

PM: 1MDB not bankrupt as it repaid RM2bil loan
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Prime Minister Najib Abdul Razak has defended his brainchild, the controversial 1Malaysia Development Berhad (1MDB) fund, saying it is not bankrupt.

Najib (left), in replying to a question by Jeff Ooi (DAP-Jelutong) in Parliament, said 1MDB has already repaid the RM2 billion loan it took from Maybank and RHB.

“The payment was made on Feb 13, according to the financial agreement. Hence, the issue as to allegations that 1MDB is bankrupt does not arise,” Najib, who is also the Finance Minister, said in his reply.

Ooi had asked the finance minister whether 1MDB is truly bankrupt as it is not able to repay the RM2 billion loan, where 58.99 percent came from Maybank and the remainder from RHB.

The Jelutong MP also asked why Bank Negara has not taken any action.

The RM2 billion loan non-payment has been a subject of controversy following concerns that it had been defaulted.

However, it is reported that tycoon T Ananda Krishnan had helped to arrange the RM2 billion in repayment. Based on 1MDB’s annual report at the end of March 2014, it had borrowings, including some payables, of a massive RM46 billion, liabilities of RM48 billion and assets of RM51 billion.