

KENYA ANTI-CORRUPTION COMMISSION



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PRESS RELEASE

KACC TO ARRAIGN IN COURT FORMER RECEIVER/MANAGER OF MUHORONI SUGAR COMPANY LTD. MR. NDUNG'U GATHENJI AND MR. PETER MACHARIA TO FACE CORRUPTION RELATED CHARGES.

Dear News Editors,

The Kenya Anti-Corruption Commission (KACC) kindly requests you to publicize and inform the general public of the following:

The Commission will arraign today **Thursday 15th April 2010** at the **Anti-Corruption Court in Kisumu, Mr. Ndung'u Gathenji, former Receiver/Manager of Muhoroni Sugar Company Ltd.** to take plea on several counts of charges including failure to comply with applicable procedures and guidelines relating to the management of funds contrary to Section 45(2) (b) as read with Section 48 of the Anti-Corruption and Economic Crime Act, no. 3 of 2003. Other counts include Abuse of office contrary to Section 46 as read with Section 48 (1) and (2) of the Anti-Corruption and Economic Crime Act, no.3 of 2003 and Conflict of interest contrary to Section 42(3) as read with Section 48 of the of the Anti-Corruption and Economic Crime Act, no.3 of 2003.

It is alleged that on the 9th day of January, 2004, at the Muhoroni Sugar Company Limited (in receivership) in Muhoroni Township, Nyando District, being the receiver/manager for Muhoroni Sugar Company Limited (in receivership), willfully failed to comply with the guidelines relating to the management of the fund of the Muhoroni Sugar Company Limited (in receivership) as set up in the Deed of Appointment dated 27th March, 2001 and the Terms of Reference in respect of the receivership by authorizing the transfer of **Ksh.100 million** belonging to Muhoroni Sugar Company Limited (in receivership) to Drummond & Company Limited for short term investment without consulting the appointment authority, namely, the Kenya Sugar Board.

Also charged alongside Mr. Gathenji is **Mr. Peter Macharia, is the former Financial Controller for Muhoroni Sugar Company Limited** (in receivership), for improperly conferring a benefit on M/s Francis Drummond & Company Limited by authorizing the transfer of Ksh.100 million belonging to Muhoroni Sugar Company Limited.

Kindly publicize and broadcast this information to the public in your respective media. The fight against corruption continues.

Nicholas M. Simani, SS
Principal Public Relations and Protocol Officer
For: Ag. Director/Chief Executive

15th April 2010