Nesa Cooperative.

Following Samy Vellu's explanation, Subramaniam - who was seated with the delegates - requested to speak, and was given several minutes by former MIC secretary-general G Vadiveloo to explain the allegations.

Subramaniam said he did not act to the detriment of shareholders by "stabbing" Maika.

All eyes turned to Subramaniam as he explained that the injunction was obtained to stop the sale of OAC before proper evaluations had been made, and was not aimed against the investment arm.

"We wanted to stop sale of Oriental to a non-Indian company, and we also wanted a due diligence (conducted) on the company," he said.

vell paari vellpaariFurthermore, he added, the decision to turn down the RM2 per share offer was resolved by Maika and rejected by the board members and its chief executive officer - and Samy's son - Vell Paari (right).

Conditional offer

At this point, Samy Vellu asked for his son to come on stage and tell his side of the Maika story so that "the delegates can decide for themselves".

Vell Paari, who was then seated on the main stage with the rest of the central working committee (CWC) members, subsequently clarified that the RM2 per share offer was a conditional one.

"One of the conditions stated is that once we get into an agreement, we cannot negotiate with others, and their offer could be even lower after due diligence," said Vell Paari.

As the price was not concluded in the agreement, he said that they asked the company to alter the agreement. However, no response was forthcoming.

"It was not a firm price but was based on several conditions," he said.

samy vellu mic agm 110710 01Maika, founded by Samy Vellu, has been in financial turmoil for several years now following the failure of its long list of business ventures and investments.

It was established in 1982, purportedly to enable Indian Malaysians to have a share in the country's economic growth. It raised RM106 million from 66,000 investors.

The AGM held on Aug 30, 2007, turned out to be a robust affair with accusations and allegations of thuggery claimed by both Subramaniam and his supporters as well as by those on the other side - people aligned to Samy Vellu.

Subramaniam, who lost the leadership tussle with Samy Vellu, was continuously harassed by the president's men at the AGM whenever questions were asked pertaining to Maika's finances.

Subramaniam, his supporters and many other shareholders left the meeting soon after.

A voting process on the proposed sale of the insurance company took place after the walkout, which Maika claimed to have received an overwhelming support from the shareholders.

Nesa, in its suit, now claims that the meeting was never allowed to take place in an orderly fashion and wants the court to intervene to safeguard the interest of all shareholders.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.
Source : <http://www.malaysiakini.com/news/137030>