

1. Govt calling for more tenders for Iskandar Malaysia train system

JOHOR BARU: The Federal Government has called on for more companies to submit their proposals to operate the proposed multi-billion Ringgit intercity rail transit system in Iskandar Malaysia.

Transport Minister Datuk Seri Liow Tiong Lai said that the Ministry welcomed investment and cooperation from the private sector for the proposed RM1.23bil project.

"The Ministry is currently reviewing and updating all proposals submitted by Masteel Bhd and KUB Malaysia Bhd since 2011 and we open to more submissions.

"We want more companies to take this opportunity as KTMB (Keretapi Tanah Melayu Bhd) cannot manage the train services by themselves," he during the Johor Motorcycle and Scooter Traders Association's Chinese New Year dinner at Southern University College here on Sunday night.

He added that the Ministry would also speed up the reviewing process, so that an update of the project could be submitted to Economic Council and recommend its re-tabling by this year.

Liow also said that the introduction of multi operators for Government railway tracks would maximise the utilisation of its rail assets and provide attractive alternative public transport services for commuters.

He added that the proposed system would also be complimentary to the ongoing Gemas-Johor Baru double tracking project, the KL-Singapore high speed rail, Johor-Woodlands Rapid Transit System as well as the Bus Rapid Transit system for the economic corridor.

"I hope that with such development taking place, Johoreans can enjoy a prosperous economic growth," he said.

The multi-billion Ringgit project proposed by Metropolitan Commuter Network Sdn Bhd (MCN), is a 60:40 joint venture between Masteel and KUB.

In 2009, MCN had proposed to construct a 30km double-track railway line linking Kulai and Johor Baru city centre, and a 50km link between Pasir Gudang and Port of Tanjung Pelepas using existing tracks.

2. Expert: TPPA is good – for Malaysian consumers especially

KUALA LUMPUR: The Trans-Pacific Partnership Agreement will benefit Malaysia as it will open up the right economy here, says a globally renowned expert on international trade.

"Looking at hot button issues such as services, foreign investment and government procurement, the TPPA will open up the right economy," said Dr Razeen Sally, who is also Institute for Democracy and Economic Affairs (Ideas) political economy and governance unit chair.

"If it is done in a proper way, its not just opening the door for foreign investors and multinational companies but local competitors too – and the biggest benefiter will be Malaysian consumers," he said at Ideas' fifth anniversary yesterday.

Dr Razeen, who is also a visiting associate professor at the Lee Kuan Yew school of public policy, explained that the negative response from the public was a result of misinformation from activists and NGOs.

"These are scare mongers. If investors need strong intellectual provisions and in return we have extra access to markets; it is a good investment."

Investor state dispute settlement, according to him, was of utmost concern for investors.

He said that to guarantee the safety of foreign investments, it was essential to have an independent arbitration panel in case something goes wrong.

"International arbitration is one of the ways of sending signals that the country is open for business."

At the same event, Pulai MP Datuk Nur Jazlan Mohamed called for the Sedition Act to retained.

"This statute should remain because our country is so diverse in terms of racial and religious composition that any spark can simply ignite a fire," he said.

However, he emphasised that the Act should be used sparingly and fairly.

An example he pointed out was: "If lawyer Eric Paulsen can be charged, why not Perkasa president Ibrahim Ali?"

3. Malaysia calls for more prominent Aseansai role

KUALA LUMPUR: Malaysia has called for the role of Asean Supreme Audit Institutions (Aseansai) to be further enhanced.

Foreign Minister Datuk Seri Anifah Aman said Malaysia, as the Asean chairman this year, was looking towards Aseansai for recommendations to draw up a Post-2015 Vision for the regional grouping.

"I would like to urge Aseansai to propose strategic objectives and action lines on areas such as transparency and accountability to Malaysia, as we are chairing the High-level Task Force on Asean Community Post-2015 Vision.

"Malaysia will ensure that all constructive views and input from all stakeholders will be taken into account in building the Post-2015 Vision," he said at the Aseansai Assembly Meeting here yesterday.

Anifah said every Asean member's supreme audit institution played an important role in upholding public sector accountability and transparency.

4. Govt officer claims trial to accepting luxury car as a bribe

SHAH ALAM: A chief administrative officer at the Mineral and Geosciences Department has pleaded not guilty in the Sessions Court to a charge of accepting a BMW 525i car as a bribe.

B. Kalaichelvan, 33, was alleged to have taken possession of the luxury car on behalf of his brother as an inducement to approve a pawnbroker licence three years ago.

