

Japan to indict Nissan as well as Ghosn: report

December 7 2018



Carlos Ghosn's November 19 arrest in Tokyo shook the business world, where he has long been a highly regarded top executive

Tokyo prosecutors have decided to indict Nissan as well as its former chairman Carlos Ghosn and another executive as early as next week over

alleged financial misconduct, a report said Friday.

The report comes amid speculation that Ghosn and his right-hand man Greg Kelly will face new allegations related to under-reporting of the auto titan's compensation.

The pair were arrested on November 19 on suspicion of conspiring to understate Ghosn's pay by some five billion yen (\$44 million) in official filings during the five years up to March 2015.

The Nikkei business daily reported Friday that Ghosn and Kelly would likely be indicted on those allegations as soon as Monday, when their current detention period expires.

The daily said prosecutors had decided that Nissan was also responsible for the alleged financial wrong-doing and would bring charges against the firm.

It reported that Nissan's chief executive Hiroto Saikawa signed documents discussing payment and employment for Ghosn after his term as chairman.

But prosecutors reportedly doubt Saikawa was involved in the under-reporting, though he may face questions about failing to correct the false reports even though he apparently had opportunities to do, the Nikkei said.

Under Japanese law, prosecutors can hold suspects for up to 22 days while investigating a single allegation.

But they can seek an additional 22 days of detention for each new accusation against a suspect.

Reports suggest Ghosn and Kelly could face a new accusation related to under-reporting of the former chairman's compensation by another four billion yen (\$35.5 billion) over the last three years.

The new accusation is also expected to be announced next week.

Japanese prosecutors said they could not comment on the [report](#) and Nissan said only that it was cooperating with the [prosecutor's](#) office.

"The company has been... fully cooperating with its investigation. We will continue to do so," spokesman Nicholas Maxfield told AFP.

Neither Ghosn nor Kelly have yet been officially charged, and they deny any wrongdoing.

Ghosn's November 19 arrest in Tokyo shook the [business world](#), where he has long been a highly regarded top executive.

In Japan, Ghosn was celebrated as a charismatic business leader who saved Nissan from the brink of failure and rebuilt it as a money-maker in the alliance with Renault.

But since his shock arrest, he has been removed from the boards of Nissan and Mitsubishi Motors.

Nissan has begun the process of choosing Ghosn's successor, with the final decision expected on December 17.

© 2018 AFP

Citation: Japan to indict Nissan as well as Ghosn: report (2018, December 7) retrieved 25 April 2024 from <https://phys.org/news/2018-12-japan-indict-nissan-ghosn.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.