

NFCorp: Loan received only after agreement was signed

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PETALING JAYA: The National Feedlot Corporation (NFCorp) yesterday denied claims that funds from its RM250 million soft loan obtained from the government were debited into its accounts before the loan agreement was signed.

NFCorp executive director Wan Shahinur Izmir Salleh clarified that the company had signed an agreement for the loan on Dec 6, 2007, and not in 2010 as alleged by some quarters.

"The loan facility that was extended to us in 2007 amounted to RM250 million. We were entrusted to build a planned, sustained and integrated beef production business that will enable the country to attain 40% self-sufficiency," said Wan Shahinur Izmir.

He said NFCorp's first withdrawal of RM7 million was made in January 2008, in compliance with proper procedure. The loan agreement signed in 2007 covers a loan period of 20 years with a grace period of three years.

"A separate implementation agreement for the National Feedlot

Centre (NFC) project in Gemas was signed on March 8, 2010 between the Agriculture and Agro-based Industries Ministry and NFCorp," he said, adding that NFCorp will start repaying its loan this year.

He said NFCorp is confident that it will be able to meet its repayment schedule, as its orders for this month alone has been valued at RM1.9 million.

The loan agreement stipulated that payments are to be made over a period of 17 years, at 2% per annum.

The NFC scandal came to light last year after the 2010 Auditor-

General's Report pointed out that the corporation had failed to perform.

Wan Shahinur Izmir, who sits on NFCorp board of directors, is the son of Women, Family and Community Development Minister Datuk Seri Shahrizat Abdul Jalil. Her husband Datuk Seri Dr Mohamad Salleh Ismail is NFCorp chairman.

Shahrizat on Thursday applied for three weeks leave from all ministerial duties to allow a Malaysian Anti-Corruption Commission probe to be carried out, following calls for her resignation from various quarters.

Prime Minister Datuk Seri Najib Razak had also on Saturday announced that NFC's assets had been temporarily frozen, pending outcome of the MACC's probe.

The Public Accounts Committee had on Nov 23 last year confirmed that NFCorp was able to withdraw its RM250 million soft loan from the government even before a contract with the government was signed.

PAC chairman Azmi Khalid said this after the committee interviewed several Agriculture and Agro-based Industries Ministry officers.