He purportedly committed the offence by the roadside near the 1Utama Shopping Centre in Petaling Jaya between 8pm and 11pm on May 18, 2012.

At that time he was serving as a Diplomatic and Administrative Officer at the Moneylenders and Pawnbrokers Enforcement Division of the Housing and Local Government Ministry in Putrajaya.

According to the charge, Kalaichelvan accepted the car for his brother, B. Suthes, 29, from Yew Chai Huat, 44, who owns Semuajaya Resources and for which the licence was meant for.

The offence under Section 17(a) of the Malaysian Anti-Corruption Commission Act 2009 carries a maximum jail term of 20 years and a fine of RM10,000 or five times the value of bribe, whichever is higher, upon conviction.

Judge Noradidah Ahmad set bail at RM10,000 in one surety and scheduled March 11 for re-mention of the case.



Thursday February 12, 2015

5. Najib: Asean will emerge as new economic power

KUALA LUMPUR: Further integration in Asean will lead to the world witnessing the emergence of a new economic power in Southeast Asia, said Datuk Seri Najib Tun Razak.

"I say new, because although our economies have been trade and commercial hubs for centuries, we are today creating an economic union unlike anything since the days of empire," said the Prime Minister.

In realising that, Najib said Asean's priority must be to ensure that integration leads to equitable wealth creation and distribution as well as deepen financial integration and inclusion.

"We must ensure that all sectors of our economies are fully engaged in the Asean Community," he said in his keynote address at the ASEAN CAP10 CEO Summit here.

Najib said an economically integrated Asean benefits all of its member states with freer movement of goods, services, skilled labour and capital.

He said Asean is projected to have 125 million households with an income of over US\$7,500 (RM26,826) in the next 10 years, and would be the seventh largest economy in the world, with a combined gross domestic product expected to reach US\$4tril (RM14.3tril) by 2020, if it were a single country.

The establishment of Asean as a single market and production base would also unlock the potential to level the playing field with the world's biggest economies, he stressed.

"Harmonising and standardising trade and customs, processes and procedures will reduce transaction costs, making Asean even more attractive as an investment location and enhance export competitiveness.

"Liberalising the financial services sector while ensuring responsible investment and sustainability will further increase investor confidence, stability and growth," he said.

Najib said Malaysia, as Chair of the Association this year, would continue to work closely with other member states to ensure that Asean delivers on key initiatives.

Malaysia will be recommending at the 26th Asean Summit in April that an enhanced Asean secretariat be deployed to ensure member states work together to craft and implement its post-2015 agenda.

"Malaysia will play a key role in building a stronger, more prosperous, more open Southeast Asia," Najib said.



Sunday February 15, 2015

6. Numerous factors expected to determine selling price of vehicles

PEOPLE have been holding back on buying cars because they have been told that when the GST comes in, there will be a drop in car prices. At least that is what the government side has been saying and suggesting.

But the industry players themselves are not so sure how the situation is going to evolve. Most say that in the short term, car prices are going to increase.

Armin Keller (*pic*), managing director at Volkswagen Group Malaysia, says that while the implementation of GST will be of interest to many, they cannot predict the market situation for certain.

"We believe customers would be a bit more cautious when it comes to spending, especially until the time GST comes into effect.

"Even after GST is implemented, some consumers might continue to remain a little cautious for a short period of time, especially due to the rise in cost of living.

"That being said, we are confident that the effects of GST would be short term, and the market will recover soon," he says in an email interview.

On whether the price of Volkswagen cars would be going up or down, he says the status of the prices in April would depend largely on the established governing policies.

"At this moment, we will be adjusting the prices from model to model, on a case-to-case basis according to the GST impact."

The Customs Department says prices of steel and raw materials are all coming down drastically in tandem with low oil prices and it expects car prices to come down.

But Keller says he does not see this as having a significant impact on car prices.

"Raw materials are only one of the numerous factors that affect car prices. There are several factors that determine the final selling price of a car in the market. These include various elements in the entire value chain, namely overhead costs, industrial production, currency value and on-ground operations, to name a few."

As for the stronger US dollar against the ringgit, he says there will "definitely be an impact" on the car industry if the gap between the ringgit and US dollar continues to widen.

"The reason is that it would cost more to bring in CBU and CKD kits from overseas, where one of the main currencies of transaction is the US dollar."

Keller says it was due to this reason that Volkswagen Malaysia revised its price list at the beginning of the year.

