

Tajudin cannot be indemnified against prosecution, says Mat Zain
The Malaysian Insider
March 07, 2012
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KUALA LUMPUR, March 7 — Tan Sri Tajudin Ramli is not immune from criminal prosecution over his handling of Malaysia Airlines System (MAS) during his tenure as its chairman, a former senior policeman has charged.

Referring to the out-of-court settlement reached between one-time national asset management firm Pengurusan Danaharta Bhd (Danaharta) and Tajudin, Datuk Mat Zain Ibrahim said that this did not change the fact that three police reports with “damning allegations” had been filed by MAS against the tycoon in 2002, 2005 and 2009.

“[Even] if all civil suits between Tajudin and the rest of the parties involved, MAS in particular, were to be settled out of court, they do not in any way nullify the three reports made against Tajudin by the MAS management. Those reports still stand to be valid,” the ex-KL CID chief said in a statement today, and also challenged Tajudin’s successor, Datuk Seri Idris Jala, to refute allegations made in the 2009 report.

“Tajudin cannot claim immunity from criminal prosecutions using ‘national service’ as an excuse. If he can be granted such immunity, then all police and military personnel can claim similar immunities, since all of them joined the forces to do ‘national service’,” added Mat Zain, referring to Tajudin’s insistence that his takeover of MAS was forced “national service” disguised as an arm’s length commercial deal.

Mat Zain pointed out that while former prime minister Tun Dr Mahathir Mohamed did “give the nod” to Tajudin to purchase the controlling stake in MAS in 1994, it was also Dr Mahathir who had removed Tajudin from the national airline’s helm in 2000.

“Tajudin may have been indemnified against any losses he suffered. But no one, not even the Attorney-General or the prime minister have the power to indemnify Tajudin against any criminal culpability,” he added.

The terms of the Danaharta-Tajudin settlement remain confidential despite a High Court decision in December 2009 for Tajudin to pay Danaharta RM589.14 million with two per cent interest per annum backdated to January 1, 2006.

The Najib administration decided recently to settle out-of-court the outstanding RM589 million debt owed by Tajudin from the loan he took to buy MAS in 1994.

The case between Danaharta and the tycoon arose after he executed a facility agreement on July 13, 1994 to borrow RM1.79 billion from a group of syndicated lenders to finance the purchase by him of a 32 per cent stake in MAS.

However, from 1994 to 1998 he failed to service the original loan, causing it to become a non-performing loan (NPL).

In 1998, Danaharta acquired the NPL from the lenders but Tajudin also failed to settle his

debts to Danaharta until it was in default of RM1.41 billion as at October 8, 2001.

As at December 31, 2005, the amount outstanding was RM589.14 million and on May 11, 2006, Danaharta and the subsidiaries commenced action to recover the money.

Tajudin alleged in his affidavit that he was directed by Dr Mahathir and former finance minister Tun Daim Zainuddin in 1994 to buy a controlling stake in MAS to bail out the government.

Today, the former top cop also accused A-G Tan Sri Abdul Gani Patail of taking efforts to "screen" Tajudin from legal punishments, and said that he could no longer be considered a neutral party in the matter.

"Unfortunately the power to institute, conduct or discontinue any criminal proceedings lies with the A-G, who in turn is seen to be a party to the conspiracy to the extent that he appears, to be unable to properly discharge the functions of his office," said Mat Zain.

He said Prime Minister Datuk Seri Najib Razak should advise the Yang-di Pertuan Agong to appoint a tribunal to look into Gani's conduct as A-G to determine whether the allegations of misappropriation and power abuse were true.

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