

## **MINORITY SHAREHOLDER WATCHDOG GROUP**

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia – Company No. 524989-M)

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# Puncak Niaga MSWG not registered with CCM



**THE** Puncak Niaga Minority Shareholder Watchdog Group (Puncak Niaga MSWG), which has surfaced to defend its minority-shareholder interest in Puncak Niaga Holdings Bhd, is not a registered entity with the Companies Commission of Malaysia (CCM), sources say.

The group, reportedly formed on June 28, was thrust into the limelight when it also defended the huge remuneration package for Puncak Niaga executive chairman Tan Sri Rozali Ismail.

The emergence of the group has created some confusion as it shares a name with the established Badan Pengawas Pemegang Saham Minoriti Bhd (MSWG), set

up in 2000 to champion corporate governance and protect the interests of minority shareholders in public-listed companies.

MSWG is a company limited by guarantee and registered with the CCM. Its chairman is Tan Sri Dr Sulaiman Mahbob, formerly director-general of the government's Economic Planning Unit.

The latest development also saw a new twist to the saga as it is learnt the new group is not registered with the CCM, corporate regulator of local businesses and companies.

However, it is not known if Puncak Niaga MSWG, which claims a membership of about 130, has submitted an application to the CCM. The identities of Puncak Niaga MSWG board members

and committee members are also unclear.

It is not permissible for another entity to use the MSWG name where it leads to confusion in the market. MSWG has received numerous calls and queries about the issue.

To recap, **FocusM** recently reported that minority shareholders of Puncak Niaga had raised the issue of Rozali's RM33.4 mil total remuneration package at its AGM on June 26. Following the issue, Puncak Niaga MSWG emerged and defended the pay package to Rozali.

Another interesting point from this latest development is that it may also spur more such in-house minority-shareholder groups.

One of the cornerstones of minority-shareholder activism is independence in articulating matters of corporate governance and how a company is managed. However, it is unclear if in-house MSWGs will have the same level of shareholder independence.

Interestingly, similar developments took place in 2011, when Malayan Banking Bhd (Maybank) decided to set up an in-house employees union.

This put it on a collision course with the larger National Union for Bank Employees (NUBE). Since then, it is learnt a few other banks also set up in-house employees unions. Perhaps minority shareholders should take a leaf from the bank-union book and sort out the confusion. **FocusM**