Based on their assessment, Edaran Tan Chong Motor Sdn Bhd says the implementation of GST will definitely have an impact in the industry as it is a transaction-based multi-stage tax imposed at each business transaction stage.

Director of marketing and product planning Tan Keng Meng says there will be different implications on businesses in various areas ranging from tax computation, collection, refunds, reconciliation and costing compared to the existing Sales and Service Tax regime.

Tan Chong is known for its Nissan cars. Tan says the automotive industry via the Malaysia Automotive Association (MAA) has highlighted that there are a lot of uncertainties in the GST processes.

"The impact towards car price is not so straightforward, as there are many uncertain and unclear issues," he says.

One of the key issues, he says, is the implication on the current stocks, where the 10% sales tax has already been paid, and the current process allows a reclaim of the sales tax for this, at 20% from this paid tax.

"This inventory will be subjected to GST.

"As the Ringgit has weakened more than 10% against the US dollar, if the impact from the US dollar continues to increase, some of these costs may have to pass through by price adjustment and, given this scenario, the likelihood is that car price reduction during this transitional period is not possible," he says.

Another industry source who declined to be named says that because dealers with inventory prior to April 1, 2015 will only be reimbursed 20% of the SST that carried forward (8%) SST plus the impending 6% GST will amount to 14%, so in the short-term, this extra cost will be transferred to the buyers.

"Unless the ministry is willing to waive the SST for inventory prior to April 1, 2015, prices of cars will definitely increase."

For the long term, he adds, the industry is "unfortunately also unclear" of what will eventually occur.

"Currently, there is still no direction, guideline or mechanism from the Finance Ministry. Having said that, there could be a marginal decrease of 1% to 2%," he says.

On the question of demo cars and test drive cars already in stock not being able to get back any refund on the SST paid before April, the source says "with the current lack of insight, indeed it seems that the cost is to be absorbed by the industry."



Tuesday, 17 February 2015

7. Malaysia extends zero duty on crude palm oil exports

PETALING JAYA: Malaysia is extending the zero duty on crude palm oil (CPO) exports for March based on the newly released CPO gazetted price at RM2,232.88 per tonne yesterday, which is still below the RM2,250 per tonne price threshold that will trigger the export duty.

The exemption on CPO export duty has taken many by surprise especially after the Government announced last week on the possibility of resuming the export duty regime that had been suspended since September last year.

"Many industry players and analysts had anticipated that the CPO export tax would resume in March given the recovery in the locally delivered CPO prices currently hovering at RM2,290-RM2,300 per tonne - higher than the threshold price," an industry source told *StarBiz* yesterday.

The calculation for the CPO gazetted price for exports which is provided by the Malaysian Palm Oil Board (MPOB) is based on the CPO freight on board (FOB) prices and not locally delivered CPO prices.

For March, the calculation is based on the CPO FOB prices for the last 15 days of January together with the first 10 days of February.

"The CPO FOB price is collected and monitored by the MPOB and not declared on a daily basis. Sometimes, it created discontentment among some industry players as it has made it difficult for them to plan ahead," added the source.

Under the domestic CPO export duty structure, the CPO exports will be taxed from 4.5% onwards when the CPO gazetted price is higher than the RM2,250 per tonne threshold price.

Having said that the Government, in a surprise move in September last year, imposed zero duty on CPO exports even when the CPO gazetted price was much higher at RM2,281.72 per tonne than the threshold price.

"At the end of the day, I believe the final decision (to impose or exempt the CPO export tax) lies with the Government.

"But to pre-empt the market by declaring a zero CPO export duty well ahead of the gazetted threshold price is sending the wrong message to the world market," he added.

Declaring a zero duty CPO export does not necessarily increase the demand for CPO worldwide.

Furthermore, the impact of zero duty CPO exports in Malaysia should not be seen in isolation, "This must be seen together with the Indonesian duty export structure. If zero CPO export duty is declared by both countries, it means that there is no tax differential between the two countries.

"Malaysia will have no further advantage to export or sell processed palm oil (RBD palm oil and RBD palm olein), as Indonesia will not impose any duty on its processed palm oils either," the source pointed out.

8. Idris Jusoh: Malaysia's higher education system world class

BESUT: Malaysia's higher education is now on par with those of developed nations including the United Kingdom, Germany and Australia, said Second Education Minister Datuk Seri Idris Jusoh.

He said this was proven by the fact that 135,000 foreign students made up 10% of students at national higher educational institutions in the country.

"Now, foreign students are confident of studying in Malaysia compared with previously, more so with the strong economic development, and the stable and well-administered government in the country," he told reporters in Jerteh here Saturday.

