

Cabinet clears 1MDB of wrongdoings

MalaysiaKini.com

Mar 4, 2015

The cabinet has decided that debt-laden state investment firm 1Malaysia Development Bhd (1MDB) has done nothing wrong.

It decided this after hearing a briefing from 1MDB and its auditor Deloitte at the cabinet meeting today.

"Cabinet expressed confidence that no wrongdoing has been committed within 1MDB, and their desire for the company to be allowed to implement the proposed outcomes of its strategic review," said the Prime Minister's Office in a statement.

The decision comes as Prime Minister Najib Abdul Razak instructed the Auditor-General to audit 1MDB and present the report for inspection by the Public Accounts Committee.

At the briefing today, the cabinet was told that recent allegations against 1MDB have nothing to do with the Finance Ministry-owned firm.

"Cabinet was told that the recent allegations directed at 1MDB relate to transactions undertaken by third parties such as Petrosaudi, not 1MDB.

"The relevant investments of 1MDB have been returned in full with significant audited profit," said the PMO.

While it did not specify the allegation, 1MDB is under fire following an expose by Sarawak Report showing that it had banked in US\$700 million (RM2.5 billion) to a company linked to tycoon Jho Low.

The whistleblower website alleged that the payment was part of 1MDB's US\$1 billion (RM3.63 billion) investment into a now defunct joint venture with oil firm PetroSaudi International.

PetroSaudi, however, said that all funds invested by 1MDB went to PetroSaudi firms while Low's public relations representative did not respond to media queries.

1MDB: Attacks politically-motivated

Separately, 1MDB president and executive director Arul Kanda (left) said he welcomed Najib's call for a public audit and would cooperate with the auditor-general.

"It is clear that the attacks being directed at 1MDB are politically-motivated.

"These are deliberately coordinated attempts to undermine the company by spreading unsubstantiated allegations and speculation, which in turn could potentially harm the

economy," he said in a statement.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Source : <http://www.malaysiakini.com/news/290973>