

PRIME NEWS

NFCorp: CBT claims premature

TRUE PICTURE ON USE OF GOVT LOAN: Firm says it did no wrong and is shocked and puzzled by police statement as investigations are still being carried out

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NATIONAL Feedlot Corporation (NFCorp) has expressed concern that a premature statement has been made against the company with regards to police investigations into the company.

This follows a statement by Federal Commercial Crime Investigation Department (CCID) director Datuk Syed Ismail Syed Azizan on Saturday that investigations into the RM250 million cattle venture issue had indicated there were elements of criminal breach of trust (CBT) and cheating.

The statement suggested that money had been channelled from NFCorp to unrelated companies in which it held no shares and in view

of the fact that certain NFCorp directors also sat on the boards of these companies, the police had recommended for them to be charged with CBT.

"Firstly, NFCorp is shocked and puzzled that (Syed Ismail) had prematurely issued such a statement when he himself had admitted that investigations are still ongoing and still incomplete," it said in a statement.

NFCorp also questioned the prudence and motive behind the statement.

"Is he attempting to usurp the power of the honourable attorney-general, who in law, is the sole authority under the Constitution to decide if there is crime for purposes of prosecution?"

NFCorp pointed out that the "unrelated companies" where the funds were channelled to were "al-

ways meant to be subsidiaries of NFCorp".

The corporation also said police were aware of NFCorp's 2009 proposal to the government enabling it to novate the loan agreement to ensure that the government loan is better secured.

"The fact that NFCorp directors sit on the board of these associate companies proves exactly this attempt.

"The CCID fails to understand the dynamics of the facts and the law in the NFCorp issue.

"According to counsel, a loan document is never a document of the nature of trust. If the loan is used for a different purpose, it is therefore at worst, a breach of the loan agreement and not a criminal matter."

The corporation said, however, it would continue to cooperate with the authorities "to ensure that the truth prevails".

A series of police reports were lodged over various allegations involving NFCorp, including the purchase of two plots of land in Presint 10 in Putrajaya for RM3.3 million, a Mercedes Benz CLS 350 CGI for RM500,000 and two condominium units in One Menerung, Bangsar, for RM9.8 million.

In another statement, NFCorp said DAP national publicity secretary Tony Pua had misled the public when he provided the media with only a selective set of facts when alleging that the corporation had violated conditions of the loan agreement.

His accusations, NFCorp said, did not reflect the full details and true picture on the use of the loan approved by the government for the National Feedlot

Centre (NFC) programme. It said the loan agreement had to be read concurrently with the implementation agreement, the

powers of the company as set out in its memorandum and articles of association and other related documents.

One of the pertinent facts not mentioned was the fact that the government had in April 2009 put on hold the building of an export quality abattoir that was to be rented to NFCorp to facilitate a feasibility study by an independent consultant.

"As such, the effective date on the loan repayment is being renegotiated with the government due to the deferred construction of the abattoir."

NFCorp added that it was during this temporary deferment that monies were invested with the objective of ensuring that the company was able to meet its loan repayments.

"The intention to invest in properties was to hedge the funds to protect its value.

"In the event that the government resumes the NFC programme to construct the abattoir, NFCorp would dispose its other short-term investments in properties, and the funds and profits will be readily available for the company's operations."

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National Feedlot Corporation