He said Malaysia was now the ninth most popular destination for foreign students in various fields including engineering, agriculture, and information and communication technology.

Idris said Universiti Malaya was now in 151st position (up from 167) in the list of 400 top institutions in the world in the 2014 QS World Ranking of prestigious universities.

London-based QS Quacquarelli Symonds is an organisation that evaluates universities of the world via academic reputation measurement, employer's reputation, student-faculty ratio, research paper of every faculty, citations per paper, internationalisation and student exchange programme.

In addition, four other Malaysian institutions whose positions have improved compared with last year were Universiti Kebangsaan Malaysia in 259th place (compared to 269 in 2013), Universiti Teknologi Malaysia in 294th spot (355), Universiti Sains Malaysia is in 309th position and Universiti Putra Malaysia in 376th spot.

According to Idris, the countries that had started sending their students to study in Malaysia included Australia and China.

In this regard, he urged the public not to be influenced those who liked to tarnish the Government by saying the educational system in the country was still backward.

9. Petronas allots RM2.1bil in contracts

KUCHING: Petronas will allocate RM2.1bil of its oil and gas contracts exclusively to Sarawak-based contractors annually.

State Assistant Communication Minister Datuk Lee Kim Shin said the decision was one of several reached in the on-going negotiation for more oil royalties between Sarawak, the Federal Government and the national oil company.

Lee called it a boon for the state economy and attributed it to Chief Minister Tan Sri Adenan Satem for taking a firm stand on the "poor deal" the state had been getting for decades.

"He put up a very strong petition to Petronas to give more royalty or other benefits to Sarawak. Also Petronas will give more shares of subsidiary companies which will benefit Sarawak. We hope Petronas will from now on give more recognition to Sarawak," Lee said here on Thursday.

He said all this while, it has always been Sarawakian companies doing all the jobs, but unfortunately, there were just sub-contractors.

"The main contractors always come from outside when most of our companies have been in the oil and gas industry for more than 100 years. We have the most experience," he said.

Lee said recently a local company was left nearly bankrupt because a main contractor from the peninsula did not pay for the works done.

"We brought the matter to Petronas, and the main contractor was terminated," he told reporters at the Chinese New Year open house hosted by Sarawak United People's Party (SUPP).

SUPP secretary general Datuk Sebastian Ting hailed the deal as a landmark, saying this was the first time that Petronas has really taken notice of Sarawak.

"For the first time, we know for certain the amounts of contracts that will be given to Sarawak-based companies," Ting said.

In January, the Chief Minister said among other requests from the Sarawak Government was for Petronas to help set up more technical colleges and branch campuses in the state.

Last year within a week of being sworn into office, Adenan told *The Star* that Sarawak's 5% oil and gas royalty rate from the Federal Government was not enough.

Subsequently, the Sarawak Legislative Assembly passed a landmark motion urging the Federal Government for more oil and gas benefits.



Monday February 23, 2015

10. Twenty-six appointed members of three independent MACC panels

PUTRAJAYA: Nineteen new faces have been appointed to the three independent panels that come under the Malaysian Anti-Corruption Commission (MACC).

The 19, along with seven others, were given letters of appointment by Prime Minister Datuk Seri Najib Tun Razak here Monday declaring them as members of either the Operations Review Panel (eight members), the Consultation and Corruption Prevention Panel (14 members), and the Complaints Committee (four members)

The duration of appointments to the Operations Review Panel and Complaints Committee is for two years, while it was only for a year for those sitting on the Consultation and Corruption Prevention Panel.

Those on the Operations Review Panel include former Sarawak State Secretary Tan Sri Dr Hamid Bugo, New Straits Times Press (M) Bhd chairman Tan Sri Mohamed Jawhar Hassan, Bank Islam (M) Bhd chairman Datuk Zamani Abdul Ghani, former deputy Auditor-General Datuk Azizah Arshad, former Public Complaints Bureau director-general Datuk Wan Abdul Wahab Abdullah, Universiti Teknologi Mara Accounting Research Institute director Prof Dr Normah Omar, Universiti Sains Malaysia Criminology Faculty Assoc Professor Dr P. Sundramoorthy, and former Bar Council president Lim Chee Wee.

