

Khalid files application to strike out Puncak Niaga lawsuit

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Former Selangor menteri besar Abdul Khalid Ibrahim has filed an application to strike out a in the RM14 billion [lawsuit](#) by Puncak Niaga Holdings Bhd which had named him, incumbent Selangor Menteri Besar Azmin Ali and the state government as defendants.

The water company had alleged that both Azmin and Khalid had abused their powers by threatening to cause, or attempting to cause, the federal government to invoke the use of the Water Services Industry Act 2006 to force a takeover of the state's water industry.

In a statement today, Khalid confirmed that his lawyers had filed the application to strike out the suit at the Shah Alam High Court yesterday, and that the court was informed of the matter during case management this morning.

However, he said that he was told that the lawsuit was "trivial" and an abuse of the court's process.

"Regardless of the court's decision and if a hearing is to be fixed, I will state the truth on all matters related to the restructuring of the Selangor water industry, especially in relation to Puncak Niaga.

"I had, at all material time, acted according to the law and upheld the federal constitution and the state constitution," he said.

Stressing that water should not be bought and sold as a normal commodity, Khalid said reaping astronomical profits should not be the government's main aim.

"I want to also remind the current state government that the restructuring of Selangor's water industry should be made in a transparent and responsible manner so that the rakyat do not be burdened by exorbitant costs.

"It is highly disappointing how the state government has yet to make an open offer to Splash or taken legal action against it so that the restructuring process can be done properly for the rakyat," he said.

Puncak Niaga is claiming damages, interest on damages and costs of the difference between the value of PNSB Water Sdn Bhd (formerly known as Puncak Niaga (M) Sdn Bhd) at RM2.08 billion, and Syarikat Bekalan Air Selangor Sdn Bhd (Syabas) at RM2.35 billion, and the actual purchase consideration of RM1.55

billion under the 2014 share purchase agreement between Puncak Niaga and Pengurusan Air Selangor Sdn Bhd.

It is also claiming for the loss of business opportunities both locally and abroad, totalling RM13.5 billion.

The Selangor government and Putrajaya signed a memorandum of understanding in 2014, which saw the former taking over four water concessionaires which had been operating in the state.

Under Selangor's water restructuring exercise, the state government had taken over water assets which had belonged to Puncak Niaga, Syabas and Konsortium Abass, worth over RM6 billion.

The disposal of PNSB and Syabas was completed on Oct 15, 2015, for RM1.55 billion.

The consolidation of water assets is still ongoing, as the takeover of Splash, or Syarikat Pengeluar Air Sungai Selangor Sdn Bhd, has not been completed.

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