

(26 November 2021) The Star-p. 2

By BAVANI M

bavanim@thestar.com.my

THE Kuala Lumpur City Hall (DBKL) officers' cooperative is facing a liquidity crisis.

Unproductive investments made by the board management has left its coffers empty, leaving retired members who want to withdraw their funds in the lurch.

Dozens of Koperasi Pegawai-Pegawai Dewan Bandaraya Kuala Lumpur Bhd (KPPDBKL) members are demanding answers to what has happened to their hard-earned savings.

The matter only came to light after several senior DBKL employees, who retired last year, went to the cooperative office in Cheras to apply to withdraw their funds, only to be told that it was not possible as there was no money.

Upon further checks, *StarMetro* found out that officers who had retired in 2018 were also yet to get their monies.

"I started depositing RM10 at the beginning of my career in DBKL in the early 1980s and later increased the amount to RM100 a month.

"Today, I have RM30,000 savings in the cooperative," said a retired deputy director who declined to be named.

"Last year was a difficult year for me and my family. Despite getting a small sum in pension, it was not enough to manage my household and family.

"So I was looking forward to getting the money that I had saved through salary deductions to settle some expenses," he said.

Another member who only wanted to be known as Tan, said he retired in 2019, after working 40 years with the local authority's health department.

"I have about RM30,000 in the cooperative and was looking forward to using it for much-needed expenses, but was shocked when informed there was no money left," Tan said.

Basory Sariman, who has been a cooperative member for 39 years and has about RM12,000 stuck in KPPDBKL, is equally bitter.

"The money was deducted every month from my salary without fail for almost four decades.

"Had I known it was all going to be for nothing, I would never have become a member," he said, adding that he heard the cooperative had been facing financial issues

# DBKL officers' cooperative members left in the lurch

## Legal action being considered as attempts to withdraw money fail



The 2.04ha Malay reserve land in Kampung Sungai Merab, bordering Dengkil and Semenyih, is among assets owned by the cooperative.

for the past few years.

KPPDBKL members have since set up a group to find more details about the missing funds because of a lack of information from the management board.

A team leader still working at DBKL, who did not wish to be named, told *StarMetro* that the members discovered that the cooperative was having financial difficulties only when they wanted to withdraw their funds.

"I did some checking and discovered that there were people

who had retired since 2018, and who had applied to take out the funds, but were still waiting in vain to be paid," the officer said.

"We have set up a Telegram chat group. There are hundreds of people who want answers," he said.

He added that the cooperative had not held its annual general meeting for several years, ostensibly because of the Covid-19 pandemic, though he believed that was not the real reason.

He also questioned why the

cooperative management board had approved the purchase of properties outside Kuala Lumpur.

In April, the team leader met mayor Datuk Seri Mahadi Che Ngah, officers from the legal department and DBKL executive director (Management) Datuk Kamarulzaman Mat Salleh, who is also the cooperative's chairman, to get answers.

The mayor promised to look into the matter but has since left it to Kamarulzaman to respond to the queries.

### Failed investments

Former cooperative chairman Dr Khalid Amat, who helmed KPPDBKL from 2008 to 2009, said there was RM5mil in the cooperative coffers when he was in charge.

"Business was good then but later, the cooperative invested in housing projects in Kajang, and purchased land in Selangor and shoplots in Kuala Lumpur.

"By the time I retired in 2020, I was not even able to collect RM16,000 of my savings," Khalid





A notice outside the KPPDBKL office states that the cooperative is closed and a contact number is given, but the line has since been disconnected. (Right) The KPPDBKL office at Wisma KOP DBKL in Jalan Cheras is one of several assets, including land banks and a shoplot, that the cooperative owns. — LOW BOON TAT/The Star

complained, adding that he was planning to sue the cooperative if it failed to address the matter.

Another DBKL employee, known only as Dr Jamaiah, retired in 2019 and applied to withdraw her savings soon after.

"It's been three years now and I am still waiting for my money," she said.

"When I asked them what was holding them back from paying me, they kept telling me there was no more money.

"I tried calling again in 2020 and was given the same excuse," she added.

Dr Jamaiah said several years ago, she invested about RM300,000 with the cooperative to buy four bungalow lots in Semenyih.

"When I found out that the project was not progressing, I immediately opted out and requested that my money be returned.

"Luckily, they had the funds then and returned my money minus the RM30,000 booking fee," she said.

It is also learnt that some members intended to lodge a report with the Malaysian Anti-Corruption Commission (MACC).

Reports have already been lodged with the Cooperative Commission of Malaysia (SKM), which said the matter was now



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Datuk Kamarulzaman Mat Salleh

under investigation.

Members want the authorities to investigate the committee members responsible for managing the cooperative funds.

StarMetro tried calling the cooperative's landline in Cheras but the number was no longer in service.

A visit to the office revealed that the doors were locked and the lights switched off.

After repeatedly ringing the doorbell, a staff member appeared.

When questioned, she claimed that the cooperative had no money and that they had been facing

financial problems since 2019.

She also said that the workers had not been paid their salaries for the past three months and were promised to be paid soon.

As for the phone line, she said it was disconnected because the bills were not paid.

### Liquidity crisis

When contacted, KPPDBKL chairman Kamarulzaman said the cooperative, which has 1,015 members, was facing liquidity constraints that made it difficult for it to meet financial obligations.

"Due to several past investments that did not bring in any profit or revenue, it has been difficult for the cooperative to meet its running costs," he said in a written reply.

"Due diligence was carried out to evaluate the assets and liabilities and certain activities sustaining on bank loans were not viable.

"So at the moment, payments have to be delayed until we settle cash flow issues," he stated.

Kamarulzaman said the matter was currently with the SKM tribunal to find a solution to the crisis.

When asked if there was any money left in the cooperative's coffers, Kamarulzaman admitted there were issues with cash flow but said they still had assets in the form of land banks and properties in the Klang Valley.

Among the assets are land in Tanjung Malim (Perak) and Sungai Merab (Hulu Langat) as well as bungalow lots in Selangor.

The cooperative also owns two office units in Warisan CityView (which are used as its offices) in Cheras, two serviced apartments and one shoplot in Kuala Lumpur.

He added that the KPPDBKL office was still functioning and reiterated that the management was working towards a solution to address the members' concerns.