'Abattoir delay cause of default'

KUALA LUMPUR: The National Feedlot Corporation (NFCorp) yesterday explained that it sought a loan repayment deferment due to the delay in the construction of an export-quality abattoir and other infrastructure by third parties at the National Feedlot Centre in Gemas, Negri Sembilan.

The company said it had written to the government to defer the loan

repayment on Oct 27, 2009.

"According to the implementation agreement and in subsequent meetings with the government, the export-quality abattoir was to have been built in 2008 and rented to NFCorp to meet its production targets. However, the abattoir was delayed and has yet to be built today," it said in a statement yesterday.

The delayed infrastructure included the 7.5km concrete road leading to the feedlot centre in Gemas as well as the provision of a water system, comprising pools, piping and tube wells,

it added.

This, it added, had severely disrupted the company's targeted beef production numbers and its projected business turnover.

NFCorp also said that the government had allocated a separate fund to the Veterinary Services Department for the construction of the abattoir.