Those on the Consultation and Corruption Prevention Panel include Media Prima Bhd chairman Tan Sri Johan Jaaffar, Limkokwing University president Tan Sri Dr Lim Kok Wing, Federation of Malaysian Consumers Associations president Datuk Dr N. Marimuthu, Kumpulan Media Karangkraf chairman Datuk Dr Hussamuddin Yaacob, Federation of Chinese Associations of Malaysia (Hua Zong) honorary deputy secretary-general Prof Datuk Dr Chin Yew Sin, advocate and solicitor Datuk Zuraidah Atan, former Malaysian Islamic Development Department director-general Datuk Wan Mohamad Sheikh Abdul Aziz, former Public Complaints Bureau director-general Datuk Khalid Ibrahim, Institute of Marketing Malaysia president Datuk Sharifah Mohd Ismail, former USM Right Livelihood College director Datuk Dr Anwar Fazal, UiTM Faculty of Accountancy lecturer Prof Dr Syed Noh Syed Ahmad, UiTM Communication and Media Studies lecturer Assoc Prof Dr Ismail

Sualman, former Malaysia Institute of Internal Auditors president Walter Sandosam, and The Sun Daily editor R. Nadeswaran.

Those on the Complaints Committee are former Sarawak state secretary Tan Sri Wilson Baya Dandot, former Sabah federal secretary Datuk Mohammad Hatta Abd Aziz, former Public Service Department deputy director-general Datuk Ahmad Said, and former MACC Human Resource Management and General Administration director Rohani Abdul Kadir.

MACC, which was set up in 2009, has five independent bodies namely Special Committee on Corruption; Anti-Corruption Advisory Board; Operations Review Panel; Complaints Committee, as well as the Consultation and Corruption Prevention Panel.



Tuesday, 24 February 2015

11. Zeti says ringgit undervalued (Update)

KUALA LUMPUR: Bank Negara Malaysia governor Tan Sri Dr Zeti Akhtar Aziz believes the ringgit is currently undervalued, and expects that over time it will reflect the country's underlying fundamentals.

"The ringgit in our assessment is undervalued at this point of time and over time we expect it to reflect our underlying fundamentals which at this point manifests itself in steady growth in the region of 5%," she said on Tuesday.

Zeti added the current monetary policy remains accommodative. Bank Negara, she said, will continue to evaluate and monitor the risks to inflation and to growth.

On the inflation outlook, she does not expect it to dip into negative territory.

"While inflation is slightly lower than earlier expected, we don't expect it to trend in negative territory as what we have seen in certain countries that are experiencing deflation," Zeti said.

She was speaking to reporters after the launch of the Maybank Islamic Shariah Centre of Excellence at the main campus of The Global University of Islamic Finance.

At 2.38pm, the ringgit was trading at 3.6345 against the US dollar from the previous close of 3.6372.



Thursday, 26 February 2015

12. Malaysia eyes RM56bil investments in manufacturing sector

KUALA LUMPUR: Malaysia aims to attract investments worth RM56bil in the manufacturing sector in 2015, a modest target compared with the RM71.9bil it received last year.

Minister of International Trade and Industry Minister Datuk Seri Mustapa Mohamed said the manufacturing sector has remained attractive to investors, with approved investments in the sector surging by 38% to RM71.9bil in 2014 compared with RM52.1bil in 2013.

For the services sector, excluding real estate, the government expects to attract RM64.5bil in investments this year, the minister said after revealing the country's Investment Performance Report 2014 here today.

Despite a challenging external environment this year, Mustapa said he still expects a moderate outlook for the investment climate in Malaysia.

He said currently there are RM65.1bil worth of on-going projects --RM51.4bil in the manufacturing sector and RM13.7bil in the services sector.

Malaysian Investment Development Authority (MIDA) Chief Executive Officer Datuk Azman Mahmud said the agency will continue to focus on an ecosystem approach to lure investments in the targeted industries.

This includes strengthening the coordination of investment promotion activities, enhancing facilitation of approved investments, and improving the compilation and dissemination of investment statistics.

MIDA is an agency under MITI that overseas and drives investments in the manufacturing and services sectors.

Azman said the government, on its part, will continue to introduce various measures and incentives to enhance Malaysia's competitiveness.

13. Malaysia sovereign fund plans US\$279mil "social impact" sukuk

LONDON: Malaysia's US\$40 billion sovereign wealth fund Khazanah Nasional plans to issue a sukuk worth up to one billion ringgit (US\$279.17 million) to help fund schools, its managing director said on Thursday.

Speaking to Reuters on the sidelines of an Islamic finance event in London, the fund's head Azman Mokhtar said the planned "social impact sukuk" is awaiting regulatory approval from Malaysian financial regulators.

