

Top SC job to be split between retiring Treasury chief, executive director
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KUALA LUMPUR, Feb 9 — The Securities Commission (SC) will revamp its top post with retiring Treasury chief Tan Sri Dr Wan Abdul Aziz Wan Abdullah taking over as non-executive chairman from current executive chairman Tan Sri Zarinah Anwar when she steps down at the end of March, sources say.

The Malaysian Insider understands that Zarinah's regulatory duties will be taken over by Datuk Ranjit Ajit Singh, who is now the executive director of market supervision in the commission. It is learnt that Putrajaya felt Ranjit was most capable for the top job but there was concern the right wing in Umno may jump if a non-Malay took the post, leading the government to split the job to provide cover for any non-Malay getting such a post and placate the Malay ground.

"Dr Wan Abdul Aziz will come on board as non-executive chairman and Ranjit will be the top regulator," a government source told The Malaysian Insider.

Zarinah is stepping down as SC chief at the end of March. Another source said the government will make the announcement soon, including naming a replacement for Wan Abdul Aziz in the Treasury.

"They've decided to split the SC post for accountability purposes and to provide cover for any non-Malays getting such a job while placating the Malay ground," he said, adding that Zarinah was both chairman of the commission and also head of the senior management in the SC.

"So now, the top regulator reports to the commission," the source said.

Singapore's The Straits Times reported last week that Zarinah was stepping down as the SC chief next month after six years at the helm of the capital markets watchdog.

Her contract ended amid pressure over the market regulator's role in conglomerate Sime Darby Bhd's acquisition of a 30 per cent stake in E&O Berhad last August, where her husband was chairman of the property developer.

The Straits Times said government officials and financial executives close to the situation told the newspaper that "Prime Minister and Finance Minister Najib Razak will decide on her replacement in the coming weeks."

"The E&O deal has put Tan Sri Zarinah in a tight spot. The reason is that her husband, who is E&O chairman, had raised his personal stock holdings in the company just days before Sime Darby's announcement," it reported.

State-controlled Sime Darby purchased its 30 per cent interest from three major shareholders — E&O managing director Datuk Terry Tham, Singapore's GK Goh Holdings and a group of investors led by businessman Tan Sri Wan Azmi Wan Hamzah — at the end

of August last year in a deal that valued E&O shares at RM2.30 a piece.

The purchase price represented a 60 per cent premium over the value of the shares in the company on the open market when the deal was announced.

The RM776 million deal triggered unease over the widely perceived coddling by the agency of large state-controlled companies at the expense of minority shareholders when exercising its authority on corporate takeovers.

The SC ruled six weeks after the deal that the plantation-based conglomerate did not have to make a general offer, prompting E&O minority shareholder Michael Chow to sue the SC for failing to compel Sime Darby to make a general offer for the rest of the shares, which would cost an additional RM1.8 billion.

This came despite a SC task force finding that Sime Darby was obliged to make a general offer for E&O shares after acquiring a 30 per cent stake in the property developer.

Singapore's The Straits Times reported last week that the task force was of the view that a general offer obligation had been triggered as a new "concert party" was created between Sime Darby and Tham, who jointly controlled more than 33 per cent in the property concern after the deal.

Malaysia's takeover rules stipulate that any party that acquires more than a 33 per cent interest in a public-listed entity must carry out a general offer for the remaining shares.

A general offer can also be triggered if a new party buys less than 33 per cent, but secures management control of the target company.

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