

Pay Khalid RM10 mil, Rahman Maidin ordered
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Former Penang Malay Chamber of Commerce chairperson Abdul Rahman Maidin was ordered by the High Court in Kuala Lumpur today to pay RM10 million to former Realmild Sdn Bhd director Khalid Ahmad.

On top of this, judge Mary Lim of the court's Commercial Division also ordered Rahman to pay RM70,000 in costs.

abdul rahman maidinIn her oral judgment, Justice Lim said Rahman (left) was not a novice but an established corporate player.

She acknowledged Khalid's role in the inception of Realmild, and his ownership of five percent of the company's shares that were in dispute.

Formed in 1991, Realmild controls Malaysian Resources Corporation Bhd (MRCB).

The plaintiff's case, the judge said, was strengthened by the testimony of (former Berita Harian Sdn Bhd group editor) Ahmad Nazri Abdullah, one of the founding members of Realmild, which had also bought the New Straits Times Press (M) Bhd media conglomerate from Renong.

Justice Lim also noted Rahman's weakness in not calling witnesses to dispute the five percent stake in Realmild owned by Khalid as a factor resulting in the court arriving at the decision.

"Hence, the court rules that there is no misrepresentation made by the plaintiff (Khalid) on the ownership of the five percent shares," she said.

Rahman was represented by Alex de Silva and Eugene Jayaraj Williams, while Ahmad Fadzil Mohd Perdaus appeared for Khalid.

Khalid, a former director of Realmild and former managing director of NSTP Bhd, had claimed he owns five per cent of the Realmild shares and that he had accepted Rahman's offer to buy his stake.

'Shares held in trust for Umno'

Throughout the hearing, Justice Lim read the chronology of the case and the different scenarios brought up by Khalid and Rahman.

This followed former premier Dr Mahathir Mohamad instruction to Rahman to transfer all seven million Realmild shares (7,101,001 shares) which belonged to Umno to one Wan Abdul Rahim Wan Abdullah, without consideration.

Realmild started off as a RM2 company before gaining a controlling stake in MRCB and media giant NSTP, in a move initiated by the then deputy prime minister cum finance minister, Anwar Ibrahim with the objective of producing more bumiputera entrepreneurs.

Khalid: I am not a crony

Khalid, a practising accountant said he is elated with the decision as it was proof that he was not anyone's crony.

Describing it as a good decision, he added that it showed the truth had prevailed as he did own the five per cent of the Realmild shares and the judge had accepted that.

Using an analogy of a car ownership, he said the share in a company is like one's name in the grant for a vehicle.

"I have played my part in setting-up Realmild, and the judge recognises this as my name is listed as a shareholder in the company. Although my stake was small, I tried to manage it as well as I could being a trained accountant," he said.

"The decision today also showed that I am not a crony as my share is legitimately owned due to my role in forming the company. I am not (a crony) because I am a professional. All this while I've been saying that," he said.

The then prime-minister (Dr Mahathir) who had asked Rahman to relinquish all Realmild shares, does not know anything about dealing in shares, he said.

"The most important thing in corporate law is that any share... even though 10 sen can be unitised to be put on a title... and no other law can say it's not yours," he added.

He, however , did not want to comment much on the Umno ownership of the shares as his mind was focused on running the company.

Rahman: will appeal

Rahman, when met ,said he was perplexed by the judge's decision today as he would not have been able to transfer the shares if they belonged to Umno as said.

"I will consult with my lawyers and it is likely I will appeal the decision," he said.

The case had revolved around Khalid's claim that Rahman had paid RM5 million, and that both sides had agreed to the total selling price of the shares at RM15 million, which had been reduced from an initial value of RM30 million.

He added that the price of RM15 million was agreed upon after the part payment of RM5 million was made by Rahman, and that the remaining sum was to be paid within a year.

He said he had asked Rahman many times to settle the remaining RM10 million, but failed to do so.

He was seeking the RM10 million, interest at eight per cent a year, costs and other relief deemed fit by the court.

Rahman, in his statement of defence and counter-claim, said the shares were held in trust for Umno and that he was asked to relinquish all his stakes in Realmild to Syed Anwar Jamalullail, a younger brother of Raja of Perlis.

Hence, he said, the amount owed was void, or a factual mistake and was therefore seeking

the return the RM5 million he had paid to Khalid because he had suffered a loss in the deal.

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