

Malay Mail : Four report losses in water machine schemes

Written by Administrator

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FOUR men thought they would make some money by investing in water vending machine schemes operated by three companies. Lured by promises of quick returns, as well as claims by the companies that they had ties to prominent organisations like MSC Malaysia, the men pumped in money into the business. However, all were left rueing their naivety when they were saddled with losses.

One of the investors, business man Jonathan Toh claimed that he signed up after being convinced that he would get a profit of not less than RM3,000 from three machines. The company had promised me that they would place the machines in the Johor port, where I can generate high profits. However, they placed the machine elsewhere and I did not get the promised income, claimed Toh, who lost RM90,000 in the venture. Ganesan Krishnan, another investor, claimed that he was even threatened by the company when he asked for his RM11,066 refund. They had promised to place my machine at a factory in Petaling Jaya where I was supposed to be able to earn RM450 a day. In stead, they placed it near a coffee shop in Bandar Sunway. I then received notices from the coffee shop owner, asking me to pay for rent and water bills. I asked the company for a refund as I wasn't happy with the arrangement. Instead, I received threatening phone calls from them, he claimed, adding that he had lodged a police report on the alleged threats. However, in the case of Khairul Annuar Aziz, from Cyberjaya, he claimed that the company turned the tables on him when he pestered them for a refund. When I asked for a refund, they claimed that the period had lapsed. I told them that I would lodge a police report against them but in stead, they lodged a report against me for supposedly threatening their workers. I'm not afraid because I know I am right. I have evidence to prove this, claimed Khairul, who paid the company RM11,453 as a deposit. The men lodged complaints at MCA Public Services and Complaint Department. Department head Datuk Michael Chong said they have received 41 complaints from investors against the three water vending machine companies. The losses, he said, totalled more than RM1 million. Most of the investors became involved in the schemes after responding to ads in newspapers or cold calls. We have lodged reports with police and the Domestic Trade and Consumer Affairs Ministry. It will be brought to the attention of police's commercial crime unit, he said. The ministry's senior assistant director, Jeevananth Paliah, said they had raided one such company in Kuala Lumpur. If found guilty, the company could be fined up to RM250,000 and its officers jailed no more than five years under the Direct Selling Act 1993. As they had approved potential investors through phone calls, they could be considered direct-sellers and they don't have licences to operate like that.