

Charge NFCorp top guns with breaking companies law too, Pua tells A-G
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KUALA LUMPUR, Feb 28 — The Attorney-General must prosecute the National Feedlot Corporation (NFCorp) directors for breaching the Companies Act by using shareholders' money for their own personal gains, DAP MP Tony Pua said today.

The opposition lawmaker pointed out that the senior management officials tasked with running the national cattle farm had admitted to freely using its corporate account for individual purposes when they issued a recent statement to justify their actions.

"NFCorp had claimed that 'the so-called 'unrelated companies' of NFCorp where the fund was channelled to were always meant to be the subsidiaries of NFCorp. However such a claim is in fact a clear admission of wrongdoing under the Companies Act,'" Pua (picture) said in a statement today.

"The statement by NFCorp that 'the directors of NFCorp sat on the board of these associate companies' would 'prove exactly the point of the attempt to rationalise' the group of unrelated companies is in fact the exact offence which the Companies Act seeks to make illegal," he stressed, referring to the firm run by senior Umno minister Datuk Seri Shahrizat Abdul Jalil's husband and children.

Her husband, Datuk Seri Mohamad Salleh Ismail, is chairman while son Wan Shahinur Izmir Salleh is its chief executive. Wan Shahimur Izran Salleh and Wan Izzana Fatimah Salleh are also heavily involved in managing NFCorp.

Pua was responding to NFCorp's February 26 retort to Datuk Syed Ismail Syed Azizan, director of the police Commercial Crimes Investigation Department (CCID), which had recommended the company executives be charged with criminal breach of trust (CBT).

In a statement, NFCorp claimed the police recommendation was "premature" and failed to take into account the "intentions" of its board.

The Petaling Jaya Utara MP had previously highlighted that the contract between NFCorp and Putrajaya specifically stated that the RM250 million government loan was strictly for the purpose of developing, nurturing and promoting the production of beef, but it had gone into buying luxury condominiums in Malaysia and Singapore.

He continued to slam the company for trying to mislead the public and pointed to a list of provisions under the Companies Act which NFCorp has allegedly broken.

Citing section 133 and 133A under the "Loans Prohibited" category, he noted that "a company shall not make a loan to a director of the company or of a company which by virtue of section 6 is deemed to be related to that company, or enter into any guarantee or provide any security in connection with a loan made to such a director by any other person".

He said that under the law, even housing loans for employees and advances on expenditure to be incurred are considered legal only if the shareholder had given their approval beforehand.

"It is obvious in this case that no prior approval has been obtained from the Ministry of Finance which has a golden share in NFCorp," Pua said, of NFCorp's property purchases.

He added that section 133(4) of the same Act makes directors who break the prohibition "guilty of a criminal offence and such directors are made jointly and severally liable to indemnify the company against any resulting losses".

NFCorp hit the headlines after it made it into the Auditor-General's Report last year, and has continued to hog the limelight after it was linked to Shahrizat and her family.

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