



Speculation over Lotus boss Dany Bahar's future following suspension

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Fresh questions surrounded the future of Group Lotus boss Dany Bahar last night as he was dramatically suspended as chief executive of the Norfolk-based car maker following a complaint into his conduct by the firm's new Malaysian owners.

Mr Bahar, who has been in charge of the firm since October 2009, was temporarily removed from his £1.2m a year post while in Malaysia yesterday.

Bosses at DRB-Hicom, which bought the car maker's parent company Proton in January acted following an operational review into Lotus where it was running the rule over Mr Bahar's 10-year £200m turnaround plan to transform the company from a specialist niche car company into a profitable sports car brand.

No details of the allegations were given, but it is understood that Mr Bahar's laptop computer was also seized and his email account suspended, however it is not believed that police have been involved.

And in a move bypassing the firm's own press team, DRB has also called in former News of the World editor Phil Hall's crisis management company to handle the PR linked to the suspension.

The suspension is the latest twist in the Lotus saga following the Proton sale, however DRB moved to reassure the 1200 Lotus staff - who were told of the suspension by email yesterday - that it was "business as usual".

A spokesman for DRB-HICOM said: "As a result of a number of media inquiries, Group Lotus plc ("Lotus") can today confirm that, following an operational review, chief executive Dany Bahar has been temporarily suspended from his role to facilitate an investigation into a complaint about his conduct made by Lotus' penultimate parent company, DRB-HICOM Berhad.

"The penultimate holding company would like to stress it is business as usual at Lotus. We fully support the company and will continue to support Lotus in its business endeavours and development."

The statement added that in Mr Bahar's absence Dato' Lukman Ibrahim, Mohd Khalid Yusof and Aslam Farikullah - who are all from Lotus' parent company - will handle and conduct the day to day management and affairs of Group Lotus.

Lotus' future has been up in the air following the sale of its parent company Proton to DRB-Hicom in January, amid rumours that the company could be sold to the Chinese sparking a campaign locally to keep the company in Norfolk.

And it has been a tough few months for Mr Bahar following the Proton sale, with questions raised about whether the new owners would be prepared to bankroll the loss making carmaker.

Last month he was forced to deny that he had been moving to sell the company to Chinese manufacturer China

Youngman after it emerged that three days before the sale of Proton in January was announced he set up a paper company called Lotus Youngman.

Meanwhile he was named in a high court claim on February 21 in a dispute over an unpaid builder's fee of more than £92,000. Claims documents reveal the action centres upon almost £375,000 worth of renovation work, paid for by the loss-making company, of a house rented by Mr Bahar.

South Norfolk MP Richard Bacon, who has lead the charge to keep Lotus in Norfolk and has raised the issue with the prime minister in the House of Commons, said he had no reason to believe that the move would change DRB's commitment to the car firm or alter a pledge by the company that if a sale were to go ahead it would be on the condition that production remained in Norfolk.

"This is obviously a matter of some concern but ultimately how the parent company chooses to manage Group Lotus is a matter for them and if they have taken this decision, then so be it," Mr Bacon said. "I am sure they know what they are doing."

"When I met Hicom's group managing director Dato' Sri Haji Mohd Khamil Bin Jamil I was very impressed and he struck me as a very straight forward man and someone you could do business with. I took him at his word.

"My primary concern is securing the future of the jobs and staff in Norfolk both manufacturing and engineering."

Before the sale the government had been prepared to lend Lotus more than £10m to support its expansion plans, but this has been thrown into confusion following the sale. Although business secretary Vince Cable recently said the government was prepared to reactivate the loan deal once Lotus' future was secured.

A spokesman for BIS said: "It is very much a commercial matter for the company. We understand from the company it is business as usual."

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