

**Koh told not to pass the buck to Anwar**  
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**Athi Veerangan**

Dr Koh Tsu Koon should stop blaming others for Penang Development Corporation's loss of RM9 million in a botched share transaction with a private company during his tenure as chief minister.  
MCPX

Chief Minister Lim Guan Eng slammed his predecessor for attempting to 'pass the buck' by blaming former deputy premier and finance minister Anwar Ibrahim on PDC's financial loss "when it was his own blunder".

Lim said Koh should take full responsibility for the loss because he was the state agency's head when the decision was made not to collect the outstanding debt from Business Focus Sdn Bhd (BFSB), which was controlled by tycoon Amin Shah Omar Shah.

amin shah omar sshah and malaysia naval ships Amin (left) is elder brother of Barisan Nasional candidate of Permatang Pauh by-election Arif Shah.

In an immediate response to Koh's claim earlier today that Anwar's intervention through a May 22, 1998 letter had resulted in the loss, Lim said the former chief minister was attempting to evade criticism for his own folly in allowing the company to avoid paying the outstanding debt.

In 1992, BFSB bought PDC's shares in Penang Shipbuilding Corporation Sdn Bhd (PSC) for RM29 million, which included a piece of land in Pulau Jerjak.

Instead of being given the normal period for full payment to be made, BFSB got an additional six years until May 31, 2008 to pay the RM29 million.

Apparently in May 1998, BFSB sought to delay its repayment of the debt, which at that time amounted to RM17 million, and Anwar's confidential secretary Anuar Shaari had written a letter requesting PDC's management to "look into the matter and provide feedback on it".

Koh pointed out that the letter proved Anwar's intervention in the issue, something which Lim had vehemently denied.

"The letter only says that Anwar was merely inquiring the issue, not issuing any directives to Koh to default BFSB debt.

"It proved nothing," said Lim, showing the purported letter to journalists at his Komtar office today.

### **Defaulted twice in payments**

Lim said Koh cannot escape blame since the RM9 million debt had remained uncollected well after Anwar was sacked from the government 10 years ago.

BFSB has since wound up and the land had been transferred to another company.

The whole controversy has not only exposed PDC's financial loss, said Lim, but also revealed irregularities, and failures to adhere to basic financial management procedures and legal documentation to protect PDC interests.

Earlier, Koh said BFSB was repaying the debt on schedule until it faced financial difficulties in 1997 where the company started to delay its payments.

When the state government wanted to take action on BFSB, he alleged that Anwar had intervened and apparently told Koh to allow the company to recover from its difficulties caused by the financial downturn before continuing with its repayments.

"Anwar told us that since the company would secure a lot of government contracts, it has bright prospect and potential to repay the debt," he said, adding that the PKR de facto leader gave his directives via phone, and later when both met face to face.

"We renegotiated and had a new deal to allow another five-year extension for debt repayment," he said, adding that the company's debt settlements were on schedule for more than five years until it defaulted again in 2004.

PDC, which had by then collected RM20 million from BFSB, took legal action to recover the rest of the money but it was futile as the company finally closed shop.

Anwar is facing Arif and Hanafi Hamat from relatively unknown Angkatan Keadilan Insan Malaysia (AKim) in a three-cornered contest at the Aug 26 Permatang Pauh by-election.

Lim and Koh will be debating the issue of questionable land deals in Penang live on television tomorrow.

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