The move is aimed at opening funding for education to a broad pool of investors rather than financing it out of its own reserves, he added.

"The objective for us is not really fund raising. We could fund this ourselves. This is to open it up to others," he said, adding approval could come within two months.

Mokhtar said "a lot of charitable organisations, family offices and trusts" wanted to participate in the fundraising and this had helped prompt Khazana into setting up the sukuk rather than using its own money.

Khazanah announced in January that during 2014 it posted a 7.7 percent increase in the value of its assets, which include stakes in some of Malaysia's largest listed firms, including mobile services provider Axiata Group and property firm UEM Sunrise. (\$1 = 3.5820 ringgit) (1 British pound = 5.5181 ringgit)

14. Malaysia's approved investments at record RM236bil

KUALA LUMPUR: Approved investments climbed for the fourth consecutive year in 2014, rising to a new high of RM235.9bil compared with RM219.4bil recorded in 2013, said International Trade and Industry Minister Datuk Seri Mustapa Mohamed.

Domestic investments accounted for 72.6% of the total while new investments in the manufacturing sector rose 38% to RM71.9bil.

The approved projects last year would create 178,360 new jobs, Mustapa said.

He said the Government was setting a modest target of RM56bil for approved projects in the manufacturing sector amid a more challenging global economic outlook.

"We are planning to introduce tax and location incentives for principal hub companies," Mustapa said at an economic event organised by the Performance Management and Delivery Unit (Pemandu) yesterday. The Government, he said, would include customised incentives to attract more foreign investors.

The economy expanded 6% in 2014, boosted by steady growth in the construction and services sector.

Exports, a key engine in the country's economic growth, rose 5.1% to RM741.3mil.

The Government revised its budget for 2015 after taking into account the lower oil prices.

"Continued surplus in the current account provides for economic strength that buffer against external shocks," Minister in the Prime Minister Department in charge of the Economic Planning Unit (EPU) Datuk Sri Abdul Wahid Omar said at the same event.

But sustaining growth in 2015 would be a challenging one, as plunging prices of crude oil reduced the country's income and affected the key oil and gas industry.

"We are seeing a significant shift from dependence on oil revenue with the reduction from 35.4% of total government revenue in 2010 to 29.7% as estimated by EPU in 2014," Minister in the Prime Minister Department and CEO of Pemandu Datuk Seri Idris Jala said.

He also said that the country's current fiscal issues, like persistent budget deficit and revenue worries, were relatively "easy" to fix.

He noted the plunge in crude oil prices oil had allowed the Government the opportunity to rationalise its hugely expensive fuel subsidy programme, while the introduction of the goods and services tax in April would immediately broaden the country's tax base.

15. High Court throws out NFC boss bid to strike out CBT charges

KUALA LUMPUR: The High Court has thrown out a bid to strike out charges against National Feedlot Corporation executive chairman Datuk Seri Mohamad Salleh Ismail for criminal breach of trust involving nearly RM50mil.

Justice Mohd Azman Husin dismissed the defence's appeal to strike out the two charges, ruling that the charges were in order and in no way defective.

Justice Mohd Azman also ruled that the Sessions Court had not erred in dismissing Mohamad Salleh's attempt to strike out the charges and ordered the case returned to the Sessions Court.

However, his lawyer Al Firdaus Shahrul applied for a stay pending an appeal to the Court of Appeal.

On March 12, 2012, Mohamad Salleh, 66, in his capacity as NFCorp director, was charged with CBT amounting to RM9.7mil to fund part purchase of two units of condominium here and transferring RM40mil into the account of National Meat & Livestock Corporation, which he owns with one of his sons.

He is said to have committed the first offence at the CIMB Islamic Bank branch in Taman Tun Dr Ismail here between Dec 1 and Dec 4, 2009 and the second offence between May 6 and Nov 16, 2009.

In a separate press conference, Mohamad Salleh's wife, Wanita Umno chief Datuk Seri Sharizat Abdul Jalil, said her family felt sad after hearing the decision.

"Even so, we accept the process of law," she told reporters at her home in Bukit Damansara.

Sharizat added that the NFC was not related to her, saying "it's my husband's business".

She also said her husband would be discussing with their lawyer Tan Sri Dr Muhammad Shafee Abdullah on whether they should appeal the decision.

Also present was Wanita Umno information chief Datuk Rosni Zahari, who said the issue was as an attempt to attack Barisan Nasional.

"Datuk Seri (Sharizat) became a political victim just because they want to see Wanita Umno destroyed," she said, adding that the wing pledged full support for its chief.