

Abdullah: Take action

PM: Bank Islam must act against negligent officers

BY SA'ODAH ELIAS

PUTRAJAYA: Bank Islam's management must quickly identify and act against officers responsible for the bad loans that led to the bank's RM700mil pre-tax losses.

Prime Minister Datuk Seri Abdullah Ahmad Badawi said negligence or inefficiency is not an excuse.

"We have to take action if people are negligent. If there are elements of

criminal activities, then appropriate action must be taken.

"This is important because banks are involved in business activities using other people's money and any action on the part of officers that can result in losses must be viewed very seriously," he said after chairing the National Finance Council meeting here yesterday.

Abdullah, who is also Finance Minister, was commenting on a report

that Bank Islam would expose the names of the officers responsible for the heavy loss.

Abdullah said the loss, to a certain extent, damaged the image of the bank, though its integrity remained intact.

"Thus, the bank must act fast

"Otherwise, there will this perception that we are not serious about punishing the guilty party. In time, this will erode their confidence in the

bank," he added.

Asked about the proposed takeover of Southern Bank Bhd by Bumiputra-Commerce Holdings Bhd, Abdullah said he has yet to be briefed on the latest development.

"However, I understand that it is not due to pressure from any party. It is something that is entirely market driven," he said.

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MAKING A POINT: Abdullah speaking to newsmen in Putrajaya yesterday. With him are Chan, Emran (left) and Bukit Aman Internal Security and Public Order Director Comm Datuk Osman Talib.