

1MDB audit not enough, cops must enter, says Dr M
MalaysiaKini.com
Mar 13, 2015

The cabinet directive for the auditor-general to investigate 1Malaysia Development Bhd (1MDB) is not sufficient, former prime minister Dr Mahathir Mohamad says.

Instead, Mahathir said, the police must intervene and initiate forensic investigations.

"What is needed is not an ordinary audit of the accounts.

"What is needed is a forensic investigation by the police over the allegations against people who are involved in the financial management of 1MDB," he wrote on his blog today.

This comes after inspector-general of police Khalid Abu Bakar said cops will only wait until the auditor-general completes his investigation into 1MDB before stepping in.

Mahathir said an audit of 1MDB's accounts will not shed light on controversial claims such as Penang-born billionaire Jho Low's (right) alleged links to 1MDB or the prime minister's stepson Riza Aziz's large wealth.

Low had said he is a good friend of Riza Aziz and have admitted to selling him luxury properties in the US totalling close to US\$100 million.

"All these matters will not be contained in 1MDB's accounts.

"The rakyat want to know because it involves Jho Low. Jho Low is said to have managed US\$700 million in funds from 1MDB," he said.

'No real explanation by the PM'

Mahathir noted that Umno division leaders had last Sunday met to express support for Najib but said there was no real explanation by the premier on 1MDB.

He added that it was meaningless if the Umno president retains support among division leaders but loses the rakyat's support.

Mahathir said mere denial and claims that the 1MDB controversies is perpetrated by political opponents are not enough to convince the rakyat.

"The allegations made against 1MDB are not wild claims. They are based on clear facts which is the total debt, who are the managers, who received billions of ringgit, where the investments were made, where the money is kept and in what form," he said.

In what appeared to be a reference to Najib's defamation suits against his 1MDB critics, Mahathir said these critics would not have dared risk such suits if they did not have

evidence.

“Those who claim there are abuses in 1MDB’s management dare to make statements against the government and certain individuals even though they risk defamation suits.

“But they claim to have clear evidences such as emails, agreements and other proof. Even dates and names are disclosed. Could these allegation be lies?” he said.

In the lengthy blog posting, Mahathir touched on almost every controversial deal 1MDB was involved in, including its joint-venture with PetroSaudi, exorbitant commissions paid to Goldman Sachs and overpaying for power assets, to name a few.

He also questioned whether Malaysian billionaire Ananda Krishnan had loaned 1MDB RM2 billion to settle its debt and what are the terms as well as if 1MDB had asked for a RM3 billion loan from the government.

Gov't land not fair deal

Furthermore, Mahathir asked if the government had received a fair deal in its sale of land to 1MDB as well as the company’s other land purchases which were said to be overpriced.

“To date, the government has not responded in a way that makes sense.

“It is said 1MDB does not have a problem as (the value) of its asset is more than debt.

“Why then it couldn’t even pay a RM2 billion debt according to schedule and must take up debt to pay interest?” he said.

He added that since Arul Kanda Kandasamy (left) took over as 1MDB’s group executive director and president, he has come out with “illogical” explanation about the company’s activities.

“1MDB has raised many questions about its management and function. The amount (of money) is huge.

“The rakyat deserve to be suspicious about how and where their large amount of money is being used,” he said.

Last week, the cabinet cleared 1MDB of wrongdoing after receiving a briefing from Arul and auditing firm Deloitte.

Meanwhile, Jho Low has denied any direct involvement in 1MDB.

“I’m not hired by 1MDB and I don’t get paid any fees by 1MDB,” the 33-year-old billionaire told Hong Kong’s South China Morning Post.

"If the Malaysian authorities ask me to assist in their investigations, I'm happy to cooperate. I've nothing to hide. I believe in the rule of law.

"As of today, I'm not under investigation. I've never done anything illegal," he said.

Low, 1MDB and Najib has previously denied any allegations of wrongdoing and accused critics of serving a political agenda.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Source : <http://www.malaysiakini.com/news/291909>